

# LEGAL AID'S IMPACT

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Economic Impact Measurements  
of Minnesota Legal Aid

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Information for this report was compiled by members of the Minnesota Legal Services Coalition. Special thanks to Lindsay Davis , Access to Justice Director of the Minnesota State Bar Association, for her work on this report.

# Executive Summary

## Civil Legal Aid Yields a Significant Economic Benefit for Minnesota

Minnesota civil legal aid programs have been trusted providers of high-quality legal advocacy for low-income Minnesotans for many years. The two largest programs have each served low-income Minnesotans for more than 100 years. Legal aid opens the doors of the justice system to the most vulnerable in our community. Legal aid focuses on resolving civil legal matters that directly affect the basic human needs for safety, shelter, and household sustenance. Legal aid creates strong and stable families and communities by helping people find solutions to civil legal issues.

Legal aid attorneys and advocates work from offices throughout the state, providing direct service to people in all 87 Minnesota counties. Legal aid priorities include: helping victims of domestic violence achieve safety; preventing homelessness due to improper eviction or foreclosure; protecting vulnerable Minnesotans from financial exploitation; and maximizing the ability of people who are elderly or have disabilities to live safely and independently in their community. In 2014, legal aid represented or advised 48,344 families and individuals statewide. **Due to limited resources, legal aid providers are only able to assist 40% of eligible families & individuals who come to legal aid for help.**

Funding from a wide variety of sources enables legal aid programs to achieve these results. Investment in Minnesota's civil legal aid programs also yields a significant economic return for the state. 2014 data from 22 civil legal aid programs around the state show that for every dollar spent on civil legal aid programs, the economic return is \$3.94. This occurs when programs help clients receive new sources of income or protect existing income, obtain legal remedies which protect clients from abuse or homelessness, and allow Minnesotans with low incomes to receive excellent legal advice and representation without having to pay prohibitive market-rate legal fees.

In 2014, Minnesota's civil legal aid programs generated \$133 million in revenue:

- Brought \$3.8 million in new federal benefits to the state
- Enabled Minnesota clients to retain \$4.4 million in federal benefits
- Saved the state \$7.3 million in avoided costs of domestic violence
- Saved the state \$4.1 million in avoided costs of homelessness
- Saved Minnesotans \$474,000 in avoided costs for legal document preparation
- Brought \$5.6 million in non-governmental income to clients
- Protected \$13 million in non-governmental income for clients
- Provided \$71 million worth of staff attorney legal services to low-income Minnesotans
- Generated \$21.7 million of in-kind revenue from private attorneys

Legal aid's work improves the lives of tens of thousands of Minnesotans each year. These programs ensure that access to justice is available regardless of social or economic circumstances.

# Legal Aid: A Solid Economic Investment for Minnesota

Civil legal aid creates a significant economic benefit for Minnesota

LEGAL AID

ROI

For every

\$1.00

invested in  
civil legal aid



\$3.94

in economic benefits  
are returned to  
individuals and  
community

More Minnesotans are Safe, Protected, Housed, Secure, Independent, Productive  
In 2014, **48,444 families and individuals** were helped by a coalition of **22 Legal Aid programs**.

Secured **\$133** Million in  
Benefits for Minnesotans

Brought

**\$3.8M**

in new federal  
benefits to MN

Brought

**\$5.6M**

in non-governmental  
income to clients

Protected

**\$4.4M**

in federal benefits  
for Minnesotans

Protected

**\$13M**

of non-governmental  
income for clients

Provided

**\$71M**

of staff attorney legal services  
to low-income Minnesotans

**Minnesota avoided major costs**

Minnesota avoided **\$11.9M** in costs associated with  
domestic violence, homelessness, & other important casework.

Leveraging State Dollars for Impact

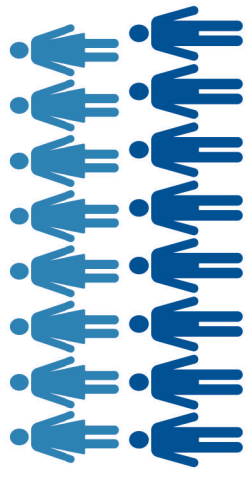
36%

State Funding

64%

Foundations &  
Private Funding;  
Federal & Local  
Government  
Funding

Volunteer Attorneys  
Make a Difference



**16,000+** cases closed  
by pro-bono attorneys in 2014.

Nearly **\$22M** in donated legal  
time for low-income clients.



Anishinabe Legal Services  
Central Minnesota Legal Services  
Judicare of Anoka County  
Legal Aid Service of Northeastern Minnesota  
Legal Services of Northwest Minnesota  
Mid-Minnesota Legal Aid  
Southern Minnesota Regional Legal Services

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# About This Report

In the last 15 years, many states have tracked the economic impact of legal aid services.<sup>1</sup> These reports track cost savings and avoided costs, direct client benefits, and the total economic multiplier effect of civil legal aid programs. The results vary and are measured slightly differently in different reports, but the reports consistently cite significant return on investment in legal aid.<sup>2</sup>

The following report seeks to replicate some of this analysis for Minnesota. The report is limited to the work and impact of the seven Minnesota Legal Services Coalition programs which provide comprehensive civil legal services in all 87 Minnesota counties and 15 additional programs that provide a variety of issue or county-specific civil legal services in the state.

This report **uses very conservative estimates for all costs**. It excludes values related to local job creation, legal aid staff and attorney salary values, and savings generated through foreclosure defense work, all of which would increase the return on investment value.

We are grateful to Amy Johnson, the Executive Director of the Arkansas Commission, for her guidance and for allowing us to replicate portions of their report. We are also grateful for the work of Will Roberts, who has an M.A. in economics from the University of Minnesota, for analyzing the data for this report and calculating the multiplier used in the report.

For every \$1 put into legal aid,  
the return on investment is:

NEW YORK

**\$6.00**

MINNESOTA

**\$3.94**

OHIO

**\$1.15**

1. States who have conducted these studies include: Alaska, Arizona, Arkansas, California, Florida, Georgia, Iowa, Illinois, Louisiana, Maryland, Massachusetts, Missouri, New Hampshire, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas, Virginia.

2. New York: [www.nycourts.gov/ip/access-civil-legal-services/PDF/CLS%20TaskForce%20Report%202014.pdf](http://www.nycourts.gov/ip/access-civil-legal-services/PDF/CLS%20TaskForce%20Report%202014.pdf); Minnesota: see *infra* p. 15; Ohio: [legalaidresearch.org/wp-content/uploads/ohio-legal-assistance-strength-justice-2013.pdf](http://legalaidresearch.org/wp-content/uploads/ohio-legal-assistance-strength-justice-2013.pdf).

# Statewide Legal Aid Delivery System



Anishinabe Legal Services  
Central Minnesota Legal Services  
Judicare of Anoka County  
Legal Aid Service of Northeastern Minnesota  
Legal Services of Northwest Minnesota  
Mid-Minnesota Legal Aid  
Southern Minnesota Regional Legal Services

The seven regional programs listed above comprise the Minnesota Legal Services Coalition (the Coalition) and provide a full range of legal assistance for low-income people in every county in Minnesota. While there are local differences, the programs have common goals and similar eligibility criteria and board structures. The programs coordinate closely to develop comprehensive strategies for serving clients statewide, including their legal work, volunteer attorney programs, community education, evaluation and peer review, professional development, technology, and fundraising efforts.

The Coalition funds two statewide units that support and serve clients, volunteer attorneys, and other legal aid programs: Legal Services State Support and the Legal Services Advocacy Project. These two programs are housed at MMLA, but their primary funding comes from all of the Coalition programs. State Support is a nationally recognized leader in technological innovation in the delivery of legal services to people experiencing poverty. The Legal Services Advocacy Project has been the voice of Minnesotans in poverty for almost 40 years. They are instrumental in crafting policy solutions on a broad array of issues, including consumer protection in foreclosure, access to school lunch, and domestic abuse protections.

## Our Partners

In addition to the Coalition programs, the following programs provide legal service to low-income Minnesotans and are funded by the Minnesota Supreme Court's Legal Services Advisory Committee (LSAC):

- Battered Women's Legal Advocacy Project (now Standpoint)
- Call for Justice
- Children's Law Center of Minnesota
- Estate & Elder Law Services at VOA
- Farmers Legal Action Group
- Immigrant Law Center of Minnesota
- Indian Child Welfare Act Law Center
- Legal Assistance of Dakota County
- Legal Assistance of Olmsted County
- LegalCORPS
- Loan Repayment Assistance Program of Minnesota
- Minnesota AIDS Project
- Minnesota Disability Law Center
- Minnesota Justice Foundation
- The Advocates for Human Rights
- Tubman
- Volunteer Attorney Program
- Volunteer Lawyers Network

# Our Work

227

The Minnesota Legal Services Coalition provides services in every community in Minnesota's 87 counties, with 227 FTE attorneys providing comprehensive civil legal assistance to low-income Minnesotans.<sup>3</sup>

48K

The programs provide a broad array of legal services to Minnesotans who cannot afford to pay for legal representation. Generally, individuals and families earning up to 185% of the federal poverty level (\$44,862 for a family of 4 in 2015) are eligible to receive services—that's 1 in 4 Minnesotans.

102K

The programs help with many kinds of legal issues, including family law, housing, public benefits, consumer issues and disability issues. In addition, the programs have services specifically for seniors to assist them in living as independently as possible.

In 2014, 48,344 low-income individuals and families received services from a civil legal aid program in Minnesota. There were 102,644 total adults and children living in the households that received help. Staff attorneys spent approximately 354,120 hours on direct representation valued at \$70,824,000 in legal services provided to clients.<sup>4</sup>



2014 Cases Closed by Law Type	% of Total
Housing	25%
Family	24%
Immigration	16%
Consumer	13%
Health & Income	11%
Other	11%

3. Using the statewide data from LSAC grant recipients.

4. This value assumes 227 full-time attorneys working a 30-hour work week (which is likely an underestimate of hours) at an hourly billing rate of \$200. The hourly billing rate reflects the average hourly billing rate for Minnesota attorneys. It has been used by the Minnesota State Bar Association to value attorney volunteer hours since 2012. See [msba.mnbar.org/docs/default-source/atj/here.pdf?sfvrsn=0](https://msba.mnbar.org/docs/default-source/atj/here.pdf?sfvrsn=0).

# Leveraging Volunteer Resources

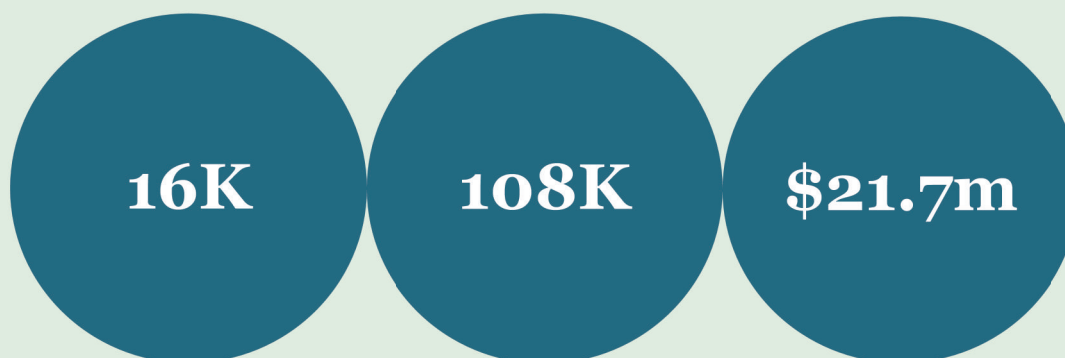
Civil legal aid programs leverage resources by making the most of each dollar they receive. One of the most important multiplier effects of legal aid funding is the ability of programs to leverage volunteer assistance from practicing lawyers.

Every active licensed lawyer should strive to provide at least 50 hours of pro bono service to low-income clients every year. Legal aid programs provide numerous opportunities for lawyers to fulfill this aspirational goal by connecting them with clients who need their services. Legal aid programs offer training for volunteer attorneys, access to practice materials, and ongoing support through their own legal staff. Dollars invested in supporting legal aid programs yield additional value through the many hours donated and clients served by volunteer attorneys.



In addition, legal aid programs provide structured opportunities for volunteers. From walk-in clinics to online advice to full representation cases, legal aid programs offer multiple ways for attorneys to serve their clients. By offering a portfolio of service options, legal aid programs can better meet client needs by making it easier for attorneys to find a suitable volunteer placement.

In 2014, volunteer and Judicare attorneys closed 16,060 cases in Minnesota. While no comprehensive statewide data exists for total statewide volunteer hours, in 2014, the certified reported number of volunteer hours for Minnesota State Bar Association members through civil legal service organizations was 108,500. This number represents an estimated value of \$21.7 million in free legal services provided to low-income clients.<sup>5</sup>



5. The dollar amount is based on an average private attorney billing rate of \$200 per hour, [msba.mnbar.org/docs/default-source/atj/here.pdf?sfvrsn=0](https://msba.mnbar.org/docs/default-source/atj/here.pdf?sfvrsn=0).

# Leveraging Volunteer Resources

## CLIENT STORY

### **The Title to an Elderly Woman's Home is Cleared**

Eileen Roberts, currently of counsel at the law firm of Dorsey & Whitney LLP, reflected on a recent property case she took through MMLA's pro bono project. "I enjoy pro bono work. I always find the pro bono cases rewarding, you work to help people and the clients are very grateful for what you do."

Ms. Roberts's case involved an 82-year-old woman who had lived in her home for many decades, but did not have secure title to the property. After completing a Contract for Deed arrangement with the property owner, title was never transferred. Years later, as the client entered her 80s, one of her children returned home due to medical issues. She worried that without clear title, there would be no protection for her son and he could be put out on the streets if something happened to her.

The client reached out to legal aid, who connected her with Ms. Roberts at Dorsey. Over the next four months, Ms. Roberts and her team spent almost 75 hours on the matter. The work involved hours of interviewing and fact investigation to identify the appropriate parties, including tracking down the son of the people who sold client the property, as they had passed away many years earlier. Once the team identified all the appropriate parties, they worked with the examiner of title's office to clear title.

The client expressed her thanks and explained that she really appreciated all the individual time and attention given to her by the pro bono attorneys: "They listened, reviewed my records, and helped me clear the title to my home. Their work has allowed me to not have to worry- as much- about the future."



# Direct Benefits

## Legal Aid Secures Millions of Dollars for Minnesota

### Bringing Income to Clients

#### FEDERAL DOLLARS

In 2014, civil legal aid programs recovered/obtained **\$3,754,385** in new federal benefits for Minnesota clients. These dollars came from:

- Supplemental Security Income (SSI) & Retirement, Survivors, and Disability Income (RSDI) from the Social Security system
- Medicaid (federal portion that flows into state)
- Veterans' Benefits
- Supplemental Nutrition Assistance Program (SNAP)
- Federal tax credits, refunds, and Earned Income Tax Credit (EITC)
- Federal Temporary Assistance for Needy Families (TANF) programs

Civil legal aid lawyers also work with their clients to challenge cuts to their benefit level or termination of their benefits. In 2014 legal services programs protected **\$4,421,656** of these same federal benefits by keeping federal resources, income, and benefits flowing to their Minnesota clients.

**\$3.7m**

**\$4.4m**



#### CLIENT STORY

##### A Family's Child Care is Preserved

Mom and Dad each worked and were also attending school. To help care for their two children, the couple received child care benefits—their jobs simply didn't pay enough to cover day care costs. The agency issuing the benefit made a series of mistakes that resulted in termination of the family's child care benefits. The couple contacted legal aid for help to appeal the agency decision. With restored child care benefits, the couple could resume their efforts to gain economic independence and create a better future for their family.

# Direct Benefits

## Legal Aid Secures Millions of Dollars for Minnesota

### Bringing Income to Clients

#### CLIENT STORY

##### A Family's Investment in Their Home is Protected

A family was purchasing a home through a contract for deed when they received notice from the seller that he was canceling the contract. He said they were ruining the property. They contacted legal aid for help. Upon investigation, we determined the property was well-maintained. The cancellation was a bad-faith effort to keep the more than \$20,000 the clients spent improving the property. The case was ultimately settled, paving the way for the clients to become permanent homeowners.



**\$5.5m**

**\$13m**

#### NON-GOVERNMENTAL SOURCES

In 2014, programs recovered/obtained **\$5,594,758** in other non-governmental benefits for Minnesota clients. These dollars come from child support awards, landlord/tenant settlements, spousal maintenance awards, recoveries from consumer and mortgage scams, and other areas of civil law.

That same year, programs protected **\$13,098,662** in other non-governmental benefits by keeping those resources, income, and benefits flowing to their Minnesota clients.

# Direct Benefits

## Legal Aid Secures Millions of Dollars for Minnesota

### Leveraging State Dollars through Federal and Private Grants

Minnesota civil legal aid programs are funded from a wide range of sources. In fiscal year 2014, the legislature allocated \$12,266,000 to support legal aid. The civil legal aid programs use the support to leverage additional resources. In 2014, the total revenue for civil legal aid programs was \$33,974,054.

64% of total revenue (\$21,708,054) comes from sources other than the state legislature, including the federal government, local government, foundations, United Ways, and private contributions. The private legal community in Minnesota directly contributes more than \$1.3 million to legal aid in the state. In addition, a portion of all attorneys' registration fees are dedicated to civil legal services in Minnesota. With this support, legal aid is only able to assist 40% of eligible families and individuals seeking help.

#### 2014 Support for Minnesota Civil Legal Aid Programs

##### Foundations/Donations

Foundations, Corporations	3,178,068
United Way	1,265,353
Individuals, Law Firm, Events	2,998,725
Total	\$7,442,146

##### Minnesota Judicial Branch Grants

State Legislative Appropriation	12,266,000
Interest on Lawyer Trust Accounts	560,000
Attorney Registration Fees	1,760,000
Total	\$14,566,000

##### Other Government

Legal Services Corporation	4,515,742
Other Federal <sup>6</sup>	6,268,352
Total	\$10,784,094

##### Miscellaneous

Attorney Fees/Cy Pres	243,519
Investment Return	30,242
Other	888,323
Total	\$1,162,084

TOTAL  
REVENUE

**\$33,974,054**

6. Other Federal includes: Older Americans, Violence Against Women Act (VAWA), Housing and Urban Development (HUD), Community Development Block Grant (CDBG), Office of Justice Programs (OJP), and tribal grants.

# Direct Benefits

## Legal Aid Secures Millions of Dollars for Minnesota

### Saving Clients Money through Document Assembly Services

Through the Legal Services Coalition's State Support program, pro bono attorneys and self-represented litigants can generate essential legal documents free of charge. These tools work like the TurboTax® tool used for filing taxes. Instead of filling out a complicated form, users answer a series of questions about their issue, and then the system automatically generates a completed legal document for them to file with the court or mail to the other side in their case.

The cost range for a private attorney to draft a set of criminal expungement pleadings is \$1000-\$1500.<sup>7</sup> Using the lowest value of \$1000, programs saved clients **\$115,000** in legal fees for expungement pleadings in 2014.

Commercial document assembly services, such as LegalZoom®, charge clients per document. Based on LegalZoom's current base-level pricing of \$35<sup>8</sup> for a Statutory Short Form Power of Attorney document, State Support provided **\$53,270** worth of document assembly services for Statutory Short Form Power of Attorney documents. Based on a base-level price of \$39 per document, State Support provided **\$18,369** worth of health care directives in 2014. No commercial pricing data is available for the other types of documents assembled through State Support, but assuming the price would be \$37 per document, an average of the two LegalZoom prices, a very conservative estimate of the total dollar value for all other documents assembled in 2014 would be **\$287,712** (7,776 documents x \$37). The total avoided legal cost of documents assembled in 2014 was **\$474,351**.

60+



Document Type	2014 Totals
Harassment Restraining Order	3,225
Statutory Short Form Power of Attorney	1,522
Delegation of Parental Authority	1,336
Sheriff Sale Postponement	356
Health Care Directive	471
Answer to Debt Collection Lawsuit	551
Letter to Demand Security Deposit	215
Order for Protection <sup>9</sup>	2,093
Expungement Pleadings	115
<b>TOTAL:</b>	<b>9,884</b>

7. This cost estimate is from criminal expungement resource attorneys at the Volunteer Lawyers Network (VLN). VLN specializes in Minnesota criminal expungement matters and has frequent contact with private attorneys who offer expungement services.

8. <http://www.legalzoom.com/power-of-attorney/power-of-attorney-overview.html>

9. This number is separate from the full-representation domestic violence cases tracked in Section VI. In addition to avoided legal costs to prepare Order for Protection documents, document preparation yields additional cost savings if the Order for Protection is filed and granted. We do not have data to track the outcomes of the documents prepared.

# Indirect Benefits

## Legal Aid Saves Minnesotans Money

### Preventing Homelessness



Keeping clients housed is much more cost-effective than homelessness. There is no official statewide “cost of homelessness” figure available because the costs of homelessness are far-reaching and encompass so many different costs, such as lost wages and decreased productivity in work and school; law enforcement, jail, and detox services; emergency health and mental health care, and many other costs.

For the purposes of this study, we used average statewide data from the Minnesota Department of Human Services Office of Economic Opportunity (DHS). They estimate the average cost per household for emergency shelter to be **\$53 per day**. For emergency shelter grantees funded in state fiscal year 2014, the average length of stay for all shelters funded by DHS was **34 days**. Both averages include physical shelters or motel voucher programs, including programs for singles, youth and family households.

In 2014, programs were successful in avoiding a loss of housing in **2,288 cases**<sup>10</sup> with an average of 2.7 household members per case, or 6,177 individuals. Using the average shelter costs and length of stay, and assuming each case avoided one episode of homelessness, programs saved Minnesota taxpayers **\$4,122,976** in avoided shelter costs in 2014.

## CLIENT STORY

### A Family in Crisis Moves to Stable Housing

A young Minneapolis couple expecting their first child fell in a financial hole when the husband lost his job and the wife had not yet received the first paycheck at her new job. They paid out of pocket for an exterminator to deal with an infestation of spiders, mice, and bees. A landlord representative verbally approved a late rent payment. Days later, the couple received an eviction notice and called legal aid for help. In the settlement negotiated by legal aid, the landlord agreed to a rent reduction of \$400 for the extermination fees and applied the security deposit to their last month’s rent. He also granted an early lease termination so the couple could move before the birth of their child.



10. This figure reflects full-representation cases and excludes successes achieved through advice-only cases.

# Indirect Benefits

## Legal Aid Saves Minnesotans Money

### Keeping Clients Safe

Domestic violence is expensive. The Center for Disease Control (CDC) estimates the costs of domestic violence nationally exceed \$5.8 billion per year.<sup>11</sup> These costs include medical care, housing, law enforcement, social services agencies, and the courts.

This report uses a conservative estimate of **\$3,818.45** in avoided costs per incident. The cost was calculated on an avoided cost per incident basis using data from an often-cited Wisconsin report.<sup>12</sup>

This report calculates saved costs associated only with medical care, mental healthcare, lost productivity, and property damage. It does not factor in other direct costs associated with domestic violence, such as law enforcement, the courts, corrections, and costs to run direct service programs associated with domestic violence. It also does not factor indirect costs associated with domestic violence, such as secondary victimization, emotional losses, and quality of life.

In 2014, legal aid in Minnesota helped 1,923 client households obtain a successful result in a legal case that involved a victim of abuse. Assuming each case prevented only one incident of domestic violence,<sup>13</sup> and each incident resulted in avoided costs of \$3,818.45, programs saved the state **\$7,342,879** in 2014.

### CLIENT STORY

#### A Child is Safe and Succeeding at School

A boy in a domestic violence situation missed school 40 times in a year due to severe stomach aches, and his grades dropped. In phone visitations from prison, the boy's father was interrogating him about his mother's new boyfriend. The mother contacted legal aid. The attorney obtained a temporary order to stop the phone visitation, followed by a permanent "no contact" order. The boy's grades rebounded to As and Bs, and he missed school only 3 times the following year.



11. National Center for Injury Prevention and Control, Centers for Disease Control and Prevention, Costs of Intimate Partner Violence Against Women in the United States, <http://www.cdc.gov/violenceprevention/pdf/IPVBook-a.pdf>, (2003) p. 2.
12. Elwart, Liz, et. al, *Increasing Access to Restraining Orders for Low-Income Victims of Domestic Violence: A Cost-Benefit Analysis of the Proposed Domestic Abuse Grant Program*, p. 16 (Dec. 2006), <http://www.nlada.org/DMS/Documents/1176146724.92/>. \$3,818.45 reflects Elwart's avoided medical, mental health, property, and lost productivity cost per physical assault (\$3,201 in 2005) adjusted for inflation to 2013 dollars. This cost does not include the estimated \$26,000 per victim in lost quality of life that is estimated in Elwart's report. This estimated cost is a modest cost estimate. Cost estimates for domestic violence vary considerably. For example, the Minnesota Coalition for Battered Women estimated the direct and indirect costs of domestic violence to be \$16,449 per victim, or \$492,882,028 in 2009. Minnesota Coalition for Battered Women, *The Economic Impact of Domestic Violence on Society: A Cost-Benefit Analysis for Programs and Shelters in Minnesota* (2009), p. 23.
13. Most victims actually experience 2.5-3.1 physical assaults per year from the same abuser. Patricia Tjaded and Nancy Thoennes, Full Report of the Prevalence, Incidence and Consequences of Violence Against Women; Findings from the National Violence Against Women Survey, U.S. Department of Justice, Office of Justice Programs, [www.ncjrs.gov/pdffiles1/nij/183781.pdf](http://www.ncjrs.gov/pdffiles1/nij/183781.pdf), (2000), pp. 15, 17.

# Legal Aid Has a Multiplier Effect on Minnesota's Economy

Each dollar brought into a state has an immediate effect; a rise in household income results in a rise in household consumption.

Additionally, each dollar continues to create economic activity as it circulates to other businesses and consumers. The term for this continued effect is an “economic multiplier” or “multiplier effect.” This effect is explained as how many times a single input—in this case, a dollar of benefit secured by civil legal aid—circulates around the economy. For example, a multiplier of two indicates that every dollar spent generates two dollars of continued economic activity.

Studies that have examined the multiplier effect have focused on the impact of out of-state dollars—primarily from federal sources—that are procured by the civil legal aid organization for its own operation (e.g., Legal Services Corporation funding and other federal contracts) and that are procured for civil legal aid clients. A number of states that have examined the economic benefit of civil legal aid have used the widely accepted Bureau of Economic Analysis Regional Input-Output Multiplier System (RIMS II) in their studies.

Multipliers are an important tool for understanding the impact that a rise in income can have on household consumption. This is especially true of low-income households because people with low incomes tend to spend all of their income on goods and services instead of saving it.



# Legal Aid Has a Multiplier Effect on Minnesota's Economy

For every \$1 put into legal aid,  
the return on investment is:

MINNESOTA

**\$3.94**

Federal benefits received as a result of civil legal aid:	\$3,754,385
Federal benefits retained as a result of civil legal aid:	\$4,421,656
Total federal dollars to clients as a result of legal aid: (\$3,754,385 + \$4,421,656)	\$8,176,041
RIMS II multiplier on households in MN:	x1.32
Total benefit to Minnesota from federal revenue/benefits: <sup>14</sup> (1.32 x \$8,176,041)	\$10,785,833
Total non-federal revenue generated by programs: <sup>15</sup>	\$123,157,626
<b>Total revenue generated by civil legal aid programs:</b>	<b>\$133,943,459</b>

The total spending on civil legal aid programs was \$33,974,054, meaning that revenue was 3.9 times as much as spending on civil legal aid in Minnesota.<sup>16</sup>

**For every \$1 invested in civil legal aid, the return on investment is \$3.94**

14. Taking the sum of federal benefits won by programs for MN residents and federal benefits kept in MN by the programs and multiplying by 1.3—the U.S. Department of Commerce Bureau of Economic Analysis RIMS II multiplier for Households.
15. The sum of the avoided costs of domestic violence and homelessness; the value of legal documents filed, including legal fees saved from expungement; other non-governmental benefits; the value of pro bono representation hours; and civil legal aid attorney hours spent on direct representation.
16. The multiplier represents the total revenue generated from programs divided by revenue spent. Report authors are grateful to Will Roberts, who has an M.A. in economics from the University of Minnesota, for analyzing the data for this report and calculating the multiplier used in the report. The final amount is calculated using the multiplier for Minnesota of \$3.94.

# Expanding Our Impact

## Service Delivery Innovations

Legal aid programs throughout Minnesota are leaders at innovation to expand the reach of their services with limited resources.



**Domestic Violence Courts.** The Domestic Violence Partnership in Stearns County was the first domestic violence court in Minnesota. It was founded in 2008 by the Stearns County Attorney and legal aid, and brings together the criminal and civil justice system to work toward greater safety for victims of felony-level domestic violence. This partnership has increased offender accountability, victim safety, and court efficiency. The project has received multiple state and national recognitions. In 2014, the U.S. Department of Justice selected this court as one of six “mentor courts” in the nation. There are seven established domestic violence courts in Minnesota, and more are underway.



**Community Redevelopment.** With funds from a 2014 settlement between the Department of Justice and Bank of America, legal aid programs have been working with local communities on economic development initiatives. Southern Minnesota Regional Legal Services, the legal aid program serving St. Paul and the southern half of the state, started a project to revitalize and stabilize the Frogtown neighborhood in St. Paul through preservation of wealth, homeownership, and neighborhood vitality. Mid-Minnesota Legal Aid in Minneapolis, in partnership with the Northside Residents Redevelopment Council and Stinson Leonard Street, have a project to provide services in North Minneapolis with the goal of reducing blight, retaining quality, affordable housing, improving business development. Partner organizations have additional community redevelopment projects statewide.



**Medical-Legal Partnerships.** Medical-Legal Partnerships are a nationally recognized model that integrates legal aid into community medical clinics and hospitals. Legal aid attorneys are integrated into the care team and patients can be seamlessly referred by providers to receive free, on-site advice and representation regarding legal issues that have a profound effect on health. Some examples include denial of health care coverage, reduction in food stamps and other benefits programs providing basic supports, problems with landlords who refuse to remediate unhealthy and hazardous housing conditions, and patients and children who are fleeing abusive relationships.

# Expanding our Impact

## Technology Innovations

Since its inception in 1981, Legal Services State Support has launched LawHelpMN.org, interactive legal document assembly, ProJusticeMN.org, on-demand trainings, online intake for legal help, and Minnesota Legal Advice Online. These innovations maximize limited resources and expand the reach of legal aid to provide critical help to underserved communities across Minnesota.



**LawHelpMN.org.** State Support launched one of the nation's first statewide legal websites, LawHelpMN.org, in 2003. State Support developed the first fully translated Somali-language and Hmong-language statewide legal help websites, which complement its Spanish-language site (all available at LawHelpMN.org). LawHelp also offers LiveHelp chat navigation assistance and had one of the first public library/statewide legal website partnerships. In 2015, LawHelp received over 450,000 unique visits.

**Document Assembly.** State Support has built online do-it-yourself automated forms since 2003, and Minnesota is consistently one of the highest traffic states in the country for use of automated forms. Minnesota's criminal expungement document assembly tool received a national 2011 Innovation Award from Law Technology News. Through a 2014 federal grant, State Support led the nation in developing a data toolkit for its document assembly interviews.

**Advocate Support.** State Support helped launch ProJusticeMN.org in 2002. In 2011, State Support developed the website's case placement tool, connecting available volunteer opportunities with volunteer attorneys. Under a 2012 federal grant, State Support built Pro Bono to Go, a mobile app featuring interview guides and settlement checklists for volunteer attorneys to use on a tablet or smartphone. Since its formation, State Support has offered statewide poverty law Continuing Legal Education (CLE) programs to legal aid and volunteer attorneys. It added webinar CLEs in 2008, and now has 13 on-demand video trainings covering an array of poverty law topics.

**Online Intake.** The development of online intake for legal aid programs began in 2009 with State Support's leadership. Online intake now encompasses the entire state and includes nine legal aid programs, and incorporation of additional programs is underway.

**Online Legal Advice.** After piloting a volunteer online advice project in the northwest region of the state, Minnesota became one of the first in the country to offer online advice on a statewide basis, launching Minnesota Legal Advice Online in 2014. In 2015, volunteer attorneys gave legal advice to 596 clients using this tool.

This report demonstrates that civil legal aid in Minnesota has a substantial, measurable, positive economic impact on low-income Minnesotans and on the State of Minnesota. Civil legal aid prevents costs to individual families and to society as a whole by providing effective legal interventions in cases such as domestic violence and housing. Legal aid programs handle a high volume of client matters each year with limited resources, and do so at a substantially lower cost than the equivalent cost of such services in the private legal market. Remarkably, these services generated over \$133 million in economic activity in 2014 alone.

Legal aid's work improves the lives of tens of thousands of Minnesotans each year. These programs ensure that access to justice is available regardless of social or economic circumstances.



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