

Massachusetts Legal Assistance Corporation

MLAC requests \$15.5 million for civil legal aid in FY14

The MLAC appropriation, line item 0321-1600, funds general support grants for civil legal aid programs and three special projects: battered women's rights, disability benefits and Medicare advocacy.

Request: \$15.5 million | House recommendation: \$13 million

The legal aid fiscal crisis

Income from the Interest on Lawyers' Trust Accounts (IOLTA) program, historically civil legal aid's largest funding source, has suffered a devastating **78% decline since 2008**, and is expected to decrease further in FY14.* As a result, MLAC has cut grants to the legal aid programs it funds by **54%**, leading to layoffs and drastic cuts in services.

To help reduce the impact of the lost IOLTA revenue, MLAC requests \$3.5 million more than its FY13 appropriation of \$12 million. The money will avoid further layoffs and service cuts that would force programs to turn away even more residents who need legal help.

More clients

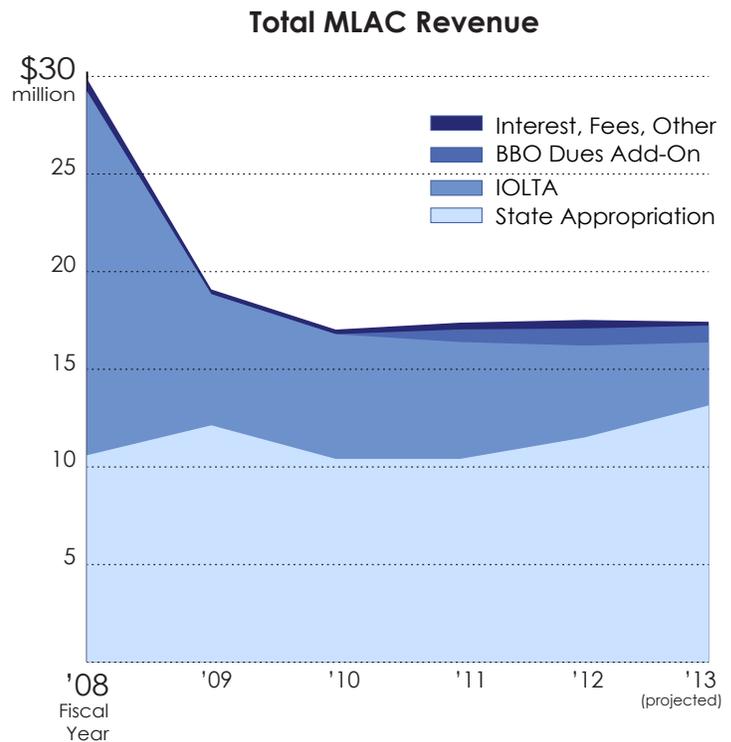
According to the Census Bureau, the number of individuals and families eligible for civil legal aid has **increased 13%**, or 112,000 in the past two years. Eligibility for most legal aid programs is 125% of the federal poverty level (just \$566 per week for a family of four).

Fewer staff

MLAC-funded local legal aid programs have lost 34% of their attorney positions since FY08. Some programs have cut salaries, closed offices and laid off nearly half of their attorneys. As a result, programs are forced to turn away **at least half** of the low-income families and individuals who come to them with critical problems such as foreclosure, child custody conflicts and domestic violence.

SPOTLIGHT: Boosting the economy

→The work of MLAC-funded programs substantially helps the Massachusetts economy. New revenue and cost savings to the Commonwealth from civil legal aid were estimated at \$78 million in FY10. Due in part to decreased funding, that amount fell to \$53 million in FY11 and \$48 million in FY12.



FY13 projection does not include a one-time, two-year \$6 million grant from the Massachusetts Attorney General to assist homeowners facing foreclosure who may not be income-eligible for legal aid.

The Massachusetts Legal Assistance Corporation was established by the state legislature 30 years ago to ensure that low-income people with critical, non-criminal legal problems have access to legal information, advice and representation. For more information visit www.mlac.org.

* The IOLTA program requires attorneys to deposit short-term or modest client funds in special accounts. Interest from these accounts funds access to justice initiatives and civil legal aid programs in Massachusetts. For more information visit www.maiolta.org.

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