

Economic Impact of Civil Legal Services in Maryland

Access to Justice Boosts the State's Economy

NEW FEDERAL DOLLARS

In FY2012, civil legal services organizations secured **\$9.9 million** in federal benefits including food stamps (SNAP), Medicaid/Medicare, SSI, housing, unemployment, veteran's benefits, and TCA/TANF (Temporary Cash Assistance and Temporary Assistance to Needy Families).

OTHER INDIVIDUAL FINANCIAL BENEFITS

Providers secured additional benefits totaling **\$10.7 million** for individual clients in bankruptcy, debt, employment, child and spousal support, and the non-federal share of unemployment and medicare/medicaid benefits.

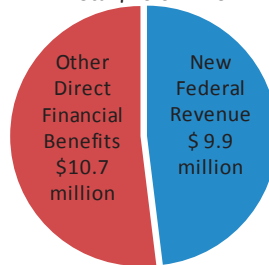
SYSTEMIC ADVOCACY

Through their work on class actions and law reform initiatives, the work of civil legal services providers yielded an additional **\$161 million** in FY2012 to benefit tenants in foreclosure, vulnerable homeowners and low-income persons in need of emergency

Each year, thousands of Marylanders benefit from help provided by the state's civil legal services providers. Their work benefits not only these individuals, but also boosts Maryland's economy.

DIRECT FINANCIAL BENEFITS TO INDIVIDUALS

Direct Financial Benefits From Individual Representation
Total \$20.6 million



Federal Dollars Brought Into Maryland.

SNAP (food stamps)	\$ 81,688
Medicaid/Medicare (fed portion)	\$1,312,399
SSI	\$1,566,362
Medical benefits from SSI	\$529,611
Federal housing benefits	\$5,085,150
Federal unemployment	\$1,256,143
Veteran's benefits	\$58,115
TCA/TANF	\$14,917
TOTAL:	\$ 9,904,385

Other Direct Financial Benefits to Individuals:

Bankruptcy protection	\$4,366,381
Debt collection	\$2,168,974
Employment	\$206,003
Child and spousal support	\$828,694
Unemployment – non-federal share	\$1,360,821
Medicaid/Medicare—non-federal share	\$ 1,842,008
TOTAL:	\$10,772,881

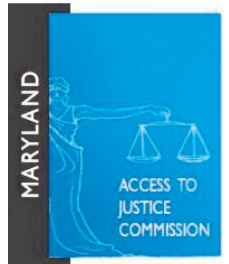
Maryland non-profit civil legal services programs generate

\$190 MILLION PER YEAR

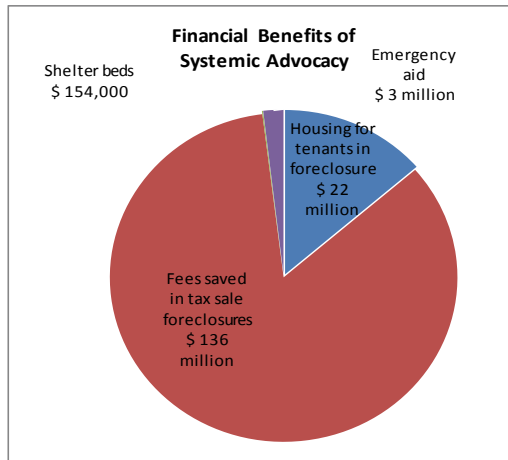
in economic activity, cost savings, and increased productivity as a result of their advocacy.

- ◆ **\$9.9 million** in federal dollars to benefit Maryland residents. These dollars generate at least **\$12.6 million** in economic stimulus.
- ◆ **\$10.7 million** in other direct financial benefits for Marylanders.
- ◆ **\$161 million** as a result of systemic advocacy on behalf of tenants at risk, vulnerable homeowners and low-income persons in need of emergency assistance.
- ◆ **\$882,096** in tax revenue generated by keeping Marylanders in the work force.
- ◆ **\$3.7 million** saved in state expenditures on shelter costs alone by preventing homelessness.
- ◆ **\$1.3 million** saved in health costs and productivity by preventing domestic violence.

*This document is based on **Economic Impact of Civil Legal Services in Maryland**, available from the Maryland Access to Justice Commission at www.mdcourts.gov/mdatjc. The report is based on data provided by only a portion of the state's providers and thus reflects, only a partial picture of the impact these organizations have on Maryland's economy. It is also important to remember that the financial aspects of civil legal aid tell only a part of the story. For many low-income Marylanders, the real benefits of civil legal aid come from the many non-monetary outcomes they achieve with the help of these organizations. For those individual clients, the real benefits may be incalculable.*



Financial Benefits of Systemic Advocacy



Legislative advocacy and systemic action undertaken on behalf of vulnerable Marylanders has yielded important results that have had a positive impact on the State's economy. Several key actions by the Public Justice Center (PJC) and the Homeless Persons Representation (HPRP), both located in Baltimore, have secured millions of dollars in housing benefits and fees saved. These initiatives have had a significant impact during the last several years precisely when many Marylanders were affected by the uptick in foreclosures.

◆ **Fees Saved in Tax Sale Foreclosures.** PJC successfully urged court action to limit the amount of attorney's fees and expenses that Baltimore City

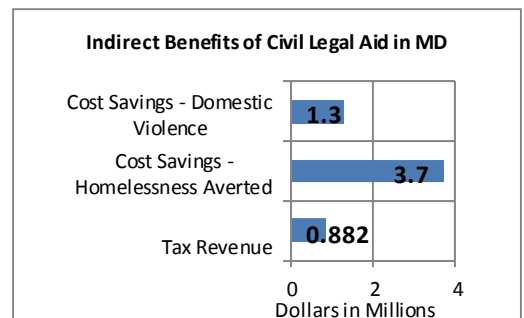
homeowners must pay to redeem their homes after a tax sale foreclosure. The move affected 80,000 tax sales each year since the decision, a savings of **\$136 million** per year.

- ◆ **Tenants in Foreclosure Earn the Right to Stay Additional 90 Days.** A 2009 campaign by PJC resulted in the passage of HB776 and rule amendments that created a right for tenants whose building is in foreclosure to retain their housing for at least 90 days. The benefit affected 5,768 families in 2011 at a value of **\$22 million**.
- ◆ **Additional Shelter Beds.** HPRP and others successfully negotiated with Baltimore City to add 20 additional overflow beds for women, equal access to convalescent care and new rules to protect shelter residents from retaliation, as a result of alleged gender discrimination. Their efforts yielded **\$154,000** annually in additional benefits.

Indirect Benefits—Tax Revenue, Cost Savings to MD

Civil legal aid organizations help Marylanders thrive. In so doing, they save the state millions it would otherwise expend to address homelessness, domestic violence or other problems. In some instances the work of civil legal aid providers keep Marylanders in the work force and increase the state's tax revenue.

- ◆ By addressing workplace issues and helping with expungements, providers kept 376 Marylanders in the workforce, yielding approximately **\$882,096** in state and local tax revenue.
- ◆ Over 2,000 individuals benefited from cases that kept families in their housing, for a savings of **\$3.6 million** in shelter costs alone.
- ◆ Providers helped 2,825 clients obtain protection from domestic violence, saving **\$1.3 million**.



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TAX REVENUE

Non-profit civil legal services providers help clients obtain expungements and address workplace issues, keeping 376 individuals in the workforce. With average incomes of \$19,550, this group generates an average of \$2,346 in state and local tax revenue. The overall impact was an approximately **\$882,096** in state and local coffers in FY2012.

SAVING SHELTER COSTS

By helping 776 individuals and their families (about 2,389 persons) retain housing, providers helped keep approximately 990 individuals out of shelter, saving the state approximately **\$3.6 million** in shelter costs alone.

SAVINGS COSTS ASSOCIATED WITH DV

When an individual suffers intimate partner abuse, society also pays the price. By helping 2,825 clients get protection from domestic violence, providers helped save \$633,839 in medical costs and generated \$705,894 in productivity, saving **\$1.3 million**.