



123 William Street 16th Floor New York, New York 10038

Phone 917.268.2569

www.nylscoalition.org

**2019 Joint Legislative Hearing
Public Hearing on Public Protection**

Albany, NY

January 29, 2018

Presented by:

Maha Syed

Executive Director

New York Legal Services Coalition

Thank you for the opportunity to testify at the 2019-2020 Public Protection hearing.

My name is Maha Syed and I am the Executive Director of the New York Legal Services Coalition. The New York Legal Services Coalition, formed in 2014, is a 501(c)3 nonprofit organization that consists of 50 civil legal services organizations serving every county in New York State. Passionate about ensuring access to civil legal assistance, our member organizations range from large multi-service, multi-county or citywide organizations, to pro bono programs, to neighborhood based organizations meeting the needs of specific populations. Collectively, our members provide high quality civil legal services to hundreds of thousands of low income New Yorkers in matters relating to the essentials of life. The Coalition works to ensure fairness in the judicial system, advocates on legal issues affecting low-income communities, identifies and promotes best practices in the civil legal aid profession, and provides technical assistance and capacity building resources for its members.

The Coalition's testimony today will focus on two key budgetary issues:

Support for the budget of the United Court System and the funding proposed for the Judiciary Civil Legal Services (JCLS); and

Restoration of funding for Civil Legal Services through the Legal Services Assistance Fund (LSAF) which has been eliminated in the Executive Budget.

The Importance of Civil Legal Services

Civil legal aid serves as the last line of defense for survivors of domestic violence seeking safety and stability, families facing eviction or foreclosure, elderly victims of financial abuse seeking restitution, and parents seeking health care for their children. Redress, protection, security and stability is often available – if one can navigate daunting legal systems against overwhelming odds. Few of us would attempt to resolve legal issues that put the roof over our head, our safety, or our children's health at risk without the benefit of counsel and yet everyday across our state thousands of poor and low income families are doing just that.

According to the Office of Court Administration as reported by the Permanent Commission on Access to Justice, hundreds of thousands of litigants come into civil courts across New York each year without representation. And those are the individuals and families that actually make it to court. Thousands more undoubtedly give up before they ever get to the courthouse door.

New York's Investment in Access to Justice

Starting in 1992-93, the Legislature, through the leadership in the Assembly, has allocated funding for civil legal services in the state budget. This funding was later supported through the Legal Services Assistance Fund (LSAF) through the Division of Criminal Justice Services (DCJS) and supported by a share of the revenue raised through payments for criminal records searches.

Through the joint efforts of the Assembly and Senate, these funds are now allocated each year for a variety of purposes, including Civil Legal Services and legal assistance for veterans and survivors of domestic violence. As Assemblywoman Helene Weinstein, Chair of the Ways and Means Committee, pointed out at the 2018 Public Protection Hearing, the primary purpose of the establishment of the Legal Services Assistance Fund was meant to support civil legal services.

The LSAF is proposed in this year's Executive Budget at \$10,814,000 – \$3,380,000 less than last year and completely eliminates the allocation of \$4,389,000 including:

- \$ 2,830,000 for civil legal services
- \$ 950,000 for services for veterans and survivors of domestic violence
- \$ 609,000 for legal assistance for survivors of domestic violence

We urge that funding for civil legal services, domestic violence, and veterans be fully restored.

In 2010, then Chief Judge Jonathan Lippman launched an effort to providing stable funding for civil legal services through an annual appropriation in the state's Unified Court System's (UCS) budget. Incrementally increasing this Judiciary Civil Legal Services Fund, the allocation now stands at \$100 million, a level that remains constant in this year's proposed Judiciary Budget.

We urge full support for the investment in the JCLS.

Impact of the Investment

New York has made significant investments in closing the Justice Gap -- the gap between those who need legal aid and the number of those who can be helped by our legal aid providers. For decades, that gap remained at a heartbreaking 80%. Legal aid providers in New York State, and indeed across the country, were able to meet a bare 20% of the civil legal needs of those living at or below 200% of the federal poverty line.

With the ongoing support of the legislative funding, the grant-making of the IOLA fund and the stable and significant funding from the judiciary, civil legal aid providers have been able to reduce New York's justice gap to an estimated 63% -- meaning we are now

meeting approximately 37% of the civil legal needs of low and moderate income households.

The impact on the courts has been significant; reducing the number of unrepresented litigants in civil cases from 2.3 million in 2009 to an estimated 1.8 million in 2017.

The number of cases handled by legal services providers has increased steadily, rising from 384,974 in 2013 to 483,604 in 2018.

Legal services organizations are also major employers in the state, employing 3,656 attorneys, paralegals, and other administrative and support staff according to IOLA's 2018 report. As a community, legal services organizations facilitated close to a million volunteer hours in providing legal assistance to those in need in 2018.

Investing in civil legal services saves New York State money. For every \$1 New York State spends on civil legal aid, \$10 in economic benefit is generated. This benefit is realized through decreased court and social services costs. Increased representation also ensures efficient and smooth function of the courts and reduces court time in assisting pro se litigants.

A Positive Economic Impact

Civil legal services funding also provides a positive economic impact on low income New Yorkers. The economic value to clients and their families of federal benefits secured as a result of legal representation in 2018 is estimated to be \$1.08 billion. This comes to New York in the form of Medicare and Medicaid benefits, Supplemental Security Income (SSI), Social Security Disability (SSD) awards, and other federal benefits. These benefits for clients, in turn, help the state's economy and create thousands of jobs.

In looking at the economic impact of investing in legal services, the New York State Permanent Commission on Access to Justice has engaged the help of leading research and accounting firms to undertake targeted analysis. For the past four years, Stout Risius Ross, LLC (Stout), a global financial advisory firm, reviewed and updated key data points. In 2018, the firm's researcher, Neil Steinkamp, analyzed data on the benefits received by low-income New Yorkers due to the provision of civil legal services.

The following review of these economic impacts is taken from the 2018 Permanent Commission of Access to Justice report which can be found at

http://ww2.nycourts.gov/sites/default/files/document/files/2018-12/18_ATJ-Comission_Report.pdf

- **Total Estimated Cost Saving from the Avoidance of Emergency Shelter Increased to \$555.8 Million.** In 2013, using state and local data from 2012 on the cost of providing shelter in New York State as well as IOLA data on eviction prevention cases, Cornerstone Consulting concluded that anti-eviction legal services programs that receive IOLA funding saved the government approximately \$116 million annually in averted shelter costs. In 2016, IOLA analyzed updated data and estimated such annual savings had increased to

more than \$397 million. In 2017, based on cost savings from brief representation cases (an estimated \$78.0 million) and extended representation cases (an estimated \$477.7 million), Mr. Steinkamp estimated cost savings to the government increased in aggregate to \$555.8 million, corresponding to shelter avoidance for approximately 29,867 individuals.

- **Present Value of Wage Increases Due to Work Authorization Assistance for Immigrants and Citizenship for Immigrants Was Estimated to Be \$75.9 Million and \$54.0 Million, Respectively.** With the assistance of civil legal services providers, approximately 7,575 immigrant clients, applying for green cards, U visas, T visas, Violence Against Women Act (VAWA) self-petitions or other long-term status, successfully achieved work authorization in 2017. Work authorization provides a significant wage increase to immigrants, amounting to an average increase of approximately \$1,495 per year for women and \$1,639 per year for men. Of the individuals who received work authorization with green cards or under Deferred Action for Childhood Arrivals (DACA) or Deferred Action for Parents of Americans (DAPA) programs in 2017, 51% were estimated to be women. For VAWA cases, 85% were estimated to be women. The total net present value of work authorization's wage impacts, assuming work authorization will continue for two-, four- and ten-year terms dependent upon the type of legal assistance provided to obtain work authorization, was estimated to be \$75.9 million for cases closed in 2017.

Additionally, approximately 4,198 clients of civil legal services providers attained citizenship in 2017. New citizens experience a wage increase averaging approximately \$735 per year for women and \$823 per year for men. Of the individuals who became citizens in 2017, 51% were estimated to be women. Annual wages were estimated in aggregate to increase by \$0.9 million for women and \$1.4 million for men in 2017. The total value of such wage impacts owing to citizenship in cases closed in 2017 was estimated to be \$54.0 million.

- **Economic Benefit from Child and Spousal Support Payments to Recipients of Those Benefits and Their Families Was Estimated to Be \$37.5 Million in 2017.** For 2017, IOLA data indicates retroactive awards of child and spousal support at approximately \$1.92 million and monthly payment awards at nearly \$505,700. The net present value of the monthly payments, based on a payment stream of nine years is approximately \$54.6 million. Thus, the total value of the child and spousal support awards for 2017 is approximately \$56.5 million. After deducting the estimated value of support payments not actually received, the estimated value of actual child and spousal support payments is approximately \$37.5 million.
- **Additional Economic Benefit from Affirmative Litigation of Disputes Against Other Individuals, Companies or Employers Was Estimated to Be \$21.0 Million.** For 2017, IOLA data indicates awards obtained through affirmative litigation of civil disputes, including equitable distribution of assets in matrimonial matters and judgments in landlord/tenant and employment matters, to be approximately \$21.0 million.

Continued Unmet Need

The funding made available through the Judiciary Civil Legal Services has clearly had a significant impact on access to justice in New York State with the number of unrepresented litigants in civil matters dropping from 2.3 million in 2009 to 1.8 in the most recent estimates. OCA estimates that 63% of the civil legal needs of low-income New Yorkers still remain unmet. According to the American Census Bureau, an estimated 6.15 million New Yorkers, or almost one third of the State's population, were living below 200% of the federal poverty level in 2017.

Chief Judge Janet DiFiore expressed her concern during the 2018 public hearing on Access to Justice:

“We still have a long road ahead of us” to ensure that every New Yorker has access to effective assistance when facing a civil legal challenge that impacts the essentials of life.

The Coalition is proud of the long-standing collaboration of member organizations. Current priorities of the organization include protecting and increasing funding so that civil legal services for the poor are not jeopardized. We urge full restoration of funding through the Legal Services Assistance Fund and on-going support for the OCA budget including full funding for the Judiciary Civil Legal Services funding so that we can continue to make strides toward access to justice for all New Yorkers.