



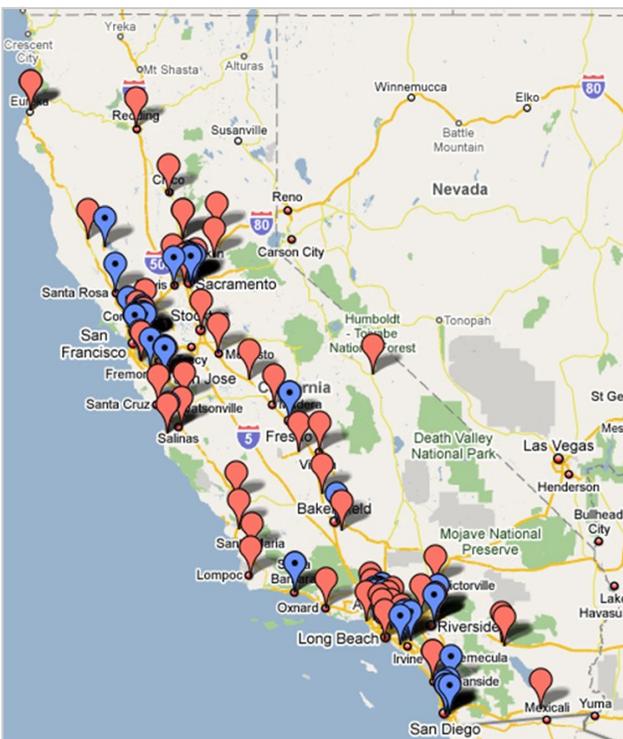
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Legal Aid in the Community

When communities need legal help to create affordable housing, preserve public transit corridors or establish needed micro-businesses, or when individuals need access to justice to avoid homelessness, prevent domestic violence, claim earned wages, or keep children in school, California's nonprofit legal aid organizations are there to help, as they have been for over 75 years. Legal aid advocates make sure that otherwise vulnerable Californians are better able to keep a roof over their heads, food on the table, and their families together. These services minimize social and financial displacement and benefit not only the low-income clients but society as a whole.

Unfortunately, between 2008 and 2011, revenue from one of the core sources of funding for legal aid, the Interest on Lawyers' Trust Accounts (IOLTA) dropped over 70% due to declining interest rates — from \$22.7 million to \$6.2 million. Because this loss of income has tremendous human costs for low-income people, the State Bar of California has stepped up its efforts to encourage financial institutions to voluntarily increase their IOLTA rates and otherwise to sustain and encourage other sources of funding, such as the Equal Access Fund (consisting of a state appropriation and court filing revenues) and the Justice Gap Fund, a program to facilitate donations from attorneys. Unfortunately, these efforts have not been enough to bridge an ever-widening "Justice Gap."



The Legal Aid Community: Distribution of Legal Aid Programs
Google Map generated by Legal Aid Association of California,
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California has one of the Most Diverse, Complex, Rich and Coordinated Legal Services Delivery Systems in the Nation

- Ninety-six separate nonprofits are funded by IOLTA in a network of legal aid organizations that provide or support free civil legal services to low-income Californians;
- These programs serve every county in the state, and base their legal work on locally-set priorities. (The blue flags on the map represent the main offices of programs and the red flags represent branch offices);
- Legal aid nonprofits enlist volunteer attorneys, law students and social service experts to expand the resources available for the delivery of legal aid;
- These nonprofits leverage their effectiveness by forming broad and creative partnerships with each other, the courts, local, state and federal government, community-based organizations, law schools, law firms and others, to share resources and coordinate service delivery.

Who is Served by Legal Aid?

Legal aid organizations receive IOLTA funding to serve clients who meet statutory criteria:

- “Indigent” clients are those earning 125% or less of the federal poverty threshold (currently \$28,813 for a family of four);
- For programs that deliver services primarily through volunteer attorneys, the income threshold is slightly higher at 75% or less of the maximum levels of income for lower income households as defined in the Health and Safety Code;
- Clients who are eligible for Supplemental Security Income, or free services under the Older Americans Act or Developmentally Disabled Assistance Act, are eligible without income restrictions, although most of these clients in fact are indigent.

The IOLTA program was established by statute to “expand the availability and improve the quality of existing free legal services in civil matters to indigent persons, and to initiate new programs that will provide services to them.” [California Business & Professions Code §6210 et seq.]



Where do the IOLTA Dollars Go?

The distribution of IOLTA funds is regulated by Business & Professions Code Sec. 6216. After allocating 15% of the funds for statewide support organizations, 85% of the funds are divided among the 58 California counties based on the county’s poverty population. For example, the latest available census figures indicate that 30% of the state’s indigent people live in Los Angeles County, and therefore Los Angeles County receives 30% of the distribution. Kings County has less than 1% of the state’s indigent people, and therefore it receives .51% of the distribution. The funds allocated by county are then divided among qualified legal services programs based on their past year’s qualified expenditures in each county that they serve.

2013 SCHEDULE OF GRANT ALLOCATIONS IN DOLLARS BY COUNTY

COUNTY	TOTAL	COUNTY	TOTAL	COUNTY	TOTAL
Alameda	266,493	Marin	27,794	San Mateo	81,746
Alpine	816	Mariposa	3,270	Santa Barbara	92,372
Amador	4,903	Mendocino	24,524	Santa Clara	249,328
Butte	64,579	Merced	86,651	Santa Cruz	53,135
Calaveras	6,539	Modoc	3,269	Shasta	47,413
Colusa	5,722	Mono	2,452	Sierra	816
Contra Costa	157,770	Monterey	98,096	Siskiyou	13,079
Del Norte	8,174	Napa	21,254	Solano	63,762
El Dorado	22,889	Nevada	15,532	Sonoma	80,111
Fresno	317,176	Orange	508,462	Stanislaus	141,422
Glenn	8,173	Placer	38,421	Statewide	1,377,012
Humboldt	35,969	Plumas	4,088	Sutter	23,706
Imperial	58,857	Riverside	479,852	Tehama	19,620
Inyo	3,268	Sacramento	321,265	Trinity	3,268
Kern	264,040	San Benito	10,626	Tulare	161,857
Kings	40,055	San Bernardino	495,384	Tuolumne	10,627
Lake	21,254	San Diego	603,290	Ventura	128,341
Lassen	5,722	San Francisco	150,413	Yolo	51,498
Los Angeles	2,475,289	San Joaquin	174,120	Yuba	21,253
Madera	44,143	San Luis Obispo	50,681	Grand Total: \$9,617,213	

Legal Aid Helps Low-income Individuals in Crises, Supports Economic Self-sufficiency and Builds Strong Communities

Legal aid organizations have developed an array of strategies and partnerships to ensure effective services. Services range from representing clients in administrative hearings to litigating impact cases that help low income people throughout California. Legal aid organizations provide consumer education so that individuals can help themselves, and an attorney when individuals – because of language, legal complexity, or other barriers – need representation.

By being there when people have nowhere else to turn, legal aid organizations help individuals in crises and, in doing so, help preserve community and government resources.



- Independent Living. Legal aid helps seniors obtain in-home supportive care, avoiding the much higher cost associated with nursing home care, and helps people with disabilities avoid unnecessary institutionalization.
- Safe Housing. Legal aid prevents wrongful eviction and forces slumlords to repair tenant housing, reducing demand on shelters and revitalizing communities.
- Domestic Violence. By keeping people safe, legal aid saves public medical expenses, alleviates the cost of law enforcement, and contributes to healthy communities.

Legal aid ensures that individuals receive the support they need to become economically self-sufficient and productive members of society.

- Tax Credits. Many legal aid organizations help low-wage earners claim earned income tax credits (EITC). One southern California legal aid alone brought over \$12 million in EITC to low-wage workers in 2009.
- Employment and Economic Development. By preventing workplace abuses, legal aid ensures that employees are safe, healthy and receive their earned wages. Legal aid organizations also provide legal advice to entrepreneurs and micro-businesses in low income neighborhoods.
- Education. By making sure that children have access to education and receive adequate supports to succeed in school, legal aid organizations give the next generation of children the tools they need to break the cycle of poverty.

Legal aid achieves community development by partnering with local community-based organizations, developers and government.

- Affordable Housing. Legal aid programs partner with developers to obtain necessary affordable housing land use approvals, and with community organizations to enforce affordable housing laws. For example, in northern California the Legal Aid program has helped achieve tens of thousands of new affordable apartment units.
- Transportation. Recognizing the connection between transportation and economic well-being, legal aid programs preserve and develop transportation corridors. For example, a rural legal aid advocated for public transportation between Sacramento jobs and distant towns where poor people live. Currently, another legal aid is collaborating to ensure that the distinct needs for transportation and affordable housing near jobs are considered by those planning major land use and transportation reform to reduce greenhouse emissions.
- Revitalization. Whether it is working to facilitate construction of a shopping center, to develop local childcare facilities, or to support new entrepreneurs, legal aid brings new jobs and provides neighborhood resources that strengthen and revitalize the community.

The “Justice Gap” — the Disparity Between Resources and Need

There are an estimated 6,136 vulnerable Californians who qualify for legal aid for every one legal aid lawyer.

Number of Eligible Clients Per Legal Aid Lawyer in 2011

Number of Californians below 125% of Poverty	6,688,000
Approximate Number of Legal Aid Lawyers	1,090
Number of Eligible Clients per Legal Aid Lawyer	6,136

A national study in 2009 found that nine of the California programs that receive funding from the federal Legal Services Corporation serve roughly 44,000 Californians annually, but are forced to turn away almost 190,000 eligible clients.

Roughly extrapolating to the statewide system, IOLTA-funded legal services nonprofits serve 270,000 individuals directly, but are forced to turn away over 1.1 million Californians.

[Documenting the Justice Gap in America, Legal Services Corporation, September 2010]

- Not only did IOLTA revenue drop over 70% between 2008 and 2011, but other sources of funding including government grants and contracts, foundation funding and private giving, have all been negatively affected by the economic downturn.
- Because of the recession, legal aid advocates say that five to ten times more clients are now showing up at clinics. One hotline reported that their wait time increased from 7 minutes to 45 minutes.
- Sadly, not only are organizations seeing an increase in the number of clients, but those clients are in deeper crisis. More people who previously were stable are losing their jobs, their housing, or their healthcare – any one of which could result in serious social costs.
- In a recent study, nearly two-thirds of the responding organizations reported that they were forced to reduce personnel costs due to decreases in 2009 funding, including by reducing staff, eliminating vacant positions, or implementing furloughs. As a result, programs have had to reduce their caseloads by 5% to 50% – despite increased demand. *[Shaping the Future of Justice: Effective Recruitment and Retention of Civil Legal Aid Attorneys in California, Legal Aid Association of California, April 2010]*
- These funding shortages are even more pronounced in rural areas, where legal aid funding and resources are less (both by county and per capita), even though service delivery in rural areas is more costly and difficult and the needs of rural Californians tend to be higher.

The Outlook for Legal Services

Without additional resources, legal aid programs face significantly reduced capacity to provide services, just as demand is on the rise. However, the State Bar is committed to helping the IOLTA-funded legal aid programs serve those who otherwise have nowhere to turn, including by linking legal aid to expanded partnerships that leverage services, recruit new volunteers and, of course, provide crucial funding. Our growing partnerships go beyond the private bar, to policymakers, business and civic leaders, and most recently, the financial institutions that hold IOLTA accounts. Together we can ensure that legal aid organizations can continue to deliver cost-effective services that strengthen the communities they serve.