



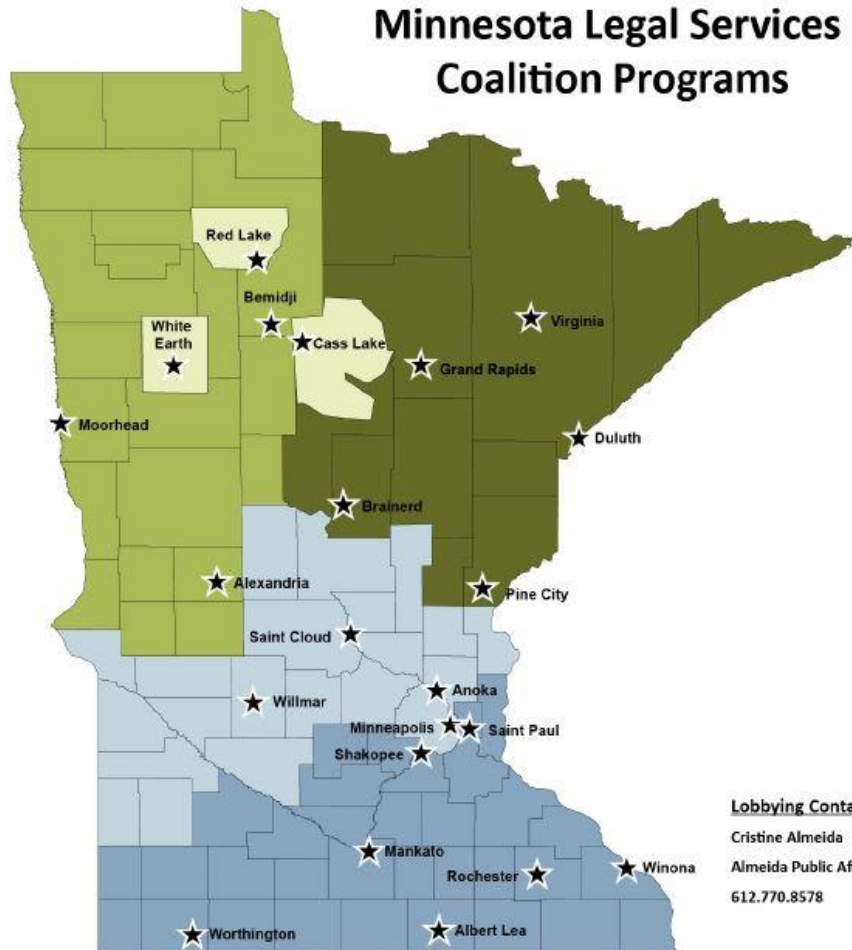
Seeking Justice For All Budget Request FY20-21 Civil Legal Services Network

House Judiciary Finance
and Civil Law Division
February 26, 2019

Drew Schaffer | Mid-Minnesota Legal Aid
Anne Hoefgen | Legal Services of Northwest Minnesota



Minnesota Legal Services Coalition Programs



Lobbying Contact:

Cristine Almeida
Almeida Public Affairs, LLC
612.770.8578

Regional Program Directors:

- Anishinabe Legal Services (Cass Lake, Red Lake, White Earth) o Cody Nelson, 218.335.2223
- Legal Services of Northwest Minnesota (Alexandria, Bemidji, Moorhead) o Anne Hoefgen, 218.233.8585
- Legal Aid Service of Northeastern Minnesota (Duluth, Grand Rapids, Virginia, Brainerd, Pine City) o Dori Streit, 218.623.8100
- Judicare of Anoka County (Anoka) o Floyd Pnewski, 763.783.4970
- Mid-Minnesota Legal Aid (Minneapolis, Saint Cloud, Willmar) o Drew Schaffer, 612.746.3702
- Central Minnesota Legal Services (Minneapolis, Saint Cloud, Willmar) o Jean Lastine, 612.332.8151
- Southern Minnesota Regional Legal Services (Albert Lea, Mankato, Rochester, Saint Paul, Shakopee, Winona, Worthington) o Jessie Nicholson, 651.228.9823

In addition to the six regional programs there are approximately two dozen targeted service programs meeting specific population or geographic needs.

www.MNLegalServices.org



Minnesota Civil Legal Services Funding

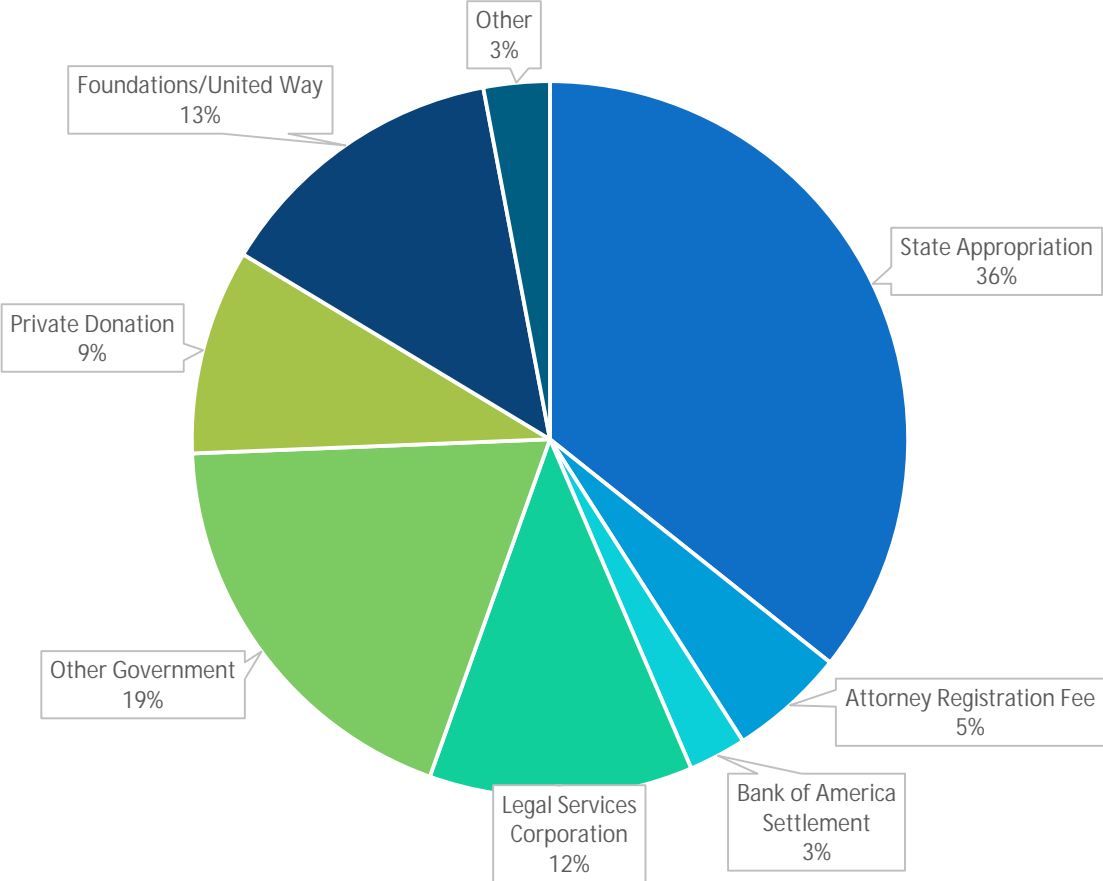
Three Sources of State-Administered Funding

- General Fund Appropriation
 - \$13.72 million *[Annual]*
 - Legislature appropriates
 - 85% for regional programs / 15% for grants for all CLS providers *[MN 480.24]*
- IOLTA [Interest on Lawyers Trust Account]
 - \$400,778 *[Available for 2018]*
- Attorney Registration Fees
 - \$2.01M *[Available for 2018]*

All are distributed through the Minnesota Supreme Court's Legal Services Advisory Committee (LSAC).

Minnesota Civil Legal Services Funding

2018 Civil Legal Services Funding
All Sources - \$39,551,657



Minnesota Civil Legal Services Request

Total Requested Increase \$4,214,000

- FY2020: \$1,646,000
- FY2021: \$2,568,000

Impact on Investment in Civil Legal Aid

- FY2020: \$13.72 million → \$15.366 million
- FY2021: \$13.72 million → \$16.288 million

Minnesota Civil Legal Services Request

Basis of Requested Increase

- Need for salary improvement
 - CLS has the lowest salaries in the public sector, which has recently led to an annual turnover rate as high as 30%.
 - CLS has an average starting salary of \$48,673, or 12% lower than the Public Defender, which is also comparatively lower than other public sector employers.
 - The CLS compensation deficit gets worse moving up the salary schedule:
 - Year 5: CLS is 15.3% lower than the PD.
 - Year 10: CLS is 22.05% lower than the PD.
 - Year 15: CLS is 28.75% lower than the PD.

Minnesota Civil Legal Services Request

Proposed Investment of Requested Increase to Address the CLS Compensation Deficit

- In FY2020, CLS will invest a minimum of \$964,000 in salary improvement.
- In FY2021, CLS will invest a minimum of \$1,504,800 in salary improvement.

Minnesota Civil Legal Services Request

Basis of Requested Increase

- CLS has experienced unavoidable increases in health care costs in recent years.
- Just from 2018 to 2019, CLS programs experienced increased health care costs ranging from 8% to 22%.
- The average increase in health care costs among CLS programs from 2018 to 2019 was 14%.

Minnesota Civil Legal Services Request

Basis of Requested Increase

- Here are additional specific examples of the burden of increasing health care costs in CLS:
 - From 2016 to 2019, Legal Aid Service of Northeastern Minnesota has experienced a 33% increase in its health care costs.
 - From 2015 to 2019, Mid-Minnesota Legal Aid has experienced a 35.73% increase in health care costs.

Minnesota Civil Legal Services Request

Proposed Investment of Requested Increase to Offset Unavoidable Increases in Health Care Costs

- In FY2020, CLS will invest a minimum of \$435,100 to offset costs increases for health insurance and other benefits.
- In FY2021, CLS will invest a minimum of \$678,000 to offset costs increases for health insurance and other benefits.

Minnesota Civil Legal Services Request

Basis of Requested Increase

- Many Minnesotans do not have meaningful access to justice.
 - Due to lack of resources, CLS is only able to serve 2 of 5 (40%) eligible people seeking service.
 - In Minnesota, there is one private attorney for every **324** potential paying clients, compared to one legal aid attorney for every **6,058** low-income individuals.

Minnesota Civil Legal Services Request

Basis of Requested Increase

- Historical legislative funding of CLS:

FY2008-09	FY2010-11	FY2012-13	FY2014-15	FY2016-17	FY2018-19
\$13,300,000	\$11,960,000	\$11,016,000	\$12,266,000	\$13,145,000	\$13,720,000

- Investment in CLS through legislative appropriation is flat from FY2008 through FY2019, having increased in actual dollars only by 3.158% in a direct comparison between FY2008 and FY2019.

Minnesota Civil Legal Services Request

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- A “real dollar” or inflation-adjusted comparison of past to current legislative appropriation levels is informative.
- The \$13,300,000 funding level in FY2008 equates to \$15,549,108-\$16,112,081 in 2019, using a cumulative rate of inflation of 16.9% and U.S. Consumer Price Index Data.

Minnesota Civil Legal Services Request

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- The Civil Legal Services funding request for FY2020-21 is measured.
 - If the request is fully funded, it will bring the FY2020 CLS funding level to \$15,366,000 and the FY2021 CLS funding level to \$16,288,000.
 - In essence, the request will help CLS “catch up” to the funding levels realized 12 years ago.

Minnesota Civil Legal Services Request

Seeking Justice For All

It would take \$63,179,485 over and above the CLS funding request for FY20-21 to meet 100% of the current demand for civil legal aid in Minnesota.

Minnesota Civil Legal Services Request

Seeking Justice For All

- Here are examples of the potential impact of additional investments over and above the current CLS request on meeting current demand:
 - An additional \$2 million per year would help CLS meet 1/20th of the need we do not presently have resources to meet.
 - An additional \$10,529,914 per year over the pending CLS funding request would help CLS meet 50% of overall current demand for civil legal aid in Minnesota.

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

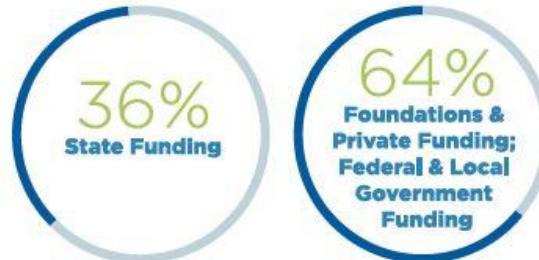
More Minnesotans are Safe, Protected, Housed, Secure, Independent, Productive
In 2014, **48,444 families and individuals** were helped by a coalition of **22 Legal Aid programs**.

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



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

Leveraging State Dollars for Impact



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

www.mnlegalservices.org

