

“I HAVE BEEN LIFTED UP BY
YOUR HELP. BEFORE THIS, I FELT
INVISIBLE AND WITHOUT A VOICE.
THANK YOU.”



“I KNEW I HAD RIGHTS, BUT I HAD
NOBODY TO REPRESENT ME. IT FELT
SO GOOD TO HAVE A LAWYER FOR THIS, AND
I’M REALLY HAPPY ABOUT THIS PROGRAM.”



Economic Impact of Civil Legal Aid Services in Maine

“WITHOUT THE ATTORNEY,
I HAD NO CLUE WHAT I WAS DOING.”



Prepared for Maine’s

JUSTICE ACTION GROUP

November 2016

Summarizing a Report by: Todd Gabe, Ph.D.,
Professor of Economics at the University of Maine.

Funders: Maine Justice Foundation, the Fisher Foundation,
Lanham Blackwell & Baber



Civil legal aid helps people meet their basic human needs for housing, income, safety and healthcare.

Maine's civil legal aid organizations deliver a wide range of help to people with low incomes who face legal problems. They will often help one person or family with a problem affecting basic human needs and relationships. They will also advocate for the rights of many people at once, changing a rule, decision or practice that affects all of them in the same way. Their efforts improve the health, safety and economic condition of many individuals and bring millions of additional dollars into Maine's economy.

This document summarizes a study of the economic impact of the civil legal aid work of six civil legal aid organizations: Cumberland Legal Aid Clinic of the University of Maine School of Law, Immigrant Legal Advocacy Project, Legal Services for the Elderly, Maine Equal Justice Partners, Maine Volunteer Lawyers Project and Pine Tree Legal Assistance.

First, this study verifies that lives have been changed for the better:

- Children and spouses received the support they were due.
- Evictions and foreclosures, and subsequent homelessness, were avoided.
- A successful class action suit protected healthcare and prescription coverages that otherwise would have been lost.

Second, the author of the study explored and measured the impact of these changes on Maine's economy, totaling over **\$105 million in 2015 alone!**

As Maine's Chief Justice has observed:

"Justice is best and most effectively served when all parties in legal disputes are competently represented by counsel. The many ways in which lawyers help their clients understand and participate in the pursuit of justice help assure the fair, prompt, and practical resolution of disputes. When the benefits of representation are missing, public confidence in the judicial system is reduced and our most vulnerable residents may be set adrift at crucial times in their lives. Providing representation at those critical points improves not just the fairness and understanding of the outcomes, but may reduce costs to all involved, including the taxpayers. Maine's Judicial Branch wholeheartedly supports maximizing the availability of legal counsel for those who cannot otherwise afford representation."

– Leigh Saufley, Chief Justice, Maine Supreme Judicial Court.

Civil legal aid resulted in a positive economic impact in Maine that totaled over \$105 million!

The impact of civil legal aid in individual cases handled in Maine in 2015 was over \$37 million.

Thanks to civil legal aid, individuals in Maine recovered \$24.6 million, including:

- \$13.4 million in federal benefits (tax refunds and reductions, SNAP, SSI and federal grant dollars) and associated impacts of those benefits, reached people in need who qualified for financial aid, but needed help to obtain what they were entitled to;
- \$6.9 million in child and spousal support to help Maine families;
- \$1.2 million in housing settlements from evictions and foreclosures that were dismissed, and housing loans that were modified or forgiven;
- \$2.3 million in the form of reduced credit card debt;
- \$710,000 in assets recovered for elderly victims of financial exploitation; and
- \$38,000 in recovered income.

Thanks to civil legal aid, Maine communities saved \$3.7 million, including:

- \$2.5 million in reduced spending on homeless shelters, as housing cases helped avoid evictions and secure appropriate housing where needed;
- \$317,000 in reduced healthcare spending and lost time at work due to domestic violence; and
- \$800,000 in General Assistance costs for asylum-seekers, who ceased needing assistance after obtaining legal work status with help from civil legal aid providers.

Thanks to civil legal aid, Maine workers added \$8.9 million to their potential earning abilities...

- \$2.7 million in earnings over a 10-year period was realized by helping clients remain in school; and
- \$6.2 million in earnings was realized by helping immigrant workers obtain legal authorization to work.

The impact of civil legal aid in systemic cases in 2015 was over \$68 million.

In addition to the one-to-one services reviewed, Maine's civil legal aid organizations also handled systemic cases in 2015, i.e. cases that each advanced the rights of a significant number of Maine people with low incomes and will continue to protect those rights into the future. **These successes included:**

- Partnering in a class action lawsuit with the Maine Center on Deafness to ensure that 750 people received hearing aids for which they were legally eligible but that they had not been able to obtain, providing \$600,000 of critically important assistance for hearing impaired persons to live full and productive lives;
- Preserving \$60 million in federal dollars to protect healthcare coverage for 33,000 Maine seniors and people with disabilities, who would have lost that coverage without effective legal analysis and advocacy; and
- Collaborating with state agencies to provide legal and policy strategies that preserved \$7.7 million in federal funds to provide help for 6,000 Mainers suffering from food insecurity.

Monetary impact means human impact.

What does an impact of \$105 million mean?

Providing free legal services brings tangible cost savings to our state, it puts real money back into our local economy, and it changes real people's lives for the better.

Thanks to civil legal aid...

- Jocelyn was finally able to feel safe again in her own home, and her student attorney was able to guide her through the process of filing a permanent Protection from Abuse order against her abusive husband, as he repeatedly violated the temporary order she had filed on her own.
- Dot, an 81-year-old woman, was able to receive back pay of nearly \$47,000 for her husband's social security and military retirement benefits, after years of non-payment following a difficult divorce.
- Charlotte in Aroostook County, 74 years old and legally blind, writes: "I have lived in my home for over 50 years. I have always done my best to pay my bills on time but for two years in a row I couldn't afford to pay my property taxes. I asked for an abatement and it was denied. A legal aid attorney appealed the decision and won. It made my life a lot less stressful. I am sure I would have lost my home if I had not gotten help."
- In spite of being married to a U.S. citizen, Xiuhong's immigration case took over thirteen years because of immigration backlogs and government errors. With ILAP's representation Xiuhong was finally granted legal permanent residency last year.
- Paula, an 86 year old woman, was terrified that she and her disabled son would be turned out of the home they had occupied for fifty years, when a bank commenced foreclosure proceedings on a reverse mortgage that she had used to make much needed repairs. She sought help from a legal services attorney, who pursued advocacy and mediation to end the threat of homelessness.

And there is so much potential to do more.

The civil legal aid community is proud of the economic impact reported in this research. It shows that providing low-income clients a voice in the legal system is not only the fair thing to do but that it also benefits Maine's economy in amounts far greater than what it costs. Yet we know that only a small fraction of those who need these services receive them, due to the limited resources available. If all these needs were met, the economic benefits found in Dr. Gabe's study would be many times greater!

The unmet need, and thus the potential for far greater benefit, exists even though Maine's providers work hard to deliver services efficiently, as Justice Mead has observed:

"Maine is extremely fortunate to have a core group of six civil legal services organizations who collaborate, cooperate, and share resources toward their common goal of providing access to justice for thousands of our neediest residents. The willingness of the providers to work together to avoid duplication of effort and leverage their varied expertise and experience, produces great efficiency in delivery of services. The providers routinely cross-refer cases to each other and share telephone and technology resources. The end result is a well-coordinated network of civil legal services providers who are able to extend their very limited resources to reach the maximum number of recipients."

– Andrew Mead, Associate Justice, Maine Supreme Judicial Court and Chair, Justice Action Group

JUSTICE ACTION GROUP
