



# The State Bar *of California*

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## **OPEN SESSION AGENDA ITEM MARCH 2023 LEGAL SERVICES TRUST FUND COMMISSION 9.1**

**DATE:** March 24, 2023

**TO:** Members, Legal Services Trust Fund Commission

**FROM:** Members, Legal Services Trust Fund Commission Bank Grants Committee

**SUBJECT:** Delegate Authority to Make the 2024-2025 Bank Grants

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### **EXECUTIVE SUMMARY**

In 2015 and 2016, the State Bar of California received over \$50 million from Bank of America and Citi in accordance with settlement proceeds known as Bank Community Stabilization and Reinvestment Grant (BCSR) funds. To date, the State Bar has allocated over \$46.96 million of these funds to foreclosure prevention and community redevelopment legal services (bank grants). This memo proposes Legal Services Trust Fund Commission (Commission), Bank Grants Committee (Committee), and staff roles for awarding with the remaining \$4.5 million as 2024-2025 bank grants as described below.

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### **BACKGROUND**

In 2015 and 2016, the State Bar of California received over \$50 million from Bank of America and Citi in accordance with settlements with the U.S. Department of Justice (U.S. DOJ). These national settlements provided funds to Interest on Lawyers' Trust Accounts (IOLTA) organizations in every state for "foreclosure prevention legal assistance and community redevelopment legal assistance." To date, the State Bar, through the Commission, previously allocated over \$46.96 million to fund 152 awards through several rounds of competitive and formula grants, as well as 74 planning grants.

The most recent bank grants closed on December 31, 2022. After allocating five percent of the remaining funds—or approximately \$237,925—to the State Bar for grant administration, the

remaining \$4,520,570 of BCSR funds will be distributed through a competitive request for proposals (RFP) process.

## DISCUSSION

Based on the Committee's meeting calendar, as well as the Committee's desire to participate more actively in drafting the RFP alongside staff, there is not enough time for the Committee to recommend the 2024-2025 bank grants RFP and timeline ahead of the Commission's June 23, 2023, meeting. The Committee therefore asks the Commission to delegate authority to the Committee to approve the RFP and timeline for the 2024-2025 bank grants. The Committee recommends modeling the roles for making 2024-2025 bank grants to follow the Commission's most recent processes for competitive grantmaking. Applicants, commissioners, and staff will have from late-July to late-December to do the following:

- Approve a timeline, scoring rubric, and RFP (Committee);
- Launch the application (staff);
- Design/submit multi-year projects (applicants);
- Advise the scoring team, calibrate the rubric (Committee);
- Score proposals (commissioner-staff scoring team);
- Review budgets (commissioner-staff scoring team);
- Recommend awards (Committee);
- Approve awards (Commission); and
- Sign grant agreements (applicants and staff).

The Committee recommends the roles below and provides this sample timeline for making 2024-2025 bank grant awards by January 1, 2024:

### Sample Timeline for Making 2024-2025 Bank Grant Awards

Date(s)*	Activity
March 24, 2023	<b>Commission</b> approves delegation of authority
July 28, 2023	<b>Committee</b> approves timeline, RFP, scoring rubric, and reporting requirements
August 2, 2023	<b>Staff</b> releases application
August 30, 2023	Applications due (four weeks to apply)
September 11, 2023	<b>Committee</b> advises the scoring team/calibrates the rubric
September 12- October 13, 2023	<b>Commissioner-staff team</b> scores applications (four weeks to score)
October 27, 2023	<b>Committee</b> recommends awards
November 9, 2023	<b>Commission</b> approves awards
January 1, 2024	Grant period starts

\*All dates are approximate to accommodate applicant, commissioner, and staff schedules. However, the grant period start date will not change from January 1, 2024.

## RECOMMENDATIONS

Should the Commission agree with the Committee's recommendation, passage of the following resolution is recommended:

**RESOLVED**, that the Legal Services Trust Fund Commission (Commission) delegates authority to the Bank Grants Committee (Committee) to approve the grantmaking timeline, request for proposals, scoring rubric, and reporting requirements for the 2024-2025 bank grants, and to a commissioner-staff team to score applications in consultation with the Committee to make recommendations for final approval by the Commission.