

Legal Assistance to the Disadvantaged Committee
State Funding Resolution for 2003
Adopted by the Board of Governors December 6, 2002

WHEREAS The Minnesota Constitution, Article I, Section 8, states: "Every person is entitled to a certain remedy in the law for all injuries or wrongs which he may receive to his person, property or character, and to obtain justice freely and without purchase, completely and without denial, promptly and without delay, conformable to the laws;" and

WHEREAS, civil legal aid providers are an essential, integral part of Minnesota's justice system, just like judges, prosecutors, public defenders, bailiffs and law clerks. State appropriations provide needed support for legal aid programs, and leverage other resources that help sustain those programs. It is a good long-term investment for Minnesota taxpayers; and

WHEREAS, legal aid lawyers provide Minnesota's disadvantaged citizens -- many of them poor, elderly, disabled, or immigrants -- access to justice. Legal Aid benefits the broader community by using the legal process to help families break the cycle of abuse and instability which domestic violence generates; assist low-income farm families to remain on their homestead or make the adjustment away from farming; stabilize families in crisis, including preventing homelessness and helping to repair substandard housing; and assist adults to move from welfare to work by overcoming legal obstacles; and

WHEREAS, legal aid programs save the state money by securing new child support orders and obtaining federal disability benefits for clients thus easing the burden on taxpayers and state and local government funds and legal aid lawyers assist the courts by reducing the number of unrepresented litigants and helping to resolve disputes that otherwise consume limited judicial resources; and

WHEREAS, it is critical that the current level of state funding be increased to avoid further curtailment of services to the disadvantaged. This is especially important during a time of economic recession. The effects of bad economic times are borne disproportionately by the poor. They particularly need the availability of legal aid lawyers to help them with critical legal needs, such as mortgage foreclosure and other housing issues, unemployment, maintaining health care coverage, and protection from increased domestic violence due to economic stress.

WHEREAS, because of national census adjustments, Minnesota programs' LSC funding will drop 17.35% (close to \$670,000) for the year beginning January 1, 2003. Interest on Lawyer Trust Account (IOLTA) revenues are down over 50% because of low interest rates. Programs suffered a 31.5% cut in funding for the year that began July 1, 2002, and have been warned of a similar cut for the next fiscal year, since the Lawyer Trust Account Board mitigated cuts for this year by reducing its reserve fund. In actual dollars, grants were down \$962,500 for 2002-03. In the 2002 session, the Legislature cut legal aid's funding base for 2003, 2004 and 2005 by 2.3% (\$175,000/year). **For the next**

biennium, already known losses in LSC, IOLTA and state funding will total \$4.5 million. Furthermore, nine years of extraordinary special initiative funding for child support and domestic abuse-related work from The McKnight Foundation (approximately \$750,000 per year) ends on December 31, 2002. Funding from the federal Violence Against Women Legal Assistance to Victims Program, which was expected to continue some of the McKnight work, cannot be relied upon. It may now be considered “seed money” and not continuing funding by the Department of Justice; grant administration problems have also led to significant gaps in funding.

WHEREAS, more than 20,000 Minnesotans who have critical legal needs and are eligible for legal aid were being turned away each year by regional Legal Services programs because of inadequate resources **before** the above-described cuts. It is expected that another approximately 7,000 families will be turned away because of cutbacks.

WHEREAS, at current state funding levels, Legal Aid providers are reducing staff and services because of inadequate funding and rising costs. Providers have had to absorb increased costs of health insurance (in some cases as much as 85% in the past five years) and other operations, without matching increases in funding. Reductions in funding are causing significant cutbacks in offices, staffing, and client services. Most programs are leaving open positions unfilled; some programs have begun staff layoffs. Fewer clients are being served and more critical needs are going unmet. Local offices may need to reduce hours or close.

WHEREAS, legal aid lawyers typically are paid as little as 60 percent of the salaries paid to other public sector lawyers. This salary disparity in effect contributes about \$3 million annually to the provision of services. Also, new lawyer student loan debt loads often reach or exceed \$80,000; and

WHEREAS, volunteer and judicare lawyers donating their time through Minnesota Legal Services Coalition and organized volunteer attorney programs contribute well over \$5 million each year in legal services for low-income clients.

NOW THEREFORE, BE IT RESOLVED that for the 2004 and 2005 biennium, the MSBA should seek an increase of at least \$4 million in state appropriations for civil legal services funding and should make seeking this increase a high priority for the MSBA staff and lobbyist; and

BE IT FURTHER RESOLVED that the MSBA work with the Minnesota Supreme Court to make increased legal aid funding a high priority in the Supreme Court budget; and

BE IT FURTHER RESOLVED that possible revenue sources to support this funding increase be explored.