

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE LEGAL SERVICES CORPORATION

WHEREAS, from 1979-1980, staff attorneys employed by Legal Services Corporation (LSC) recipients, with the knowledge and cooperation of LSC employees, participated in an effort to orchestrate opposition to a ballot proposition in the State of California known as Proposition 9; and

WHEREAS, the activities in opposition to Proposition 9 violated the Legal Services Act, the California Political Reform Act of 1974, and the Hatch Act; and

WHEREAS, the presentation of grant requests for illegal activities by recipients to LSC, as well as the granting of and approval of payment for such requests by LSC employees constituted the submission of false claims within the meaning of the False Claims Act; and

WHEREAS, in 1981, some LSC employees apparently solicited, approved, or otherwise acted on grant applications submitted by recipients with whom they had an understanding pertaining to prospective employment; and

WHEREAS, such political and unethical activities undermine public support for legal services programs throughout the country;

THEREFORE, be it resolved by the Board of Directors of LSC that the president of the corporation shall:

Investigate to determine the amount of LSC provided resources which were illegally expended in the campaign against the initiative proposition on the California statewide ballot in 1980 known as Proposition 9 and take steps to recover that amount

from the Western Center on Law and Poverty, the Legal Aid Foundation of Los Angeles, and any other recipient which participated in the illegal activities; and

Initiate administrative proceedings to terminate funding and to deny refunding to the Western Center on Law and Poverty, the Legal Aid Foundation of Los Angeles, and any other LSC recipient which participated in the illegal activities; and

Investigate and determine the identities of all LSC employees and recipient staff attorneys who participated in the illegal activities and forward the names and information developed in the investigation to the Civil Service Commission for disciplinary action; and

Investigate and determine the identities of all recipient employees who sought a special needs grant to finance the illegal activities, as well as those LSC employees who reviewed and approved the grant for payment, and request the attorney general to take civil action against those persons for damages and penalties for filing false claims against the government; and

Investigate and determine the identity of former LSC employees, including but not limited to Clint Lyons, who acted on grant applications submitted by recipients with whom they reasonably appear to have had an arrangement concerning prospective employment and request the attorney general to investigate the acts of such persons to determine whether a violation of 18 U.S.C. § 208(a) has occurred. The president's request to the attorney general shall include an additional request that, to protect against the appearance of political

influence in an investigation involving illegal political activity, the attorney general appoint an independent counsel to investigate the charges.

Unanimously passed and adopted by the Board of Directors of LSC this \_\_\_\_\_ day of \_\_\_\_\_, 1983.