

**An Assessment of the Economic
and Societal Impacts
of Three Legal Services Programs
Funded by the Marin Community Foundation
2009 to 2012**



**Prepared for:
The Marin Community
Foundation**

By

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**The Resource for Great Programs, Inc.
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About this Project

This report is the centerpiece of a project directed by the Marin Community Foundation (MCF) to identify and describe the economic and societal impacts of the civil legal assistance funded by MCF, as well as summarizing the related services offered by three non-MCF-funded legal assistance agencies in Marin County. A small group of nonprofit legal providers and other organizations in Marin County deliver free or very low-cost legal help to vulnerable, low-income residents who are fighting to keep their homes, solve their financial problems, and keep their families together when life's problems threaten to pull them apart.

The Marin Community Foundation

The Marin Community Foundation was founded to make a difference in the lives of others through thoughtful, effective philanthropy. The Foundation's mission is to encourage and apply philanthropic contributions to help improve the human condition, embrace diversity, promote a humane and democratic society, and enhance the community's quality of life, now and for future generations. MCF fulfills its mission by:

- Making grants and loans to support community issues in Marin County and, through the generosity of donors, throughout the world.
- Encouraging individuals, families, and businesses to partner with MCF to fulfill their financial and charitable goals.
- Educating the community on pressing needs and the organizations addressing them.
- Convening people to work on community problems.
- Encouraging greater community involvement.

MCF was established in 1986 with the assets of a trust from long-time Marin County residents, Leonard and Beryl H. Buck. Over 400 individuals, families, businesses, and community groups have established funds at the Foundation. Grants made from these funds support a wide range of issues within Marin County, elsewhere in the U.S., and around the world. MCF is governed by a nine-member Board of Trustees, along with its President and CEO, and is one of the largest community foundations in the United States. MCF manages approximately \$1.3 billion in assets and distributes about \$60 million annually in grants. To learn more, visit MCF's website at www.marincf.org.

MCF's Equity in Legal Protection Grant Area

For the past 20 years, the Marin Community Foundation has been a supporter of civil legal assistance, providing annual funding to three to five legal services agencies serving densely populated, as well as rural, areas of Marin County.

The goal of MCF's Equity in Legal Protection Grant Area is to ensure low-income residents of Marin County have equal opportunities for legal representation and advocacy services by applying the following measures:

- Improved legal assistance provision
- Improved referral system for legal assistance
- Improved access to non-legal basic needs services and assistance

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- Less fragmentation and duplication across legal services programs
- Increased number of pro-bono attorneys serving low-income clients

Affordable, high-quality legal and advocacy assistance can help individuals gain or maintain economic security, preserve safe housing, prevent domestic violence, and maintain other basic needs. Nonprofit legal services programs are vital partners to protect the rights of those without the economic resources, public voice, or skills to defend themselves. Under this goal, MCF supports:

- a. Legal services for low-income residents (e.g., eligibility in-takes and referrals, one-on-one legal advice, brief services, negotiations with opposing parties, administrative hearings or trials, or impact/systems change litigation).
- b. Education on legal and civil rights for low-income residents.

The Resource for Great Programs

This report was prepared for MCF by The Resource for Great Programs, Inc., a national corporation delivering analytical and evaluative services to providers and funders of civil legal aid in the United States and Canada. Co-authors Ken Smith, president of The Resource, and Kelly Thayer have a combined 40 years' experience meeting the needs of the legal aid community. Prior to starting his consulting practice, Dr. Smith served for seven years as a research director at the Legal Services Corporation in Washington, D.C. Kathy Garwold served as the project's data analyst and copy editor, and assisted in the application of statistical models to estimate the economic benefits of MCF's grantees. For more information about The Resource, visit www.GreatPrograms.org.

Executive Summary

This report describes the economic and societal impacts of the civil legal services provided by three nonprofit organizations funded by the Marin Community Foundation's Equity in Legal Protection grant area – *Legal Aid of Marin* (LAM), *Family and Children's Law Center* (FACLC), and *Canal Alliance's Immigration Legal Services* (CA-ILS) program.

These, along with three additional agencies operating in Marin County – *Bay Area Legal Aid* (BayLegal), *Fair Housing of Marin*, and *Marin County Superior Court's Legal Self Help Services* – comprise a network of legal service organizations that provides access to the civil justice system for residents of Marin County, California.

This analysis has shown that the legal services programs funded by MCF are providing essential services that help thousands of low-income residents of Marin County each year to address critical legal issues directly affecting their families, homes, incomes, jobs, and access to vital services. The gap between the need for these services and the capacity of these programs to address them is significant. The findings of this study demonstrate that additional investments aimed at bridging this “justice gap” will not only help many more people, it will have dramatic economic impacts that radiate outward to benefit all of Marin County.

The assessment sought to generate answers to these fundamental questions:

- **What's working?** In what ways are MCF and its legal service grantees achieving the results that are sought, such as improved accessibility to the justice system for low-income residents?
- **What is the size and nature of the “justice gap”?** How many and what types of legal needs are going unmet (i.e. the “justice gap”) each year in Marin County, considering the limited capacity of legal services programs to address them?
- **What can be added or changed to make the legal services programs supported by MCF's Equity in Legal Protection grant area work better?** What insights does the assessment provide that can be applied to produce even better results for the clients and communities that the funder and its grantees are serving?

To address these questions, MCF commissioned this assessment from *The Resource for Great Programs*¹ to measure and assess the economic and societal benefits derived by low-income residents and Marin County communities as a result of the legal services provided by the three MCF-funded legal services programs. The data were collected and the analysis was performed between December 2012 and August 2013.

A. Major Findings of the Assessment

The major findings of the assessment were as follows:

- **Funding for legal services programs provides critical, day-to-day legal assistance to Marin County's most vulnerable people living in one of the nation's wealthiest counties.**

¹ The Resource for Great Programs is a national corporation dedicated to providing strategic support to civil justice programs that seek to expand access to justice for low-income people. Details about The Resource may be obtained at www.GreatPrograms.org.

During the four-year period 2009 through 2012, the three organizations completed 17,600 cases enabling low-income residents, domestic violence victims, and older adults to address critical legal issues directly affecting their families, homes, incomes, jobs, and access to vital services such as health care and utilities. In several substantive areas such as family, housing, consumer, employment, and immigration law, the MCF-funded providers are the only sources of legal help in Marin County for those unable to afford the services of a private lawyer.

- **The three MCF-funded legal services programs produce economic impacts that far exceed the investment made in their programs.** A total of \$7.7 million from all sources invested (MCF, Other Foundations, Courts, State Funds, Contributions, Attorney Fees, etc.) in these legal services programs from 2009 through 2012 produced an estimated \$36.6 million in economic benefits and savings to clients and communities, yielding a return of 4.75 dollars in impact for every dollar invested. While it is difficult to place a dollar amount on many of the societal benefits that civil legal services programs produce – such as fair administration of justice or the correction of discriminatory practices – legal services programs achieve an array of financial outcomes that are readily quantifiable. In addressing legal problems of clients, this study reveals that during the study period 2009 through 2012, the three MCF-funded legal services programs secured millions of dollars in direct-dollar benefits for eligible families, stimulated local spending, sustained private sector jobs, and spared state and local budgets the costs of responding to family crises triggered by such issues as domestic violence, foreclosure, eviction, and unemployment.
- **Legal services programs are working to bridge a critical “justice gap” in Marin County that affects everyone.** Legal services programs in Marin County struggle every day, as do their counterparts across the nation, to overcome the disparity between the legal needs that people face and the legal resources available to meet them. This disparity – known as the “justice gap” – represents both a challenge to the justice system and an unrealized opportunity for legal services programs to produce even more profound economic and societal benefits for low-income Marin County residents and the entire community. Every additional \$100,000 of funding that can be raised enables legal services programs to complete an additional 240 cases directly benefiting Marin County residents and generating an additional \$475,000 in economic benefits.
- **Legal services programs help ease the burden on the Marin County court system.** Legal services advocates enable the Marin County Superior Court to operate more efficiently by helping low-income litigants navigate the court system and by hosting community legal education events to inform residents how the legal process works. Legal services advocates negotiate solutions in many cases that otherwise might result in litigation, counsel applicants against bringing non-meritorious cases to court, and refer clients to other sources of help (such as social service providers) when their cases lack legal merit.
- **Marin County’s legal services programs promote pro bono assistance through recruitment and coordination.** To help narrow the justice gap, legal services programs collaborate with bar associations to recruit private attorneys and law firms to contribute *pro bono*, or free, services. In 2012, legal services volunteers in Marin County included 235 attorneys and 121 non-attorneys (many of them law students), who completed 447 cases for legal services clients while donating a total of 10,428 hours of services valued at \$2.3 million.

B. Recommendations Derived from the Assessment

Based on the evidence produced by this study, we are making the following observations and recommendations, organized into three broad areas:

- a. Grasp opportunities revealed by the economic impact assessment,
- b. Strengthen case tracking by MCF-funded programs, and
- c. Improve the legal services delivery system.

1. Grasp opportunities revealed by the economic impact assessment:

As indicated in chapters II and III, the investments by MCF and other funders in the three programs we have studied are yielding high payoffs in both economic and social impact. With more resources these programs could accomplish even more. There is significant unmet need for their services. Additional funding would provide more advocates, who would serve more people and multiply the kinds of outcomes discussed in this report. There are several steps that can be taken:

- a. **The legal service providers and their partners can apply the findings of our analysis in their strategic planning to enhance resource development and achieve greater impact.** The findings regarding the profound economic impacts of the three MCF-funded programs provide solid, data-based evidence to support a case to existing and potential funders – including local and state public officials, law firms, corporations, and foundations – that increasing their funding to civil legal services not only is the right thing to do but an extremely good investment in strict economic terms.
- b. **Our findings regarding the economic impacts of immigration legal services could be especially persuasive in the context of immigration reform.** The resources available for immigration legal services in Marin County are grossly inadequate in comparison with unmet need, and the situation is likely to get much worse if and when new pathways are opened for immigrants to achieve legal status. Information about the economic impacts of Canal Alliance’s Immigration Legal Services program potentially could bolster efforts by MCF and its partners in the Bay Area to secure more resources for these vital services.
- c. **Consideration can be given to expansion of the economic impact analysis to cover the entire legal service network serving the Bay Area, not just Marin County.** A broader analysis could provide powerful data to support an integrated approach that places efforts to address the “justice gap” within a broader regional context. Even within Marin County, inclusion of BayLegal’s economic impacts in our analysis (it was not included in this study) would undoubtedly reveal an even greater economic impact and strengthen the case for more funding for the entire legal services delivery system. If the analysis were to be expanded to cover the entire seven-county Bay Area, we have no doubt that the economic impacts that could be documented would be extremely compelling to legislators, funders, and other stakeholders of the civil legal services network.

2. Strengthen case tracking by MCF-funded programs:

Some of our observations regarding case tracking and reporting were as follows:

- a. **All three MCF-funded providers have computerized case management systems in place.** These provide the basic infrastructure needed for tracking clients, cases and services, and for producing reliable data for use in program administration, evaluation and grant reporting.
- b. **An important goal for efforts to improve data collection is to achieve closer alignment of case tracking categories and outcome measures among the general civil legal service providers serving Marin County – LAM, FACLC, and Bay Area Legal Aid.** The systems used by LAM and FACLC are not greatly dissimilar from BayLegal's, but a closer alignment of some details unique to the individual programs could help to maximize the utility of case statistics for an integrated approach to self-evaluation, program improvement, and resource development at Marin County-wide or regional levels.
- c. **A further challenge faced by the Foundation and shared by its two immigration legal service grantees is the unique nature of immigration legal services** and the associated shortcomings of the Case Service Report (CSR) – which is the basis for “general” civil legal services reporting – for use in capturing the nature and volume of immigration legal services being provided. A format for immigration legal services reporting is available that could be considered for use by the Foundation and its grantees.

Recommendations for strengthening case tracking. While the challenges presented above are significant, the Foundation and its grantees could take some simple steps in the immediate future to address them while also keeping options open for applying any improvements that might come out of the efforts by the federal Legal Services Corporation and its California grantees to address similar challenges at the national and statewide levels.

- a. **The individual legal service providers could take steps to strengthen their own data collection.** The findings of this study make it clear that the programs are having social and economic impacts much greater than previously recognized. This story would be most powerful if supported by data from the programs' own recordkeeping systems documenting the compelling outcomes being achieved on behalf of clients.
 - b. **MCF could provide an important service to its grantees by convening an effort by the providers serving Marin County (including BayLegal) to review and align their statistical reporting frameworks.** This would involve making adjustments in the legal problem codes, case disposition categories, and outcome categories that would bring the systems used by all Marin legal services programs into alignment with each other.
 - c. **MCF could encourage Canal Alliance and Brazilian Alliance to review the “Immigration Legal Matters Report,”** a data collection format used by immigration legal services programs in several other states for potential use as a uniform system for capturing and reporting the volume and type of immigration legal services they provide.
- 3. Improve the legal services delivery system**

The following observations, based on our experience from our work around the U.S. and Canada, outline opportunities for increasing numbers of clients served with existing resources (staff, volunteers, and budget), as well as maintaining high levels of service quality.

- a. **There is a remarkable amount of collaboration among the legal services programs and funders in Marin County and in the Bay Area generally**, compared to many areas with which we are familiar through our work with civil justice programs around the country. We believe there is a strong foundation in place for further collaborative efforts to identify and grasp opportunities for improving service delivery in Marin County in the immediate future.
- b. **The “justice gap” is a major challenge, but it also presents opportunities.** While it is true that more resources are needed, it is also the case that any improvements in the delivery system that increase efficiency and/or effectiveness will have a multiplier effect on investments in direct services.

The following are examples that illustrate how delivery improvements can enhance efficiency and effectiveness:

- **Application of technology for streamlining citizenship legal assistance.** An example is the CitizenshipWorks (CW) technology-based initiative that significantly increases the numbers of people who can be served using group-processing and individual assistance citizenship models with given resources of staff, volunteers, and budget.
- **Applications of legal “helplines.”** Telephone-based intake and advice systems offer potential for dramatically improving access to legal assistance for residents of rural areas, such as West Marin.² While evaluation of telephone-based legal assistance in Marin County was outside the scope of this study, further examination of opportunities for improving access through this service delivery mode to residents of outlying areas of Marin County could be fruitful. For example, further funding support for (including additional outreach and promotion to achieve higher visibility of) BayLegal’s existing telephone Advice Lines reaching residents of rural Marin could have a multiplier effect on any investments that would be required.

Recommendations for improving the legal services delivery system

- a. **To capitalize on the opportunities identified in this study, MCF could convene a planning effort aimed at developing strategies around the findings of this study having high potential for application in Marin County.** Especially promising are areas combining *high unmet need* with *high economic impacts*, such as:
 - **Homelessness prevention work**, aimed at preventing evictions and/or providing additional time for families facing eviction to obtain alternative housing. Considering the enormous economic and societal impacts of an individual or family becoming temporarily or chronically homeless, legal assistance aimed at keeping families in their homes warrants a high priority.
 - **Legal assistance aimed at obtaining work permits for unauthorized immigrants**, which can open the door to higher wages and benefits such as health insurance for many more immigrants, with ripple effects benefiting the entire community.

² For results of a recent, comprehensive evaluation of telephone helplines, see Ken Smith, Kelly Thayer, and Kathy Garwold, “Final Report on the Assessment of Telephone-Based Legal Assistance Provided by Pennsylvania Legal Aid Programs Funded Under the Access to Justice Act,” the Pennsylvania IOLTA Board, 2012.

- **Public benefits legal assistance**, which can increase numbers of people enrolled in programs such as SSI, SSD, and CalWORKs, bringing vitally needed state and federal money into Marin County in the process of implementing the legislative intent of these programs; namely, to address the basic economic needs of especially vulnerable residents such as older adults, people with disabilities, and children.
 - **Outreach and legal assistance targeted at authorized immigrants who need public benefits**, such as single parents with small children, workers who have been laid off, people lacking health insurance, older adults, and people with disabilities. The utilization rates by immigrants of public benefit programs for which they are eligible are significantly lower than those of native-born citizens. A relatively small investment in civil legal assistance to authorized immigrants can bring a return of millions of state and federal dollars into Marin County that otherwise would go elsewhere in the state and nation.
 - **Health care legal assistance**, which could enroll more people in programs such as Medi-Cal and the Child Health and Disability Prevention Program (CHDP), thereby improving health outcomes as well as providing reimbursement for health care services that hospitals and doctors currently have to write off.³
 - **Wage claims representation** aimed at securing income that low-income workers have earned, but have been denied.
 - **Foreclosure prevention legal assistance** modeled after multi-agency efforts that have proven effective elsewhere at minimizing the enormous costs and social disruptions caused to families, their neighbors, their lenders and their communities from home foreclosure.
 - **Legal assistance with consumer problems**, which inherently have a significant economic payoff for clients and for which 83 percent of the need goes unmet in Marin. Such legal assistance includes helping residents to deal with illegal garnishment of wages, abusive debt collection efforts, deceptive business practices, and utility cutoffs.
- b. Also promising are technology-based delivery innovations**, such as user-friendly software for use by clients, that can leverage higher impacts from dollars invested in legal services programs through improvements in efficiency and effectiveness, and expansion of, or improvements in, telephone-based intake and advice systems that potentially can provide a gateway to legal assistance for residents everywhere in Marin County, including the most rural parts of the county.

This analysis has shown that the legal services programs funded by MCF are providing essential services that help thousands of low-income residents of Marin County each year to address critical legal issues directly affecting their families, homes, incomes, jobs, and access

³ Legal services programs around the country have applied economic impact data to successfully make a case and secure significant amounts of funding from hospitals and other health care providers specifically to provide legal assistance to low-income clients in gaining access to insurance programs that reduce the need for the providers to write off the costs of medical services they provide. An example is Legal Aid of Western Missouri, which secures \$400,000 per year from health care systems in its service area for this purpose.

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to vital services. The gap between the need for these services and the capacity of these programs to address them is significant. The findings of this study have demonstrated that additional investments aimed at bridging the “justice gap” will not only help many more people, it will have dramatic economic impacts that benefit the broader community.

This Report at a Glance

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I. Introduction

The shared primary mission of Marin County’s civil legal services programs is to enable access to the civil justice system for people in poverty who lack the means to hire a lawyer. Representation by civil legal services advocates fulfills one of our society’s most basic promises: Equal Justice Under Law.

This mission also produces economic outcomes that ripple outward to benefit many other segments of society. For example, by helping parents secure child support payments, legal assistance triggers a stream of revenue and spending that benefits local economies throughout Marin County. Legal services advocates save dollars for everyone by keeping families in their homes, by helping women and children escape domestic violence, and by making public programs and the court system work better.

A. Overview of this Report

This report describes the economic and societal impacts of the civil legal services provided by three nonprofit organizations funded by the Marin Community Foundation, as well as summarizing the related services offered by two peer agencies in Marin County – Bay Area Legal Aid (BayLegal) and Fair Housing of Marin.

The assessment sought to generate answers to two fundamental questions:

- 1. What’s working?** In what ways are MCF and its legal service grantees achieving the results that are sought, such as positive outcomes for clients and/or significant economic impacts on the community?
- 2. What is the size and nature of the “justice gap”?** How many and what types of legal needs are going unmet (i.e. the “justice gap”) each year in Marin County, considering the limited capacity of legal services programs to address them?
- 3. What can be added or changed to strengthen the legal services programs supported by MCF’s Equity in Legal Protection grant area?** What insights does the assessment provide that can be applied to produce even better results for the clients and communities that the funder and its grantees are serving?

In summary, this report finds:

- **Funding for legal services programs supports day-to-day legal assistance to Marin County’s most vulnerable people living in one of the nation’s wealthiest county.** In an average year, Marin County’s legal services programs handle approximately 4,400 cases,⁴

⁴ Throughout this report, we use the terms, “handled” cases and “completed cases” (also called “closed cases”) as basic measures of the output of legal services programs. “Handled” cases consist of all cases on which activity was performed during a period, and include all cases that were completed during the period as well as new cases that were carried over into the next period. The term, “closed” (or “completed”) cases is a de facto standard established by the federal Legal Services Corporation, the largest funder of civil legal services in the United States, and whose 135 grantees cover every U.S. county. LSC grantees collect client and case data using “closed cases” as the standard measure of output and report those figures to LSC and their other funders annually according to the definitions and requirements of the Case Service Report (CSR) system, which has been in place since 1980. Most state and local funders of civil legal services, including California’s Legal Services Trust Fund (LSTF) and Equal Access Fund (EAF), have aligned their reporting requirements, including the use of key measures such as the “case” and “closed

enabling low-income residents (and older adults and victims of domestic violence, regardless of income) to address critical legal issues directly affecting their families, homes, incomes, jobs, and access to vital services such as health care and utilities.

- **The three Marin-based legal services programs funded by MCF produce economic impacts that far exceed the investment made in their programs.** A total of \$7.7 million from all sources invested in legal services programs from 2009 through 2012 produced \$36.6 million in economic benefits and savings to clients and communities, yielding a return on investment of 4.75 to one. In addressing legal problems of clients, legal services programs secure millions of dollars in direct benefits for clients, stimulate local spending, sustain private sector jobs, and spare state and local budgets the costs of responding to family crises triggered by such issues as foreclosure, eviction, and domestic violence.
- **Legal services programs help ease the burden on the Marin County court system.** Legal services advocates enable the Marin County Superior Court to operate more efficiently by helping low-income litigants navigate the court system and by hosting community legal education clinics to inform residents how the legal process works. Legal services advocates negotiate solutions in many cases that otherwise might result in litigation, counsel applicants against bringing non-meritorious cases to court, and refer clients to other sources of help (such as social service providers) when their cases lack legal merit.
- **Marin County’s legal services programs recruit and coordinate pro bono assistance.** To help narrow the justice gap, legal services programs collaborate with bar associations to recruit private attorneys and law firms to contribute *pro bono* or free services. In 2012, legal services volunteers in Marin County donated a total of 10,428 hours of services valued at \$2.3 million.
- **Legal services programs are confronting a critical “justice gap” in Marin County that affects everyone.** Legal services programs struggle every day to overcome the disparity between the volume of legal needs faced by applicants for their services and the legal resources available to meet them. Every additional \$100,000 of funding that can be raised enables legal services programs to complete 240 more cases benefiting Marin County residents and generating an additional \$475,000 in dollar benefits and cost savings.

B. Methodology

The methodology used in this assessment included a high degree of engagement with the MCF-funded legal service providers. This section briefly describes the methods used for grantee involvement, the data collection methods that were used, the major elements of the analysis, and the limitations of the methodology and how they were addressed.

Grantee Involvement in Design and Implementation

Throughout the course of the project, MCF and The Resource engaged the grantees in the design and conduct of the research. An introductory joint meeting of Resource staff with grantees and a total of five subsequent web sessions were held to review preliminary findings and obtain feedback on the methods, data sources, and assumptions being applied. The

case,” with the standards established by LSC’s CSR. Although LAM and FACLC do not receive LSC funds, and therefore are not strictly required to conform with the CSR definitions, for a variety of practical and historical reasons they use the general framework of the CSR for tracking and reporting their output.

grantees also were asked to review and comment on a draft of the findings, observations, and conclusions of the study, and their feedback was incorporated in the final draft of this report.

Data Collection Methods

The assessment was designed to utilize, wherever possible, reports and other data that already had been provided to the Foundation by grantees, supplemented with data that grantees could easily produce from their files and computer systems, such as financial audit reports and Case Service Reports (CSRs⁵).

The Foundation forwarded to The Resource a series of documents that clearly would be useful for the assessment, such as poverty population statistics, grantee reports, and other readily-available data, as well as references to potential sources of additional information – for example, key staff in housing agencies and research organizations with which the Foundation has frequent contact.

That information was augmented with Internet research and contacts by telephone and email with sources in other agencies in Marin County referred to us by the Foundation and grantees. The study drew heavily on the work of other researchers in California and elsewhere whose contributions are acknowledged in footnotes throughout the report.

The study also relied on previous work that The Resource had done in quantifying and evaluating the work of legal services programs across the United States and Canada. For example, we used models derived from our evaluation studies in New York, Virginia and Pennsylvania to estimate the success rates of the MCF-funded legal services programs in handling cases such as domestic violence prevention and eviction defense for which the MCF-funded programs did not collect contemporaneous outcomes data.⁶

Analysis

The analysis had three components:

- 1. Analysis of case statistics.** Statistical data on cases handled during the four-year period 2009 through 2012 were used in the assessment. Data were provided in aggregated form by the MCF-funded programs from their case management systems. These provided the inputs for our economic impact analysis as well as snapshots of the numbers and types of cases handled by the programs over the period covered by the assessment.
- 2. Economic impact analysis.** The analysis applied three types of data:
 - *Numbers of cases of types known to produce economic impacts* – for example, “child support” cases in which the divorce settlement includes a monthly dollar amount to the custodial parent.
 - *The “success rate”– the percentage of cases completed by the program that produced the economic impact* – Where there were gaps in the outcomes data collected by MCF-funded programs, we estimated success rates using financial estimation models we have

⁵ Appendix C is available from MCF upon request and contains a glossary of terms related to civil legal services used in this report.

⁶ Note that our recommendations include simple steps that the Foundation and its grantees can take to improve outcomes reporting in the near future so as to make easier the quantification of economic impacts and other important results.

developed using data from other states such as New York, Virginia, and Pennsylvania wherein case output data is collected by legal services programs using systems mandated by their state funders. In this report we have flagged those figures that are based on estimates derived from financial models rather than outcomes tracked by the programs in Marin. The assumptions and methods used for these modeling efforts are described in detailed notes accompanying the tables in the economic impact sections of this report.

- *The magnitude of the impact per successful case* – for example, the average child support award made to custodial parents in the jurisdictions being served by the legal services programs. The data sources and assumptions we used for estimating the magnitude of economic impacts are documented in the notes to the tables in this report. Wherever possible, we applied average figures derived from agencies overseeing these matters – for example, child support figures were obtained from the Marin County Division of Child Support Services. Where figures specific to Marin County were not available, we used data from state and/or national sources that approximated as closely as possible the conditions that applied in Marin County. In some cases, adjustments were required; for example, for child support, we adjusted the average award by the percentage of awards that are actually collected by award recipients, based on statistics maintained by the Marin County Division of Child Support Services.

3. The “justice gap.” For the general low-income population, we estimated the number and type (family, housing, consumer, etc.) of legal problems occurring each year in Marin County. We formed our estimate by extrapolating the findings of the most comprehensive national study on this topic to date – the American Bar Association’s Comprehensive Legal Needs Study⁷ – to the specific low-income population of Marin County, applying a model developed by The Resource for this purpose.⁸ To estimate legal services capacity in each of these legal problem areas, we applied the case statistics provided by the legal services programs.

Limitations

Because this assessment relied on findings of studies performed by others in California and elsewhere, and applied data that previously had been collected by the legal services programs for purposes other than this study (for example, routine reporting to MCF and other funders), many adjustments and assumptions were required to fill data gaps and to align figures collected under widely varying circumstances. Our rule of thumb was to always err on the conservative side

⁷ The figures on numbers of legal problems used in this section were extrapolated by The Resource from, “Legal Needs and Civil Justice. A Survey of Americans Major Findings from the Comprehensive Legal Needs Study,” Consortium on Legal Services and the Public for the American Bar Association (1994), applying the U.S Census Bureau’s 2011 American Community Survey data and Marin County figures for the “Extremely Low Income” population as defined by 2011 HUD income limits.

⁸ The Resource has developed a statistical model based on the findings of the 1994 national legal needs study by the American Bar Association, which found that the incidence of legal problems among members of the low-income population is approximately 101 legal problems per year per 100 households. (This order of magnitude has also been found in subsequent legal needs surveys in many states.) The ABA Study further produced data on the distribution of these problems by legal problem type – for example, divorce, custody, eviction, Medicare/Medicaid, etc. Our model is useful for producing a rough estimate of the incidence and distribution of legal problems in a specific service area, using as inputs readily available data regarding the numbers of low-income households in that area.

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when making these adjustments. We have made extensive use of footnotes documenting the methods, data sources and assumptions used in deriving the estimates presented in this report.

II. Overview and Achievements of the Legal Services Delivery System Serving Low-Income Residents of Marin County

Three nonprofit organizations funded by the Marin Community Foundation’s Equity in Legal Protection grant area – Legal Aid of Marin (LAM), Family and Children’s Law Center (FACLC), and Canal Alliance’s Immigration Legal Services (CA-ILS) program – deliver free or low-cost civil legal services having profound societal and economic impacts on their low-income clients in Marin County who are fighting to keep their homes, solve their financial problems, and keep their families intact. Their mission also produces economic outcomes that ripple outward to benefit many other segments of society.

These three groups, along with three additional agencies – Bay Area Legal Aid, Fair Housing of Marin, and Marin County Superior Court’s Legal Self Help Services – comprise a collaborative network of legal services organizations providing access to the civil justice system for local residents and immigrants.

This section briefly describes Marin County’s legal services programs and summarizes the aggregate impacts of LAM, FACLC, and CA-ILS’ services from 2009 through 2012, the legal assistance provided, the benefits received by clients in more than 17,000 cases and the \$36.6 million in economic benefits, and cost savings that the groups sparked for their clients and the entire Marin community.

A. MCF Helps Fund Three Nonprofit Legal Services Organizations in Marin County.

Here is a brief description of the legal services programs supported, in part, by MCF:

- **Legal Aid of Marin** – Legal Aid of Marin (LAM) receives MCF funding to provide civil legal services and education to low-income residents – and older adults of any income – throughout Marin County, helping with crises such as foreclosure, eviction, job loss, and fraud.
- **Family and Children’s Law Center** – Family and Children’s Law Center (FACLC) receives MCF funding to provide family law services to low-income families in Marin County, helping with divorce, custody, and support; protecting victims of domestic violence; and addressing the legal needs of children.
- **Canal Alliance** – Canal Alliance receives MCF funding to provide affordable, comprehensive immigration legal services (CA-ILS) to very low-income immigrant families in the Canal district of San Rafael and other Marin neighborhoods.

Three additional agencies provide legal services in Marin County:

- **Bay Area Legal Aid** – Bay Area Legal Aid (BayLegal) is a civil legal services program funded by the federal Legal Services Corporation (LSC) to provides free civil legal advice, counsel, and representation to low-income people – regardless of a person’s location, language, or disability – living in the counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara. BayLegal’s clients include the working poor, seniors, veterans, and people with disabilities.

LSC funding carries certain restrictions, including a prohibition on representing people who are not United States citizens, with limited exceptions. LSC funded and non-LSC

funded legal services programs in the Bay Area collaborate to refer clients to each other, and to social service providers in the region, consistent with available resources and relevant restrictions.

Across its seven-county service area, BayLegal's practice areas include consumer law, domestic violence prevention, employment rights, health care access, homelessness prevention, immigration, public safety net programs, and youth justice. The caseload of its Marin County office consists almost entirely of public benefits matters, including SSD, SSI and Medi-Cal.

While MCF does not fund BayLegal, the Foundation does provide subsidized space in a building it owns in San Rafael, where Legal Aid of Marin and Family and Children's Law Center are also co-located.

- **Fair Housing of Marin** – While not a traditional legal services program, Fair Housing of Marin (FHOM) collaborates with the other Marin County legal services programs by taking referrals of housing discrimination or accessibility matters from them and, reciprocally, by referring its clients to these peer agencies when clients need direct legal assistance with general civil legal matters.
- **Marin County Superior Court's Legal Self Help Services** – Marin County Superior Court's Legal Self Help Services (LSHS) provides free assistance during weekdays in English and Spanish to members of the public who lack an attorney. LSHS' services include intake, information, and referral to legal services programs; individual assistance with legal document preparation; bilingual assistance and legal reference materials for non-English speakers; assistance in conducting self-guided legal research; and coordination of volunteers and interns who provide direct customer services. LSHS provides assistance on a first-come, first-served walk-in basis, with the demand for services consistently outpacing the courthouse staffing and resources that are available.

B. Combined Goals of the Three Legal Services Providers Receiving MCF Support

These are the combined goals of LAM, FACLC, and CA-ILS in Marin County:

- **Provide legal help to people with the most extreme need**, with priority on preserving families, homes, and jobs.
- **Bring legal help closer to residents in their communities**, including outreach in court, at medical clinics (in San Rafael, Novato, Point Reyes Station & Bolinas), at the College of Marin, and through rural legal clinics (in San Geronimo, Point Reyes Station, and Tomales).
- **Help children and families resolve legal issues related to divorce and paternity**, including custody, visitation, and support.
- **Meet the legal needs of older people**, regardless of their income level, including basic trust and estate issues, advanced health care directives, and prevention of financial fraud.
- **Address the legal needs of immigrants** seeking to gain legal residency status or citizenship and more fully engage in civic activities, public services, their education, and the local economy.

- **Collaborate with other community-based providers** to assure that families and children have access to key social services.

C. Low-Income Requirement to Qualify for Civil Legal Assistance in Marin County

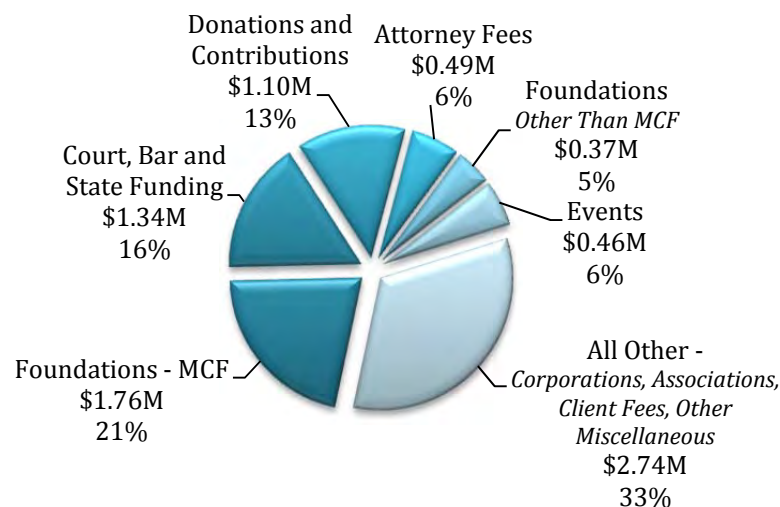
The board of directors of each of Marin County’s legal services program sets its own policy regarding income eligibility guidelines for applicants. While there is some variation among the three providers receiving MCF funding, the application of these policies has the practical result that the vast majority of clients fall within the U.S. Department of Housing and Urban (HUD) “Extremely Low Income”⁹ range, with the exception being that no income limit is applied to applicants who are older adults or victims of domestic violence. For instance, an applicant who heads up a family of four could have total household income of no more than \$31,650 to qualify for legal services for free or at very low cost, depending on the provider and the service needed.

D. Funding for the Three MCF-Funded Legal Services Programs in Marin County Totaled \$7.7 Million From All Sources in 2009 through 2012

As indicated by **Exhibit 1** (below), MCF provided \$1.8 million (21 percent) of this total. Other sources included statewide entities such as the State Bar of California and the California Administrative Office of the Courts (\$1.3 million); donations and contributions (\$1.1 million); foundations other than MCF (\$0.4 million); and a variety of other sources.

Exhibit 1

Funding for the Three Legal Services Grantees of MCF during the Four-Year Period 2009 through 2012



⁹ For the HUD "Extremely Low Income" limits for Marin County, see the U.S. Department of Housing and Urban Development Website at www.huduser.org/portal/datasets/il.html.

E. MCF-Funded Legal Services Programs Deliver Day-To-Day Legal Assistance to Low-Income Community Members.

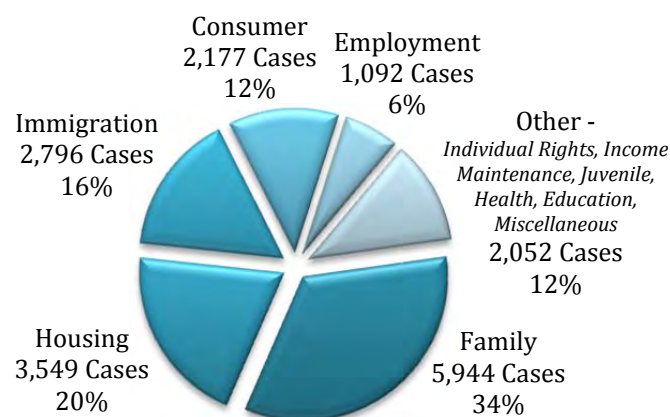
From 2009 through 2012, legal services programs funded by MCF handled 17,609 cases and thereby enabled low-income residents and older adults and domestic violence victims (regardless of income) to address critical legal issues directly affecting their families, homes, incomes, jobs, and access to vital services such as health care and utilities.¹⁰

As shown in **Exhibit 2** (below) and **Exhibit 3** (on the next page), about one-third (5,944) of the three groups' 17,609 cases from 2009 through 2012 dealt with family problems, such as child custody. One-fifth (3,549) of the cases addressed housing problems, including eviction and foreclosure.

Types of services provided include:

- Legal advice and brief services
- Extended legal representation – for example, serving as attorneys of record in court and administrative proceedings and negotiating with opposing parties
- Clinics and workshops for assisting self-represented litigants in local court proceedings
- Educational materials and outreach
- Referrals to other service providers

Exhibit 2
**Numbers of Cases Handled from 2009 through 2012
for Marin County Residents and Their Families,
by Legal Problem Area**



¹⁰ In this report, “handled” cases consist of all cases on which activity occurred during the period. The figures presented in Exhibits 2 and 3 reflect all cases that were opened during the period and remained open at the end of the period as well as those that were completed (or “closed”) during the period.

Exhibit 3

Cases Handled, 2009 through 2012, by Program and Legal Problem Area				
	Legal Aid of Marin	Family and Children's Law Center	Canal Alliance Immigration Legal Services	Total
Family	796	5,148		5,944
Housing	3,549			3,549
Immigration	14		2,782	2,796
Consumer	2,177			2,177
Employment	1,092			1,092
Other	2,052			2,052
Totals:	9,679	5,148	2,782	17,609

F. Legal Services Programs Are Confronting A Critical “Justice Gap” In Marin County That Affects Everyone.

Marin County’s legal services programs struggle every day to reduce a “justice gap,” which is the disparity between the volume of legal needs faced by those needing their services and the resources available to the providers for meeting those needs. More than 70 percent of Marin County’s low-income residents experiencing a “general” civil legal problem each year do not receive individualized legal assistance, with the great majority not even seeking help. This disparity is a result of years of chronic under-funding of civil legal assistance for low-income people in California and across the country.

The resources available for civil legal services historically have fallen far short of the amounts needed to fully serve even those who show up as applicants for legal assistance at legal services offices. Many of those who experience a legal problem do not bother to apply for legal assistance, because it is well known in the low-income community that legal service providers have only enough resources to handle emergency cases and a few other high-priority matters, the latter often requiring long waits for service. As a result, many of those experiencing legal problems attempt to resolve them on their own on a self-represented basis, or simply do nothing and hope for the best.

The gap varies significantly by type of legal need, ranging from 9 percent of family problems unmet at the low end to virtually all legal matters unaddressed in some areas, such as health care and children’s schooling. Moreover, only about 5 percent of Marin County’s unauthorized immigrants – a population with a complex set of legal problems – are provided with civil legal assistance each year. (See section V of this assessment for a full description of the justice gap in Marin County).

G. The Three MCF-Funded Legal Service Programs Produce Economic Impacts That Far Exceed The Funding They Receive.

In addressing legal problems of clients, legal services programs secure millions of dollars in child support for their clients, stimulate local spending, sustain private sector jobs, and spare state and local budgets the costs of responding to family crises triggered by such issues as foreclosure, eviction, and domestic violence. A total of \$7.7 million from all sources invested in legal services programs from 2009 through 2012 produced \$36.6 million in economic benefits and savings to

clients and communities, yielding a return on investment of almost 4.75 to one. (See section III of this assessment for a full description of the economic impacts of legal services in Marin County).

H. Legal Services Programs Help Ease the Burden on the Marin County Court System.

Legal services advocates enable the Marin County Superior Court to operate more efficiently by helping low-income litigants navigate the court system and by hosting community legal education events to inform residents how the legal process works. Legal services advocates negotiate solutions in many cases that otherwise might result in litigation, counsel applicants against bringing non-meritorious cases to court, and refer clients to other sources of help (such as social service providers) when their cases lack legal merit.

I. Marin County's Legal Services Programs Recruit And Coordinate Pro Bono Assistance.

To help narrow the justice gap, legal services programs collaborate with bar associations in the county to recruit private attorneys and law firms to contribute *pro bono* or free services.

In 2012, legal services volunteers in Marin County included 235 attorneys and 121 non-attorneys (many of them law students), who completed 447 cases for legal services clients while donating a total of 10,428 hours of services valued at nearly \$2.3 million.

III. Economic Impacts: MCF-Funded Civil Legal Services Programs Produce an Excellent Return on Investment for Their Funders and Partners.

The shared primary mission of Marin County’s civil legal services programs is to deliver access to the civil justice system for people in poverty who lack the means to hire a lawyer. Representation by civil legal services advocates fulfills one of our society’s most basic promises: *Equal Justice Under Law*.

Yet this mission also produces economic outcomes that ripple outward to benefit many other segments of society. For example, by helping low-income people qualify for state-funded benefit programs, legal assistance brings a stream of state tax dollars into the county that not only provides food, shelter, and health care to vulnerable residents, but also boosts local economies throughout Marin County through the economic multiplier effect. Legal services advocates save dollars for everyone by keeping families in their homes, by helping women and children escape domestic violence, and by helping public programs and the court system work more efficiently.

A. Overview: The Three Civil Legal Services Programs Produced \$36.6 Million in Economic Impacts from 2009 through 2012, a 4.75-Fold Return on Investment.

While it is difficult to place a dollar amount on many of the societal benefits that civil legal services programs produce, such as fair administration of justice or the correction of discriminatory practices, legal services programs achieve an array of financial outcomes that are readily quantifiable. Improved case management systems, such as those funded in part by the Marin Community Foundation, make it possible to track dollar benefits awarded directly to clients through successful casework, while economic modeling reveals the further cost savings and other impacts that legal services have on clients and local communities. Comparing legal services programs’ overall financial impacts with their total funding provides a measure of the significant economic impact of investing in legal assistance.

Exhibit 4 on the next page aggregates and summarizes the impacts of the three legal services programs funded by MCF over the four years considered in this analysis, 2009 through 2012. The chart shows that the three civil legal services programs produced about \$36.6 million in economic impacts.

Exhibit 4 Summary of Economic Impacts of MCF-Funded Legal Services Programs, 2009 through 2012

	Total, Millions
I. Estimated Direct-Dollar Benefits for Clients	\$20.5
A. Child Support	\$10.7
B. Public Benefits	\$3.4
C. Wage Impacts for Immigrants	\$5.0
D. Wage Claims	\$1.5
II. The Economic Multiplier Effect	\$7.3
III. Estimated Cost Savings for the Community	\$5.2
A. Avoidance of Emergency Shelter	\$0.8
B. Prevention of Eviction	\$0.7
C. Prevention of Foreclosure	\$1.4
D. Prevention of Domestic Violence	\$2.3
IV. Tax Revenues for State & Local Governments	\$3.5
Total Economic Impact (Sum of Lines I through IV)	\$36.6

The economic impacts include the following:

- **\$20.5 million in direct-dollar benefits for low-income families**, including child support, public benefits, higher wages for immigrants, and successful resolutions of wage claims by low-income workers, providing income to pay for daily necessities such as food, rent, electricity, and transportation; for access to medical care; and for relief from debt that threatens to drag families further into poverty.
- **\$7.3 million in the economic multiplier effect**, produced by dollars coming into Marin from outside the county each year – including child support and public benefit payments, as well as operating grants for the legal services programs themselves from outside the county – that are spent and circulate in the local economy creating revenue for businesses and jobs for working Marin County residents. Without the efforts of legal services advocates, these dollars would be lost to communities across Marin County.
- **\$5.2 million in cost savings** from legal services’ success in reducing problems that are costly for everyone, such as eviction, foreclosure, and domestic violence.
- **\$3.5 million in additional tax revenues for state and local governments**, primarily resulting from the taxes paid on increased wages of immigrants who have gained work authorization with the help of CA-ILS advocates and by higher compliance with tax withholding by employers for whom authorized immigrants are likely to work.

B. Direct-Dollar Benefits – Child Support: \$10.7 million

Exhibit 5 below indicates the computations and assumptions used in deriving the impact of child support produced through the efforts of LAM and FACLC. Court orders for child support were obtained through successful representation of clients in divorce, separation, paternity, and custody proceedings.

Exhibit 5

Estimated Direct-Dollar Benefits - Child Support	
1. Number of cases closed MCF-funded programs in 2009-2012 potentially involving child support (divorce, custody, support and/or domestic violence) - <i>see Note 1</i> :	780
2. Estimated number of the above cases for which child support order was awarded (<i>see Note 2</i>):	454
3. Average monthly amount of child support (<i>see Note 3</i>):	\$308
4. Average percent of child support awards that are actually received (<i>see Note 3</i>):	71%
5. Assumed duration of payments in months (<i>see Note 4</i>):	108
Total Estimated Revenue Received by Clients in 2009-2012 ("2" x "3" x "4" x "5"), Millions:	\$10.7

Note 1: Source: Programs' case tracking data systems. This figure is the sum of cases completed by LAM (381 cases) and FACLC (399 cases) during the 4-year period 2009 through 2012. CA-ILS did not handle these types of cases.

Note 2: This figure was computed by applying "success rates" from three sources. For LAM, the assumed success rate was a blended average of rates based on (1) a scientific survey by The Resource in which 400 legal aid clients in Pennsylvania randomly sampled from all who had received advice or brief services in the latter half of 2011 were interviewed by phone to determine the outcomes of their cases; and (2) measured outcomes of extended representation cases handled by all legal service providers in New York and Virginia in 2011. We assumed for purposes of this analysis that the success rate of LAM was the same as the composite success rates of the programs determined from these two sources. For FACLC, the assumed success rate was 80 percent, based on feedback from FACLC staff. They work intensively with each client and believe they obtain child support in almost every case involving one or more of these four problem types. The figure takes into account the estimate that 10-15 percent of clients agree that child support will not be included in the final settlement.

Note 3: Source of the figures in lines 3 and 4: Marin County Office of Child Support Enforcement.

Note 4: Assumed duration of child and spousal support: 9 years. This is the average time elapsed from the average age of children at divorce (9 years) to the age of majority (18 years). Source of figure for average age of children at divorce: Liu, Shirley H., "The Effect Parental Divorce and Its Timing on Child Educational Attainment: A Dynamic Approach," page 17; available at the following website: http://moya.bus.miami.edu/~sliu/Research_files/divorcetiming.pdf.

C. Direct-Dollar Benefits – Public Benefits: \$3.4 million

The three MCF-funded programs do not directly represent clients in traditional public benefits matters (for example, Social Security Disability or Supplemental Security Income cases); instead, they refer clients to the Marin office of BayLegal for this type of assistance.

However, one of the MCF-funded programs – CA-ILS – produces a flow of millions of dollars in public benefits into Marin County by helping its clients make the transition from unauthorized to authorized status, thereby making them eligible for certain public benefit programs. As indicated in **Exhibit 6** on the next page, CA-ILS enabled 911 immigrants to become eligible for certain public benefits, depending on their immigrant status and the eligibility requirements of specific benefit programs. If we assume that these clients apply for and receive these benefits at the same rates as authorized immigrants do in the U.S. generally,

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the total benefits generated by CA-ILS' work totaled \$3.4 million over the four years covered by this study, 2009 through 2012.¹¹

Exhibit 6

Estimated Direct-Dollar Benefits - Public Benefits							
	Total Number of CA-ILS Cases 2009-2012 (See Note 1)	Values, by Benefit Program, for which ILS Clients Are Eligible (See Note 2)					TOTAL
		Cash Assistance for Immigrants (CAPI)	FOOD (SNAP, CalFresh, CFAP, WIC)	CalWORKs	Adult Health (Medi-Cal, etc.)	Child Health (CHDP, etc.)	
A. Clients Who Achieved Eligibility for Certain Benefits as a Result of CA-ILS Legal Assistance* in 2009-2012 (see Note 1): <i>*All Categories (Family-Based LPR, U-Visas, TPS)</i>	911						
B. Total Eligible for Program (see Note 2):		436	490	544	604	200	
C. Assumed Utilization Rate - Percent of eligible beneficiaries who apply and are accepted for benefit (see Note 3):		3%	37%	3%	25%	49%	
D. Average Benefit per Household per Month (see Note 4):		\$634	\$151	\$634	\$532	\$85	
E. Average Duration of Benefit in Months (see Note 5):		24	24	24	24	24	
Estimated Total Benefits ("D" x "E" x "F" x "G"), Millions:		\$0.2	\$0.7	\$0.3	\$2.0	\$0.2	\$3.4

Note 1: For details regarding the computations in this exhibit, see the snapshot of Canal Alliance's Immigration Legal Services (CA-ILS) program produced by The Resource for Great Programs, available upon request from CA-ILS.

Note 2: Assumptions regarding eligibility for specific programs were derived by the authors from "Major Public Benefits Available to Immigrants In California;" National Immigration Law Center, 2011; available at http://www.nilc.org/bens_table.html. For details and assumptions used in breaking out CA-ILS clients by categories of eligibility shown in this table, see Exhibit 36 in Chapter VI.

Note 3: The assumed utilization rates (which include the percentage of eligible people who apply for benefits and their success rate in having their applications accepted by the relevant agency) were derived by the authors from data presented in Ku and Bruen, "The Use of Public Assistance Benefits by Citizens and Non-citizen Immigrants in the United States," The CATO Institute, 2013.

Note 4: The figures used for the average benefits per household were derived from Ku and Bruen, cited in Note 3.

Note 5: The average duration of Cal-Works is 24 months, according to Caroline Danielson in "California's Welfare Recipients: Family Circumstances, Income, and Time on Aid among CalWORKs Families," Public Policy Institute of California, May 2012, available on the web at http://www.ppic.org/content/pubs/report/R_512CDR.pdf. This same figure was assumed for other programs in this analysis, for which figures on average duration of benefits were not available.

¹¹ The assumptions reflected in Exhibit 6 regarding immigrants' utilization rates (which reflect both the percentage of eligible people who apply for benefits and their success rate in having their applications accepted by the relevant agency) were derived by the authors from data presented in Ku and Bruen, "The Use of Public Assistance Benefits by Citizens and Non-citizen Immigrants in the United States," The CATO Institute, 2013. Ku and Bruen based their findings on information in the March, 2012 Current Population Survey. More specific data on rates of utilization of public benefits by immigrant residents of Marin County proved not to be available from records kept by the Marin County Department of Health and Human Services.

D. Direct-Dollar Benefits – Wage Impacts for Immigrants: \$5.0 million

When an immigrant receives authorization to work legally in the U.S., his or her employment prospects become significantly better, and the immigrant’s wages reflect this fact. One’s ability to get a decent job improves, and the chances of being exploited by an unscrupulous employer decreases.

Studies in California and elsewhere have quantified the impact of work authorization. One study by Manuel Pastor and Justin Scoggins, et al. focusing on Latino immigrant workers in 14 occupation categories in California, found that that the wages earned by authorized immigrant workers were 9.5 percent higher than those of unauthorized immigrant workers, controlling for differences in human capital characteristics and specific jobs.¹²

In another study, Pastor and Scoggins found an additional 5 percent differential between the average wages of legal permanent residents and those of naturalized citizens in the first few years after achieving citizenship.¹³

Exhibit 7 below summarizes our findings regarding the aggregate wage impacts experienced by clients of CA-ILS as a result of the program’s legal assistance in applying for authorization and naturalization over the four years covered by this study, 2009 through 2012.

Exhibit 7

Estimated Direct-Dollar Benefits - Wage Impacts for Immigrants	
1. Number of immigrants who received authorization in the 4-year period 2009-2012 as a result of MCF-funded legal assistance (see Note 1):	889
2. Estimated Net present value of wage impact of authorization (see Note 2):	\$4.2
3. Number of Legal Permanent Residents who achieved citizenship in the 4-year period 2009-2012 as a result of MCF-funded legal assistance (see Note 1):	155
4. Estimated Net present value of wage impact of naturalization (see Note 2):	\$0.8
Estimated Net Present Value of Wage Impact ("2" + "4"), Millions	\$5.0

Note 1: The number of applications filed on clients' behalf was reported by CA-ILS from its case tracking data system. The numbers of those applications that were successful were computed using success rates estimated by the program advocates based on intake experience and professional judgment.

Note 2: The wage impacts of authorization and naturalization were estimated by the authors using data reported by Manuel Pastor and Justin Scoggins, et. al.

¹² Source: Pastor, Scoggins, Tran and Ortiz, "The Economic Benefits of Immigrant Authorization in California," Center for the Study of Immigrant Integration, University of Southern California (USC), 2012, page 1.

¹³ Source: Pastor and Scoggins, "Citizen Gain: The Economic Benefits of Naturalization for Immigrants and the Economy;" Center for Immigrant Integration, University of Southern California (USC), December 2012, Figure 2.

E. Direct-Dollar Benefits – Wage Claims: \$1.5 million

Despite Marin's reputation for wealth, many county residents work at, or near, minimum wage. And all too often, even this modest compensation is reduced through “wage theft” – that is, systematic exploitation by unscrupulous employers in violation of laws such as the California Labor Code and the Business and Professions Code.

In 2012, one of the MCF-funded programs, Legal Aid of Marin, completed 122 wage claim cases addressing such exploitation, in the process securing more than \$850,000 in judgments and settlements on behalf of low-income Marin workers.

Although actual collection of these funds can be difficult, LAM has documented \$373,285 actually received by clients from 2012 cases. By applying that figure as a conservative measure of dollar benefits produced in a typical year, we estimate that the impact of LAM’s wage claims work over the four-year period covered by this study – 2009 through 2012 – was \$1.5 million (four times \$373,285). In actuality, it could have been as much as \$3.4 million (four times \$850,000).

F. The “Economic Multiplier Effect”: \$7.3 million

Exhibit 8 below indicates the computations and assumptions used in our study for computing the economic multiplier effect for the three MCF-funded legal services programs. Our application of the U.S. Department of Commerce “Regional Input-Output Modeling System” indicates that every dollar brought into Marin from the outside circulates in the local economy 1.16 times before leaving. Application of that multiplier to the dollars brought into Marin as a result of the benefits achieved for clients and the grants received by the three legal services programs from sources outside the county produces a finding that the economic multiplier effect amounted to \$7.3 million in the four-year study period 2009 through 2012.

Exhibit 8

Economic Multiplier Effect	
1. Child support from payers residing outside Marin County, millions (see Note 1):	\$1.1
2. Public benefits received by authorized immigrants in Marin County, millions (see Note 2):	\$3.4
3. Funding to MCF-funded programs in 2009-2012 from outside Marin County, millions (see Note 3):	\$1.9
4. Total funds into Marin County from outside sources (sum of "1," "2," and "3"):	\$6.3
5. Economic multiplier for Marin County:	1.16
Total Economic Multiplier Effect, 2009-2012 ("3" x "4"), Millions:	\$7.3

Note 1: Assumption: 10 percent of the total child support received by program clients came from payers outside the county.

Note 2: For details of the computation of public benefits achieved for clients of CA-ILS, see snapshot of that program produced by The Resource for Great Programs, available upon request from CA-ILS.

Note 3: FY 2012 funding reports were used to determine the amount of funding that came from sources outside Marin County - for example, the California Administrative Office of the Courts. The 2012 figures were multiplied by four to estimate the total for the four years covered by this study.

The “economic multiplier effect” is created when dollars flow into Marin County from the outside (for example, from state-supported public benefits) as a result of the operations and achievements of the MCF-funded legal services programs – dollars which are then spent

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within the county to provide income for local businesses and support jobs for working Marin families.

Revenue flows into the county via several pathways. First, when legal advocates help their clients to qualify for public benefits such as Medi-Cal, a flow of state funds begins directly into the county, either as payments to entities such as health care providers to reimburse them for services they provide to low-income Marin residents (as in the case of Medi-Cal) or as direct income to low-income Marin residents in the form of payments such as cash assistance or SNAP benefits.

A smaller source of funds into the county is created by child support payments to Marin County parents from payers living outside the county.

A further source consists of grants to the legal services programs themselves from state or federal agencies or from foundations or corporations located outside Marin.

A portion of the dollars that flow in from the outside are spent within the county, providing income for businesses and supporting jobs. For example, legal services clients use a portion of their benefit and child support checks to pay for food, utilities, gas and rent from Marin County businesses. Legal services providers similarly spend some of their grant revenue in the local community to support their Marin County operations, and their employees in turn spend a portion of *their* paychecks locally. The funds continue to circulate in the local economy as one Marin County party spends a portion of its revenue to purchase goods and services from another party in the county.

G. Cost Savings – Avoidance of Emergency Shelter: \$0.8 million

Savings are produced by legal assistance aimed at preventing eviction or foreclosure, or negotiating additional time for clients to seek alternative housing rather than being put out on the street. **Exhibit 9** below indicates the computations and assumptions used in deriving the above figure.

Exhibit 9

Estimated Cost Savings - Avoidance of Emergency Shelter	
1. Number of housing cases closed by MCF-funded programs in 2009-2012 <i>(see Note 1):</i>	2,533
2. Estimated number of the above cases for which eviction or foreclosure was avoided <i>(see Note 2):</i>	412
3. Assumed "Emergency Shelter Avoidance Rate" <i>(see Note 3):</i>	31%
4. Estimated number of clients for whom the need for emergency shelter was avoided ("2" x "3"):	128
5. Average cost of emergency shelter for one family <i>(see Note 4):</i>	\$6,595
Total Estimated Cost Savings from Reducing Need for Emergency Housing, 2009-2012 ("4" x "5"), Millions:	\$0.8

Note 1: Source: Programs' case tracking data system.

Note 2: The assumed "success rate" is a weighted average of measured success rates from two sources: (1) a scientific survey by The Resource in which 400 legal aid clients in Pennsylvania randomly sampled from all who had received advice or brief services in the latter half of 2011 were interviewed by phone to determine the outcomes of their cases; and (2) measured outcomes of extended representation cases handled by all legal service providers in New York and Virginia in 2011. We assumed for purposes of this analysis that the success rate of the MCF-funded programs was the same as the composite success rates of the programs determined from these two sources.

Note 3: The "Emergency Shelter Avoidance Rate" is the percentage of evicted or foreclosed households that would have utilized emergency shelter if not kept in their homes as an outcome of legal assistance. The assumed value of 31 percent is based on a detailed study of eviction prevention, the results of which are described in "The Homelessness Prevention Program: Outcomes and Effectiveness," New York State Dept. of Social Services, 1990 (see in particular, Table 3.2).

Note 4: The assumed "average cost of emergency shelter for one family" was the median of estimates derived from two methods: (1) the cost per family incurred in 2012 by Homeward Bound Marin, a non-profit homeless shelter with locations in San Rafael and Novato; and (2) the lowest nightly cost of a hotel listed on Travelocity.com in San Rafael and Novato in February 2013.

H. Cost Savings – Prevention of Eviction: \$0.7 Million

Not only do eviction-defense legal services save on the cost of providing emergency shelter for evicted families (see above), but they also save significant expenses for landlords and local governments that include the cost of legal proceedings, lost rents, and the eviction process itself, including sheriffs’ involvement in resolving disputes and even violence that sometimes accompanies efforts to remove tenants and their possessions.

Exhibit 10 below summarizes our findings regarding the aggregate impact of MCF-funded legal services over the four years covered by this study, 2009 - 2012.

Exhibit 10

Estimated Cost Savings - Prevention of Eviction	
A. Evictions Avoided	
1. Total cases in which legal problem was Housing (see Note 1):	2,152
2. Assumed "Success Rate" in preventing evictions (see Note 2):	14%
3. Total cases in which clients avoided eviction ("A.1" x "A.2"):	301
B. Cost Savings for Landlords	
1. Savings per eviction avoided (see Note 3):	\$1,910
2. Estimated total savings over study period ("A.3" x "B.1"), millions:	\$0.58
C. Cost Savings for Local Government	
1. Savings per eviction avoided (see Note 4):	\$323
2. Estimated total savings over study period ("A.3" x "C.1"), millions:	\$0.10
Total Estimated Cost Savings (Sum of B.2 and C.2), Millions:	\$0.7

Note 1: Source: Programs' case tracking system.

Note 2: Source of this figure: outcomes measured for FY 2011-2012 housing cases in representative legal aid programs in New York which handle significant numbers of eviction prevention cases.

Note 3: This is the total of the following costs: filing fees (\$220); process serving charges (\$140); enforcement cost (\$150); attorney's fees (\$400); and lost rent (2 months assumed at \$500 per month). Source: Howard F. Burns, Attorney at Law, "Residential Evictions - How Much Will They Cost?" in Ezine Articles, at: <http://ezinearticles.com/?Residential-Evictions---How-Much-Will-They-Cost?&id=4808923>.

Note 4: Conservative estimate by the authors using data contained in Marin County Sheriff and Coroner's FY 2012-2013 Performance Plan. Included are the cost of one dispatched sheriff's patrol call per eviction at \$248 and one hour of administrative time at \$75.

I. Cost Savings – Prevention of Foreclosure: \$1.4 Million

Avoiding foreclosure is an outcome of legal assistance having extremely important benefits not only for clients but also for their neighbors, for the lenders holding their mortgages, and for the local governments to whom they pay property taxes.

Exhibit 11 on the next page summarizes our estimate of the cost savings produced by LAM, one of the three MCF-funded programs through prevention of foreclosure during the study period 2009 through 2012. (Neither FACLC nor CA-ILS handle housing cases.) Further details regarding the assumptions and data sources used in this computation are provided in the notes following **Exhibit 11**.

Each potential foreclosure that is avoided has the following direct economic impacts:

- **Savings for LAM clients** – Foreclosure causes a massive reduction in a home's value to its owners. A national study estimates that impact to be an average of 43 percent.¹⁴ On a \$150,000 home, this amounts to a loss in value of \$63,885.¹⁵ This can mean loss of an entire life's savings. In addition, families who lose their homes suffer a damaged credit history and subsequently will be forced to pay more for any type of credit in the future. Research shows that after families give up homeownership for any reason, it can take a decade or more for them to be in a position to buy another home.¹⁶
- **Savings for neighbors** – Foreclosure reduces the property values of nearby homes. This impact has been estimated at nine percent for homes in the immediate vicinity of a foreclosed property, and an additional nine percent if a second home in the neighborhood undergoes foreclosure.¹⁷ For the five homes immediately adjoining a foreclosed property (the two next-door neighbors and the three homes directly across the street), each worth \$150,000, a nine percent loss would mean a total impact of \$67,500. For people having the bulk of their net worth invested in their homes, this represents an enormous loss affecting the entire community.
- **Savings for lenders** – Foreclosures are extremely costly to lenders, amounting to an estimated 30 percent of the loan value.¹⁸ For a \$150,000 home with a mortgage totaling 80 percent of its value, foreclosure would mean a \$36,000 loss to the lender.

¹⁴ Source: Derived by the authors from data provided in Schloemer, Li, Ernst and Keest, "Losing Ground: Foreclosures in the Subprime Market and Their Cost to Homeowners," Center for Responsible Lending, 2006; Table 6.

¹⁵ Although the median house price in Marin is very high - \$820,000 in 2009 – the median price in the lowest price quartile (the segment likely occupied by LAM clients) was in the range \$150,000-\$200,000. Source of these figures: http://www.city-data.com/county/Marin_County-CA.html

¹⁶ Donald R. Haurin and Stuart S. Rosenthal, *The Sustainability of Homeownership: Factors Affecting the Duration of Homeownership and Rental Spells*, p. 43; HUD Office of Policy Development, (December, 2004), at <http://www.huduser.org/Publications/pdf/homeownsustainability.pdf>.

¹⁷ Source: Schloemer, Li, Ernst and Keest, *ibid*, page 24. In our computation of cost savings we have conservatively included only the impact of the first foreclosure in a neighborhood, not that of additional foreclosures.

¹⁸ This is a figure widely used in articles about the foreclosure crisis of 2008-2012 – see, for example, "Thaddeus McCotter says lenders lose 30 percent on foreclosures," Politifact.com, August 23, 2011, which reviews a variety of sources to conclude that the 30 percent figure is a valid approximation of the losses to lenders.

Exhibit 11

Estimated Cost Savings - Prevention of Foreclosure	
A. Foreclosures Avoided	
1. Estimated number of cases in which clients avoided foreclosure, 2009 thru 2012 (see Note 1):	8
2. Assumed average value per home before foreclosure (see Note 2):	\$150,000
B. Cost Savings for Homeowners	
1. Average reduction in value per foreclosure (see Note 3):	43%
2. Savings per foreclosure avoided ("B.1" x "A.2"):	\$63,885
3. Estimated total savings over study period ("A.1" x "B.2"), millions:	\$0.51
C. Cost Savings for Neighboring Property Owners	
1. Assumed number of neighboring properties affected per foreclosure (see Note 4):	5
2. Assumed average value per home in neighborhood (see Note 2):	\$150,000
3. Total value of neighboring homes that would have been affected by foreclosure of LAM client's home ("C.1" x "C.2"):	\$750,000
4. Average reduction in property value of homes in neighborhood (see Note 5):	9%
5. Estimated total savings over study period ("C.3" x "C.4" x "A.1"), millions:	\$0.5
D. Cost Savings for Lenders	
1. Cost to lenders, percent of loan on foreclosed property (see Note 6):	30%
2. Assumed loan-to-value ratio:	80%
3. Loss avoided by lender ("A.1" x "A.2" x "D.1" x "D.2"), millions:	\$0.29
E. Cost Savings for Local Governments	
1. Avoided loss in market value of LAM client's home ("B.2" above):	\$63,885
2. Avoided loss in market value of neighboring properties ("C.3" x "C.4"):	\$67,500
3. Total avoided loss in market value per avoided foreclosure ("E.1" + "E.2"):	\$131,385
4. Tax rate per \$100 in assessed value in Marin County (see Note 7):	\$1.06
5. Avoided loss in property tax revenues per avoided foreclosure ("E.3" x "E.4"):	\$1,393
6. Avoided loss in property tax revenues ("A.1" x "E.5"), millions:	\$0.01
7. Avoided cost/home in maintaining and policing vacant, foreclosed properties (see Note 8):	\$5,400
8. Total avoided cost of maintenance and policing ("A.1" x "E.7"), millions:	\$0.04
Total Estimated Cost Savings (Sum of B.3, C.5, D.3 and E.8), Millions:	\$1.4

See next page for Notes to Exhibit 11.

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Notes to Exhibit 11

Note 1: Source of this figure: estimate by authors derived by multiplying total number of "housing" cases handled by MCF-funded programs by the average number of foreclosures prevented per housing case measured for FY 2011-2012 in representative legal aid programs in New York which handle significant numbers of foreclosure prevention cases.

Note 2: Although the median house price in Marin was very high - \$820,000 in 2009, the median price in the lowest price quartile was approximately \$150,000. Source: http://www.city-data.com/county/Marin_County-CA.html

Note 3: Source: Derived by the authors from data provided in Schloemer, Li, Ernst and Keest, "Losing Ground: Foreclosures in the Subprime Market and Their Cost to Homeowners," Center for Responsible Lending, 2006; Table 6.

Note 4: For purposes of this computation, we assumed that only the two homes adjacent to a house undergoing foreclosure plus the three houses across the street would be affected, amounting to a total of 5 properties.

Note 5: Source: Schloemer, Li, Ernst and Keest, *ibid*, page 24.

Note 6: An article in Politifact.com reviews a variety of sources that indicate lender losses could be 30 percent, or even more. (See "Thaddeus McCotter says lenders lose 30 percent on foreclosures," Politifact.com, August 23, 2011).

Note 7: Source: "Property Tax Rate Book, 2012-13," Marin County Department of Finance. We applied the lowest rate, which varied by area of the county over a range between 1.06 percent and 1.49 percent.

Note 8: Source: Schloemer, Li, Ernst and Keest, *ibid*, page 24. This is the lower bound of the range estimated by the Homeowner Preservation Fund for the costs of house inspections, additional policing of vacant properties, sheriff sales, etc., based on a study of Chicago-area foreclosures.

Costs to lenders connected with foreclosure include lost principal and interest payments from the homeowner; continuing obligations for tax and insurance payments; costs for maintaining the property; lost service fees for handling normal mortgage payments; legal and administrative costs; costs for restoring the property to good condition for sale; and real estate commissions once the sale is complete.

- **Savings for local governments** – Losses in property values of foreclosed homes and their ripple effects on the values of nearby homes translate directly into losses in property taxes collected by local governments. In our example of a \$150,000 home, this would mean a loss to Marin County of at least \$1,400 in taxes on the foreclosed property and its five closest neighbors.¹⁹ Moreover, local governments bear additional costs averaging at least \$5,400 per foreclosed property for additional policing and other expenses.²⁰

¹⁹ Property tax rates vary from 1.06 to 1.49 percent in Marin County, depending on location within tax assessment districts – see "Property Tax Rate Book, 2012-13," Marin County Department of Finance. In our calculations, we have applied 1.06 percent, the lowest rate.

²⁰ Source: Schloemer, Li, Ernst and Keest, *ibid*, page 24. This is the lower bound of the range estimated by the Homeowner Preservation Fund for the costs of house inspections, additional policing of vacant properties, sheriff sales, etc., based on a study of Chicago-area foreclosures.

J. Cost Savings – Reducing Domestic Violence: \$2.3 million

Civil legal protection from domestic violence reduces crime, allows survivors to go back to living healthy and productive lives, and reduces the likelihood that children will become victims or perpetrators of violence in the future. It also saves thousands of dollars in medical, counseling, and law enforcement costs for each case that is successful.

As indicated by **Exhibit 12** below, savings secured by the three legal services programs by helping clients avoid domestic violence and the need for emergency care totaled about \$2.3 million in 2009 through 2012.

Exhibit 12

Estimated Cost Savings - Reducing Domestic Violence	
1. Estimated number of law cases closed that involve domestic violence (see Note 1):	916
2. Assumed success rate - percentage of cases for which victim received protection from DV (see Note 2):	Varied
3. Estimated number of clients protected from domestic violence ("1" x "2"):	781
4. Average cost per year of medical treatment, counseling, police protection and other support per DV victim (see Note 3):	\$5,193
Total Estimated Cost Savings from Prevention of Domestic Violence, 2009-2012 ("2" x "3"), Millions:	\$2.3

Note 1: Source: Programs' case tracking data system, then estimated by program based on intake priorities and professional judgment of advocates.

Note 2: The "success rate" used for this computation was a weighted average of the success rates we applied for estimating the impacts of the three individual programs. For FACLC, and CA-ILS, estimated success rates were provided to us by the programs based on the experience and professional judgment of the advocates who handle these cases. For LAM, we derived a weighted average success rate using data from two sources: (1) a scientific survey by The Resource in which 400 legal aid clients in Pennsylvania randomly sampled from all who had received advice or brief services in the latter half of 2011 were interviewed by phone to determine the outcomes of their cases; and (2) measured outcomes of extended representation cases handled by all legal service providers in New York and Virginia in 2011. We assumed for purposes of this analysis that the success rate of LAM was the same as the composite success rates of the programs determined from these two sources.

Note 3: To estimate this impact, we applied the results of national studies cited in a 2011 analysis in New York in which we were engaged. Those studies provided the basis for an estimate of annual direct costs of medical care and lost wages for victims, counseling for affected children, police resources, and incarceration of abusers. To err on the conservative side, they did not include costs such as emergency housing which were not addressed in the national studies on which the estimate was based. We adjusted the average impact per case derived in our New York analysis to allow for the differential in costs relevant to treatment of domestic violence victims in California versus New York.

K. Tax Revenues for State and Local Governments: \$3.5 million

The dollar impacts of higher wages for immigrants and the multiplier effect of revenues brought into Marin from outside the county benefit the state of California and local governments in the form of higher tax revenues. The additional revenue flows primarily from the taxes paid on increased wages of employees who have gained lawful immigrant status and from higher compliance (nearly 100 percent) with tax withholding by employers of authorized residents compared with that of employers of unauthorized workers (approximately 55 percent). Additional tax revenues are also generated from the local spending associated with the multiplier effect. These impacts are summarized in **Exhibit 13** on the next page.

Exhibit 13

Tax Revenues for State and Local Governments	
A. Tax Impacts of Wage Increases for Authorized and Naturalized Workers	
1. Wage impact of authorization - estimated total differential in wages received by clients after successful filings for authorized status, millions (see Note 1):	\$4.2
2. Wage impact of naturalization - estimated total differential in wages received by clients after successful filings for citizenship status, millions (see Note 1):	\$0.8
3. Total increase in immigrant earnings ("A.1" + "A.2"), millions:	\$5.0
4. Average state and local tax burden (see Note 2):	11.2%
5. Increase in state and local tax revenues generated by differential in immigrant earnings ("A.3" x "A.4"), millions:	\$0.7
B. Tax Impacts of Dollars Circulating in the Community Due to the Multiplier Effect	
1. "Multiplier Effect" - estimated total dollars circulating in the local economy as a result of revenues brought in from the outside, millions (see Note 3):	\$3.9
2. Average state and local tax burden (line A.4 above):	11.2%
3. Increase in state and local tax revenues due to multiplier effect ("B.1" x "B.2"), millions:	\$0.4
C. Impacts of Higher Tax Compliance by Employers of Authorized Immigrants	
1. Taxes paid by employed CA-ILS clients prior to authorization	
a. Total annual earnings, millions (see Note 4):	\$9.6
b. Percent of tax liability actually paid by unauthorized workers via withholding by employers (see Note 5):	55%
c. Average state and local tax burden (line A.4 above):	11.2%
d. State & local taxes collected on wages of unauthorized workers ("C.1.a" x "C.1.b" x "C.1.c"), millions:	\$0.59
2. Taxes paid annually by employed CA-ILS clients after authorization	
a. Percent of tax liability actually paid by authorized workers (see Note 5):	100%
b. State & local taxes collected on workers' wages at higher compliance rate ("C.1.a" x "C.1.c" x "C.2.a"), millions:	\$1.07
3. Annual increase in taxes due to differential in tax compliance ("C.2.b" minus "C.1.d"), millions:	\$0.48
4. Duration of increase assumed for net present value computation in years (see Note 6):	5
5. Increase in taxes due to differential in tax compliance by employers of CA-ILS clients served in 2009-2012 ("C.3" x "C.4"), millions:	\$2.4
Total Increase in Tax Revenues (sum of "A.5," "B.3," and "C.5"), Millions:	\$3.5

See next page for Notes to Exhibit 13.

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Notes to Exhibit 13

Note 1: See the total wage impacts of authorization and naturalization, Exhibit 7.

Note 2: Source: "California's State and Local Tax Burden, 1997-2010;" The Tax Foundation, data published on the web at <http://taxfoundation.org/article/californias-state-and-local-tax-burden-1977-2010>.

Note 3: See the total economic multiplier effect, Exhibit 8.

Note 4: Estimated by authors from data reported in Pastor, Scoggins, Tran and Ortiz, "The Economic Benefits of Immigrant Authorization in California", 2012. For details of this computation, see the snapshot of CA-ILS produced by The Resource for Great Programs, available upon request from CA-ILS.

Note 5: Researchers from the Urban Institute, the Migration Policy Institute, the Pew Hispanic Center, and the Center for Immigration Studies have assumed a 55 percent compliance rate for income, Social Security, and Medicare taxes by unauthorized immigrants, according to the Congressional Budget Office - see "The Impact of Unauthorized Immigrants on the Budgets of State and Local Governments, CBO, 2007, page 6. For authorized workers, we have assumed the same high level of compliance as native workers - 100 percent. See Passel and Clark, "Immigrants in New York: Their Legal Status, Incomes and Taxes;" The Urban Institute, 1998, page 18.

Note 6: The assumed duration of the wage impact of authorization was assumed to be five years. This is extremely conservative inasmuch as the average age of an unauthorized immigrant is 32 years, giving authorized workers more than 33 years to receive the wage differential before reaching the age of 65. Moreover, once immigrants obtain work permits they are likely to remain in the U.S. for much longer periods than unauthorized immigrants; we are assuming a modest five years.

L. Other, Non-Quantifiable Economic Impacts

The non-quantifiable results of LAM, FACLC, and CA-ILS' work may be even more significant than the figures above suggest. Examples include:

- **Enabling families facing eviction or foreclosure to avoid being put onto the street.** The impacts of homelessness on families can be devastating, and the strain on community services can be significant, with emergency shelter and other costs exceeding the cost of legal assistance and other preventative measures.
- **Contributing to a more stable workforce for employers.** By preventing legal problems from spiraling out of control for residents and immigrants, the groups help clients avoid absenteeism and poor job performance.
- **Helping children stay in school and on track.** Eviction or domestic violence can have devastating consequences not only for parents but also for children and their children's education and development.
- **Easing the strain on the local court system.** Providing representation to low-income clients and helping people prepare for representing themselves in court enables the Marin County Superior Court to stretch its resources and operate much more efficiently.

The significant economic impacts – quantified and non-quantified – generated by the three MCF-funded legal services programs present an enormous opportunity for funders and partners to realize an even greater return on their additional investments in the future. As outlined in Section V, the existing disparity between the total need for legal assistance and the capacity of the Marin County legal services programs to address it – the “justice gap” – represents both a challenge for the civil justice system and an opportunity for significant progress in the immediate future.

IV. Impacts of MCF-Funded Legal Services Programs on the Courts

Courts across America are flooded with self-represented litigants, and Marin County is no exception. The dismal economy of 2008-2012 exacerbated this situation by increasing the volume of litigation around such issues as foreclosure, bankruptcy, and debt collection, and by making it harder for people to afford private lawyers for help in navigating the complexities of the court system.

Legal services programs help reduce the burden on the Marin County Superior Court by negotiating settlements, serving as intermediaries between clients and third parties (for example, a landlord), and referring clients to other sources of help (such as social service providers) when their cases lack legal merit. (See examples earlier in this report regarding the impacts on the courts by each of the three legal services programs funded by MCF). Legal services eases court congestion in Marin County in two key ways:

A. Representation of the Poor by Legal Services Advocates Makes the Process More Efficient for All Parties.

“Everyone knows that self-represented clients who are not prepared require more time and resources from the court,” said Alexandria Quam, the Family Law Facilitator and Manager of Legal Self Help Services at the Marin County Superior Court.

Legal services programs ease the burden on the Marin County court system’s resources by providing full legal representation to thousands of low-income clients each year. In 2012:

- Legal Aid of Marin staff lawyers served as attorneys of record in 1,872 cases.
- Family and Children’s Law Center provided full legal representation to 766 clients.

Self-Help Desk at the Courthouse

Marin County Superior Court's Legal Self Help Services (LSHS) provides free assistance during weekdays in English and Spanish to members of the public who lack an attorney. LSHS' primary goal of helping underserved Marin residents such as low-income litigants and non-English or bilingual/bicultural residents with legal issues. LSHS provides assistance on a first-come, first-served walk-in basis only, with the demand for services consistently outpacing the courthouse staffing and resources available.

LSHS' services include intake, information, and referral to legal services programs; individual assistance with legal document preparation; bilingual assistance and legal reference materials for non-English speakers; assistance in conducting self-guided legal research; and coordination of volunteers and interns who provide direct customer services.

"The self help office is like the end of the road. This is where people come who have no place else to go," said Alexandria Quam, the superior court's manager of Legal Self Help Services and Family Law Facilitator, who is assisted by three other court staff. "And there are many, many times when people come to us, and we cannot help. And often these are people who already have been rejected by Legal Aid of Marin and Family and Children's Law Center because of a conflict of interest or lack of resources. And that's in Marin, which has more resources than most places."

In 2012, of the 7,174 cases filed in the Marin County Superior Court, a total of 3,250 cases – or more than some 45 percent – involved self-represented litigants.^a Certain case types had a much higher percentage of self-represented litigants, such as:

- **Family law**, generally, with an estimated 85 percent of litigants lacking an attorney. LSHS is co-located with the Superior Court's Family Law Facilitator Program, which offers legal assistance to litigants who have child or family support issues or need help with custody and visitation arrangements.
- **Marital actions**, which include divorce, legal separation and nullity. In 2012, a total of 957 marital cases were filed, with 70 percent having both parties self-represented and 18 percent with only one of the parties with an attorney.
- **Unlawful detainer (eviction)**, which, of the 555 cases filed in 2012, 44 percent involved self-represented parties.
- **All cases in small claims court**, which requires the litigants to be self-represented, with 1,146 cases filed in 2012.

LSHS utilizes a variety of web-based tools, available in multiple languages, to help litigants prepare their legal documents, and maintains a library of written resources explaining complex processes in layperson's language. There are eight public computer workstations, configured with the most effective document preparation and legal research tools available for California court users.

LSHS staff are also available to provide information on how to file various kinds of legal documents, serve opposing parties, and explain court procedures and legal terminology, as well as giving the public tips on how to prepare for, and what to bring to, court appearances.

^a See Appendix A for endnotes related to this text box.

There is wide agreement with Ms. Quam’s assertion regarding the benefit of civil legal assistance to the courts: Nationally, judges, court staff, and even opposing parties have testified that having a legal services lawyer “on the case” greatly improves efficiency of the court process as well as producing a result that is fairer for everyone. This effect was summarized as follows by the blue ribbon task force on legal aid in New York:

Evidence before the Task Force clearly establishes that the provision of civil legal services is the essential ingredient for resolving disputes before they get to court and settling them efficiently and effectively when cases do end up in court. The absence of counsel often results in just the opposite, which is in no one’s interest. Thomas Richards, the Rochester Corporation Counsel and the former CEO of Rochester Gas & Electric, put it this way:

Relatively simple aspects of the process take more time and are more likely to be adjourned or repeated. The outcome is less likely to be understood and accepted by the unrepresented party.... All of this adds time and frustration and expense that’s borne by everyone and ultimately leaves society with a less effective legal system.²¹

B. Legal Assistance to Self-Represented Litigants Adds to the Efficiencies.

Additional savings in Marin County court time are achieved each year through civil legal assistance provided to self-represented litigants – for example, pro se (self-help) materials to people who otherwise might have entered the court system without any legal assistance at all in preparing papers for self-filing in court. Legal services advocates also regularly volunteer at family law hearings at the Marin County Superior Court to answer the the legal questions of self-represented residents and to help them complete legal paperwork.

In 2012:

- *Legal Aid of Marin* delivered self-help assistance to nearly 1,300 self-represented litigants and provided community legal education to another 1,000 people to deal with simple matters themselves or to find answers to legal questions before they grow into more serious legal problems.
- *Family and Children’s Law Center* provided 943 clients with information and referrals and 255 clients with guided self-representation.

Not only do these services enable legal aid to serve more people with limited resources but they also produce significant cost savings for the courts as well. A recent study in California²² has quantified the impact of similar self-help assistance programs operated by legal aid programs in cooperation with the courts in that state, as follows:

- **Legal workshops and clinics reduce the number of court hearings and the time spent by court staff at the public counter.** The resulting cost savings measured in the California study amounted to \$4.35 for every dollar spent on the clinics. Taking into account the

²¹ Testimony quoted in The Task Force to Expand Access to Civil Legal Services in New York: Report to the Chief Judge of the State of New York, November 2010, page 20.

²² Greacen, John, “The Benefits and Costs of Programs to Assist Self-Represented Litigants,” California Administrative Office of the Courts, Center for Families, Children and the Courts; May 2009.

savings accruing to litigants in not having to attend the eliminated court hearings, the benefits increased to \$7.70 for every dollar of expenditure.

- **One-on-one support and information provided to self-represented litigants promotes court efficiency and produces better outcomes for litigants.** In the California study, one-on-one assistance was estimated to eliminate at least one hearing per case and to save court time: 5 to 15 minutes of hearing time for every hearing held in the case, and 1 to 1.5 hours of court staff time related to providing assistance to self-represented litigants at the front counter and to reviewing and rejecting proposed pleadings. The court savings were estimated at \$1.81 to \$2.77 for every dollar spent on the services. Adding the savings accruing to the litigants increased the savings to a range of \$3.03 to \$3.85 per dollar spent. In another study, assistance to self-represented litigants was found to produce better outcomes for litigants than they could have obtained without assistance. Between 64 and 80 percent of litigants receiving such assistance agreed “completely” or “somewhat” that they were able to achieve positive short-term outcomes, and 89 percent said they did better than they could have on their own.²³
- **Assistance to self-represented litigants aimed at resolving cases at the first court appearance reduces future court hearings.** The savings produced by the self help services were estimated at roughly \$2.22 for every dollar spent. When the costs to the litigants of attending the eliminated hearings were included, the benefit rose to \$7.14 per dollar spent on the services.

²³ Smith, Ken, “Evaluation of Law Help Ontario as a Model for Assisting Self-Represented Litigants in the Ontario Superior Court of Justice in Toronto;” *The Resource* for Great Programs, Inc., November 2009, Exhibit 4.

V. The “Justice Gap:” A Comparison of Legal Needs with Legal Services Capacity in Marin County

A. Overview – The Unmet Need for Legal Assistance

Previous sections of this report have documented the economic and societal benefits that result from legal assistance for low-income Marin County residents. Legal assistance strengthens Marin County’s families by increasing their incomes, keeping them in their homes, preventing domestic violence, and keeping families intact. It strengthens communities by securing millions of dollars in federal and state benefits for which Marin County residents are eligible, but which are lost each year because legal services programs lack the resources to address more than just a fraction of the need that exists.

We estimate that, on average, more than **seven out of ten** of Marin County’s poorest residents experiencing a legal problem do **not** receive individualized legal assistance because of a lack of resources available to providers, with the great majority of those in need not even seeking help because it is well known in the low-income community that legal service providers have only enough resources to handle emergency cases and a few other high-priority matters, the latter often requiring long waits for service. The details of this computation are provided in this section.

This disparity between legal needs and the capacity to address them – the “justice gap” – represents both a challenge to the justice system and a unrealized opportunity for legal services programs to produce even more profound economic and societal benefits for low-income Marin County residents and the entire community, as demonstrated in the previous sections of this report.

B. The Need for Civil Legal Services in Marin County

While Marin County ranks among the nation’s wealthiest in per capita income, 13.1 percent of residents²⁴ – about one in eight – are low-income. (See “*The Demographics of Marin: Poverty amidst the Plenty*” on page 35.) The civil legal needs of this population are summarized in **Exhibit 14** (two pages below) and discussed in detail below.

- **32,100 Marin County residents** in 13,400 households²⁵ live on “extremely low” incomes as defined by U.S. Housing and Urban Development. There is no room in such a budget to pay for a private lawyer’s help in addressing a legal problem such as foreclosure or family dissolution. Accordingly, low-income residents can look only to providers of free or low-cost legal assistance, such as Legal Aid of Marin and Family and Children’s Law Center, for help with these problems. More often than not, they are unable to get that help because the volume of legal needs exceeds the capacity of legal services programs to address it. In effect, they have limited access at best to the system presumed to provide “justice for all” members of our society.

²⁴ At 125% of the U.S. Census Bureau Poverty Thresholds, 2011, which is roughly equivalent to the HUD “Extremely Low Income” limits for Marin County used by Legal Aid of Marin for client eligibility. See the U.S. Department of Housing and Urban Development website at www.huduser.org/portal/datasets/il.html.

²⁵ Ibid.

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- **Poverty is present in both urban and rural settings.** In urbanized areas, the percentage of households living on “extremely low” incomes range from 9.5 percent in Novato to 16.5 percent in San Rafael. In West Marin’s rural areas, this percentage varies from 17.6 percent in Inverness to 26.4 percent in Bolinas. For these areas, access to the civil justice system is even more limited than in Marin as a whole.
- **Approximately 13,700 “general” civil legal problems²⁶** are experienced every year by this population (see **Exhibit 14**). This figure is derived by extrapolating the findings of the ABA Legal Needs Survey regarding the incidence of legal problems in the low-income population to the specific demographics of Marin County.²⁷ This figure is undoubtedly a lower bound; it does not include the general civil legal problems of unauthorized immigrants, a significant population segment in Marin for whom reliable figures on general civil legal needs are not available.²⁸ (The “justice gap” faced by immigrants for assistance with the specialized legal challenges they face are discussed later in this section.)

²⁶ Appendix B is available from MCF upon request and contains a list of the different types of civil legal problems experienced by low-income people.

²⁷ The figures on numbers of legal problems used in this section were extrapolated by The Resource from, “Legal Needs and Civil Justice. A Survey of Americans Major Findings from the Comprehensive Legal Needs Study,” Consortium on Legal Services and the Public for the American Bar Association (1994), applying the U.S. Census Bureau’s 2011 American Community Survey data and Marin County figures for the “Extremely Low Income” population as defined by 2011 HUD income limits.

²⁸ It is likely that the general civil legal needs of immigrants who are in the country without authorization go largely unaddressed. Unauthorized immigrants are reluctant to risk discovery and deportation by going to court or contacting lawyers. This population segment was not included in the sample for the ABA Legal Needs Study, and accordingly our figures on general civil legal needs in Marin County do not include unauthorized immigrants.

Exhibit 14
**Incidence of Civil Legal Problems among
Low-Income Households in Marin County**
(Excluding Immigration Legal Problems²⁹)

Problem Area	Problems Per Year
A. Problems Historically Handled by Legal Services	
Financial/Consumer	2,300
Housing/Real Property	2,300
Family/Domestic	1,700
Employment-Related Problems	1,100
Health/Health Care-Related	900
Wills/Estates/Advance Directives	700
Public Benefits Problems	500
Children's Schooling	400
B. Other Legal Problems	
Community and Regional Problems	1,800
Personal/Economic Injury	900
Small Businesses/Farms	300
Other Civil Rights/Liberties	200
Miscellaneous	600
Subtotal:	13,700

- **Marin County is home to at least 14,000 unauthorized immigrants.**³⁰ In addition to the needs of these residents for assistance with “general” civil legal issues such as family, housing and consumer matters, unauthorized immigrants need highly specialized help in dealing with the complex legal issues regarding their rights to live and work in the United States. Canal Alliance’s Immigration Legal Services (CA-ILS) program is the primary source of legal help for this population, while a small amount of additional capacity is provided by a new program, Brazilian Alliance, to serve Portuguese-speaking immigrants. Taken together, these two programs have capacity to provide in-depth assistance to only a few hundred people each year. Lacking access to legal assistance, thousands of families that include unauthorized immigrants live in constant fear of deportation, in addition to living with exploitation by unscrupulous employers who may use the threat of deportation to pay their immigrant workers substandard wages and no benefits, such as health care or retirement savings.
- **Another 20,000 residents of Marin County are authorized immigrants.**³¹ Approximately 13,000 of those are eligible to naturalize – that is, they have resided in the

²⁹ See the previous footnote regarding the lack of information about the general civil legal needs of unauthorized immigrants.

³⁰ Source: “Unauthorized Immigrants in California Estimates for Counties,” July 2011, Public Policy Institute of California, Table 3. An estimated 63 percent of unauthorized immigrants are low-income; see: Urban Institute, 2007.

³¹ This figure was estimated by extrapolating statewide figures for authorized immigrants in California as a whole. Eight percent of the California population consists of authorized immigrants – see Pastor and Marcelli, “What’s At Stake for the State: Undocumented Californians, Immigration Reform, and Our Future Together,” Center for the

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U.S. for a sufficiently long period of time to be eligible to apply for citizenship.³² Immigration reform is likely to produce an enormous demand among this group for legal assistance in applying for citizenship, a service provided to only 185 clients by CA-ILS in the four-year period covered by this study, 2009 through 2012.

Study of Immigrant Integration, University of Southern California (USC), May 2013, page 10. Multiplying the total population of Marin County (245,980) by 0.08 yields 19,678.

³² This figure was derived by extrapolating estimates by Pastor and Scroggins for the United States as a whole to Marin County. Those authors estimate that 65 percent of Legal Permanent Residents (8.53 million out of the total 13.07 million LPRs in the United States) are “eligible to naturalize.” See “Citizen Gain: The Economic Benefits of Naturalization for Immigrants and the Economy;” Center for the Study of Immigrant Integration, University of Southern California (USC), Table 1. Sixty-five percent of 20,000 is 13,000.

The Demographics of Marin: Poverty amidst the Plenty

While Marin County ranks among the nation's wealthiest in per capita income, the distribution of income is starkly unequal, as illustrated by this fact: The top 20 percent of tax filers earn 71 percent of all the income reported in the county, while the bottom 20 percent earn only 1.3 percent.

To make matters worse for those at the bottom, the cost of living in Marin County has soared in the past five years, with child care costs rising 16 percent, health care costs 30 percent, and transportation costs 42 percent.^a

Marin County is home to an estimated 31,200 32,100? people living on “very low” incomes.^b At 13 percent of the county's total, Marin's poverty population has grown faster than the rest of the county's population, according to the U.S. Census Bureau. Rapidly growing groups include Latinos and older adults. Between 2000 and 2010, per the U.S. Census, Marin County's:

- **Latino population increased by 43 percent (from 27,000 to 39,000) and now constitutes about 15 percent of the county's total residents.**^c Most are monolingual, speaking either Spanish or a native dialect. Marin Latinos have median personal earnings just shy of \$23,800 – less than half those of Marin whites.
- **Older adult population (ages 60 and up) jumped by 38 percent (from 45,000 to 61,000) and accounts for about 24 percent of the overall total.**^d Despite a high median household income in Marin County, older adults face financial strains due to high costs of living and substantial out-of-pocket costs for medical care. As one Marin leader put it, “Many people fall between the income levels at which senior services are covered. For example, many earn too much to be eligible for low-income services but are not wealthy enough to afford to pay for services out of pocket.”
- **Both authorized and unauthorized immigrants live in poor conditions in the Canal area of San Rafael.** Many of the neighborhood's largely low-income Spanish-speaking population live in crowded apartments shared by multiple families. The typical Canal-area worker earns just a little more than \$21,000 a year, roughly the same as the average earnings in the 1960s. More than half of adults do not have a high school diploma.^e
- **Marin County has a higher preschool enrollment rate than any California county, but the rate varies significantly by race and ethnicity.** Eighty-eight percent of white children attend preschool compared with 47 percent of Latino children.^f A quality preschool education is widely considered a key factor in helping disadvantaged children enter elementary school on an equal footing with their peers.
- **Because of Marin's high housing costs, it is common for two or three families to share an apartment, with individuals renting sleeping space on the floor.** The median cost of a home at the beginning of 2009 in Marin County was \$750,000, and the fair-market rent for a two-bedroom apartment was just under \$1,600 a month.^g And rural living, such as in remote West Marin, while more affordable, is not necessarily any easier, with distances to needed services much greater and access to affordable transportation more limited.

a, b, c, d, e, f, g See Appendix A for endnotes related to this text box.

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C. The Gap Between Need and Capacity for Legal Assistance

Exhibit 15 below summarizes the capacity of the primary Marin County legal services programs (including those not funded by MCF) to address the needs outlined in previous sections.

**Exhibit 15
Capacity of Legal Services Programs Serving Marin County**

Capacity (Problems Addressed in 2012)*							
Problem Area	LAM	FACLC	CA-ILS**	Fair Housing Marin	BayLegal	Legal Self Help Services***	Total
A. Problems Historically Handled by Legal Services							
Financial/Consumer	381		NA		5	NA	387
Housing/Real Property	894			160	26		1,080
Family/Domestic	166	1,378			3		1,547
Employment-related problems	218						218
Health/Health Care-Related	8				52		60
Wills/Estates/Advance Directives	170						170
Public benefits problems	30				152		182
Children's Schooling	4						4
B. Other Legal Problems							
Community and Regional Problems			NA			NA	
Personal/Economic injury							
Small Businesses/farms							
Other Civil Rights/Liberties					7		7
Miscellaneous							
Subtotal:	1,872	1,378	**	160	244	***	3,654

* **Problems Addressed in 2012** – Consists of all cases on which activity was performed during the year, consisting of cases closed during the year as well as new cases carried over into the next the year. Also includes clients not included in case statistics who were provided with individualized services addressing their legal problems through clinics staffed by pro bono or staff attorneys. Computed from programs' case statistical reports and 2012 final progress reports to MCF. For LAM, figure includes approximately 200 clients served by clinics not included in case statistical reports. For BayLegal, handled cases were estimated from closed-case statistics by applying same ratio of "Handled" to "Closed" cases as computed for LAM.

** **Immigration work completed by CA-ILS is not applicable.** Immigration legal problems and legal services are not included in this table. Unauthorized immigrants were not included in the sample used in the ABA Legal Needs Study, our basis for estimating the incidence of legal need among the low-income population in Marin County. See report narrative for discussion of legal needs of immigrants.

*** **Legal Self Help Services (LSHS) data not included.** While the assistance and resources provided by LSHS are unquestionably valuable, and in some cases crucial, we were not able with existing data to assess the extent to which they compared with the legal services provided by LAM, FACLC and BayLegal. Accordingly, the extent to which legal problems of low-income Marin residents are individually addressed as a result of the resources provided by LSHS remains for further study. In 2012, LSHS logged 6,725 visits, 4,450 of which involved family law problems and 2,275 involved other civil legal problems. Two out of three visits were from people earning \$36,000 or less annually. Visits were typically short – 77 percent were 30 minutes or less in length and 89% were an hour or less. The services provided to visitors or from whom (lawyer or paralegal) were not indicated by the statistics provided by LSHS.

D. The Justice Gap

Exhibit 16 below summarizes the “justice gap” – the disparity between the incidence of general civil legal problems and the capacity of Marin County legal services programs to address them.³³ This table compares the estimated number of legal problems arising each year (as indicated in **Exhibit 14** above) with the number of problems that were addressed on an individualized basis by legal service providers in 2012 as indicated in **Exhibit 15**.

**Exhibit 16
The Justice Gap in Marin County**

Problem Area	Need, Problems Per Year*	Capacity (Problems Addressed in 2012)**	Gap***	
			Disparity Between Need and Capacity	Unmet Need
A. Problems Historically Handled by Legal Services				
Financial/Consumer	2,300	387	1,913	83%
Housing/Real Property	2,300	1,080	1,220	53%
Family/Domestic	1,700	1,547	153	9%
Employment-related problems	1,100	218	882	80%
Health/Health Care-Related	900	60	840	93%
Wills/Estates/Advance Directives	700	170	530	76%
Public benefits problems	500	182	318	64%
Children's Schooling	400	4	396	99%
B. Other Legal Problems				
Community and Regional Problems	1,800		1,800	100%
Personal/Economic injury	900		900	100%
Small Businesses/farms	300		300	100%
Other Civil Rights/Liberties	200	7	193	97%
Miscellaneous	600		600	100%
Subtotal:	13,700	3,654	10,046	73%

***Problems per Year** – Extrapolated from ABA Legal Needs Survey results, applying Marin County figures for "Extremely Low-income" population as defined by HUD.

** **Problems Addressed in 2012** – Consists of all cases on which activity was performed during the year, consisting of cases closed during the year as well as new cases carried over into the next the year. Also includes clients not included in case statistics who were provided with individualized services addressing their legal problems through clinics staffed by pro bono or staff attorneys. Computed from programs' case statistical reports and 2012 final progress reports to MCF. For LAM, figure includes approximately 200 clients served by clinics not included in case statistical reports. For BayLegal, handled cases were estimated from closed-case statistics by applying same ratio of "Handled" to "Closed" cases as computed for LAM.

*** **Immigration Not Included.** Immigration legal problems and legal services are not included in this table. Unauthorized immigrants were not included in the sample used in the ABA Legal Needs Study, our basis for estimating the incidence of legal need among the low-income population in Marin County.

³³ The measures we used here as indicators of “legal problems addressed on an individualized basis” included both cases for which legal advice or representation was provided and instances of other forms of legal assistance, such as legal clinics, in which legal advocates provide individualized help to low-income people with their specific legal problems. Counted in the figures presented here were “Handled” cases, which consisted of all cases on which activity was performed during the year, including cases closed during the year as well as new cases carried over into the next year. Also counted were clients of clinics staffed by pro bono or staff attorneys. These figures were computed from programs' case service reports and 2012 final progress reports to MCF. For LAM, figures include approximately 200 clients served by clinics not included in case service reports. For BayLegal, handled cases were estimated from closed-case statistics by applying same ratio of "Handled" to "Closed" cases as computed for LAM. Not counted were visits by self-represented litigants to the Legal Self-Help Services, for which data on legal problems and level of service provided, comparable to that used in Exhibit 15, were not available.

As **Exhibit 16** shows, Marin County’s low-income residents experiencing “general” civil legal problems each year receive individualized legal assistance in less than three out of ten matters. As discussed in the next subsection, this disparity is a result of years of chronic under-funding of civil legal assistance for low-income people in California and across the country.

The resources available for civil legal services historically have fallen far short of the amounts needed to fully serve even those who show up as applicants for legal assistance at legal services offices. Many of those who experience a legal problem do not bother to apply for legal assistance, because it is well known in the low-income community that legal service providers have only enough resources to handle emergency cases and a few other high-priority matters, the latter often requiring long waits for service. As a result, many of those experiencing legal problems attempt to resolve them on their own on a self-represented basis, or simply do nothing and hope for the best.³⁴

As indicated in **Exhibit 16**, the disparity in Marin County between need and capacity varies significantly by type of legal problem, ranging from nine percent of family problems unaddressed at the low end to virtually all legal matters unaddressed in some areas, such as health care and children’s schooling.

Although **Exhibit 16** does not include immigration legal services, we believe there is also a significant un-met need in this area. Over the four years covered by our analysis, Canal Alliance ILS handled 2,782 matters – approximately 700 per year. With 14,000 unauthorized immigrants residing in the county, CA-ILS’ output represents approximately 5 percent of those who potentially need its services each year. These numbers suggest to us that many low-income immigrants who are eligible for Canal Alliance’s specialized legal assistance are either unaware of those resources or face substantial barriers in accessing them.

E. Cause of the Justice Gap and Efforts at Mitigating It

The principal cause of the justice gap is lack of adequate funding for civil legal assistance. According to a 2010 report by the State Bar of California:

*In a recent study, nearly two-thirds of the responding organizations reported that they were forced to reduce personnel costs due to decreases in 2009 funding, including by reducing staff, eliminating vacant positions, or implementing furloughs. As a result, programs have had to reduce their caseloads by 5 to 50 percent – despite increased demand.*³⁵

The access-to-justice community in Marin County and across the state – including funders, service providers, courts, legislators, and bar leaders – has been working hard in recent years to address the need for more resources. Much has been accomplished, but much more is needed.

³⁴ This pattern is shown in study after study. See, for example, “Ocean-Monmouth Legal Services Legal Needs Assessment 2009,” by The Resource for Great Programs; page 17; available at: http://www.greatprograms.org/nlada_2009/Item%205_OMLS%20Final%20Legal%20Needs%20Study%20Report_August%2031_Sample.pdf.

³⁵ See “Legal Aid in the Community,” The State Bar of California (June 16, 2010) at <http://calbar.ca.gov/LinkClick.aspx?fileticket=p2ERYmO1WWc%3D&tabid=1167>

- **Within the constraints of available resources, Marin County’s legal services programs have taken significant steps to mitigate the justice gap.** For example, each provider strategically focuses its services on certain types of legal problems and refers people needing help outside its specialty areas to its partner agencies that can provide the type of assistance needed.
- **The providers coordinate their efforts closely to avoid duplication and maximize the benefits of specialization.** They have received strong support in this effort from the Marin Community Foundation. For example, MCF has provided subsidized office space for “co-location” of three of the providers – Bay Area Legal Services (BayLegal), Legal Aid of Marin (LAM), and Family and Children’s Law Center (FACLC) – in a building close to the Superior Court of Marin County, enabling these agencies to coordinate their services to most effectively and efficiently serve the general low-income population.
- **The programs have deployed innovative service delivery methods as a strategy for maximizing services within the limits of available resources.** For example, in 2003, they collaborated to launch the Marin County Superior Court’s Legal Self Help Services, funded by grants from the Equal Access Fund (EAF), a state legislative initiative enacted in 1999. In early 2011, Marin County providers and the Superior Court applied for a Shriver Act Pilot Project grant in an effort to address the need for legal assistance in matters involving the most crucial needs of clients such as eviction, domestic violence or the custody of children.³⁶

The Need for More Pro Bono Assistance

To help narrow the justice gap, civil legal services programs in Marin County recruit private attorneys and law firms to contribute *pro bono* or free services. Data provided by the three MCF-funded legal services programs indicate that in 2012, legal services volunteers in Marin County included 235 attorneys and 121 non-attorneys (many of them law students) who completed 447 cases for legal services clients while donating a total of 10,428 hours of services valued at \$2.3 million.

Pro Bono Hours Donated by Private Attorneys Help Provide Civil Legal Services in 2012

Total Cases Closed	447
Total Volunteer Attorneys	235
Total Volunteer Non-Attorneys	121
Total Hours Donated	10,428
Dollar Value*	\$2.3 million
*Estimated at \$350 and \$135 per donated hour, respectively, for volunteer attorneys and non-attorneys	

Pro bono assistance is particularly important because Marin County is a relatively small community with only a handful of legal services organizations, which often results in clients being turned away because a particular organization is already representing a party to the matter and therefore faces a conflict of interest. While the Marin County Bar Association has helped by setting up “conflict panels” of pro bono private attorneys, there still remains a significant gap.

³⁶ Although the Shriver Act Pilot Project grant application was not funded, the co-applicants continue to seek funding for efforts at working together to deploy innovative methods for more efficiently serving clients.

Unfortunately, funding for these initiatives has diminished in recent years. The recession that began in 2009 continues to be felt in the form of shrinking government funding for legal assistance, continued historically low IOLTA³⁷ funding, and pressure on private foundations to reduce grants. Marin County’s Shriver Act pilot project application was not funded, and other grants for innovative legal services delivery projects have been increasingly difficult to obtain.

F. Implications of the Justice Gap

The shortage of resources faced by legal services programs represents both a tragic flaw in the justice system and a lost opportunity for Marin County and its residents.

A flaw in the justice system: The chronic shortfall in legal services programs’ capacity to help people in emergencies involving their legal rights and most basic survival needs leaves deep and lasting impacts on Marin County’s low-income residents and local communities. Eviction, for example, splits families, uproots children, and destroys the ability of families to be self-sustaining. Without legal help, people in crisis clog the courts and further impair the ability of the justice system to perform its role of resolving conflicts fairly with due process of law.

A lost opportunity: Despite their inadequate budgets, legal services programs are producing profound economic and societal benefits for low-income Marin County residents and the entire community. Closing the gap between need and capacity would strengthen Marin County’s families by enabling them to fairly resolve conflicts, escape domestic violence, and keep families intact. It would strengthen communities by securing millions of dollars in federal and state benefits for which Marin County residents are eligible but fail to receive because legal services programs lack the resources to address more than a fraction of the need that exists. And closing this gap would help the court system to address the congestion that arises from people attempting to navigate the courts on their own who lack the basic resources they need to have any chance of success.

Room for hope: If the economy continues to improve, it is likely that the funding challenge will diminish, as foundations see the value of their investments rise and IOLTA interest rates and revenues return to more “normal” levels. External events such as immigration reform may produce greater demand for civil legal services, as well as new opportunities for funding those services.

The information revealed by our analysis regarding the previously unrecognized but extremely significant economic and societal impacts of legal assistance programs serving low-income people will provide powerful information for making the case that reducing the “justice gap” is not only the right thing to do but an excellent economic investment.

³⁷ IOLTA stands for Interest on Lawyers Trust Accounts, and is a significant source of legal services funding across the United States; see www.IOLTA.org.

VI. Observations and Recommendations

The findings of this assessment regarding MCF-funded legal services programs' impacts and accomplishments provide a strong basis for resource development efforts seeking additional funding, volunteers, and other resources for legal services in Marin County.

A. Opportunities for Action Informed by Findings on Economic Impacts

- 1. As indicated in chapters II and III, the investments by MCF and other funders in the three programs we have studied are yielding high payoffs in both economic and social impact.**
- 2. With more resources these programs could accomplish even more.** There is significant unmet need for their services (the “justice gap”—see chapter V). The MCF-funded providers' impacts are scalable; that is, they can be greatly expanded without risk of exceeding demand. Additional funding would provide more advocates, who would serve more people and multiply the kinds of outcomes discussed in this report. Moreover, more funding could enable providers to invest in innovative delivery methods, upgrades in technology systems and staff training – investments that could further leverage the results that legal services programs are able to achieve.
- 3. Our findings of chapter III regarding economic impacts could be especially powerful.** They augment what leaders in the Bay Area already know about the contributions legal services programs make in promoting social justice. The economic impact data reveal a dimension of legal assistance's role that few have appreciated until now. This information can fuel powerful resource development campaigns benefiting MCF-funded legal services programs LAM, FACLC, and Canal Alliance ILS – and their partners such as Bay Area Legal Aid and the Marin Superior Court's Legal Self Help Services.

We have seen such campaigns – combining a compelling narrative about social justice with credible data showing strong economic impacts – be effective at securing significant expansion of funding for legal services programs in other parts of the country.³⁸
- 4. Our findings regarding the economic impacts of immigration legal services could be especially persuasive in the context of immigration reform.** The resources available for immigration legal services in Marin County are grossly inadequate in comparison with unmet need, and the situation is likely to get much worse if and when new pathways are opened for immigrants to achieve legal status. Information about the economic impacts of Canal Alliance's Immigration Legal Services program potentially could bolster efforts by MCF and its partners in the Bay Area to secure more resources for these vital services.
- 5. We see opportunities not only for MCF and the programs it currently funds but also for other partner legal services programs** for strategic expansion of their services in Marin County to further complement those of the legal services programs funded by MCF. For example, under a collaborative agreement the MCF-funded providers refer all SSI, SSD, and Medi-Cal cases to Bay Area Legal Aid, a non-MCF-funded organization providing services in Marin. (See page 6 for a more complete description of BayLegal's

³⁸ See, for instance, the three case examples provided in Smith, Ken, et. al., “Economic Benefits of Legal Aid,” *Management Information Exchange Journal*, Fall 2011.

role in the Marin County legal services network.) Our experience in economic analysis of legal services in other communities across the United States indicates that the impacts of these types of cases generate dollar benefits for clients far exceeding the cost of providing the services. Moreover, our “Justice Gap” analysis indicates there is a need for these services in Marin County far in excess of BayLegal’s capacity for providing them.³⁹

BayLegal is a crucial partner of the MCF-funded programs; the Marin County providers refer cases to each other on a daily basis to collectively provide a delivery system combining the benefits of specialization, strong ties in the local community, and linkage with a powerful regional and statewide legal services network through BayLegal.

Quantifying the economic impacts of BayLegal’s Marin office was outside the scope of this study, but it could be done easily. That information could be added to the findings already produced by this study for use in a resource development campaign along the lines that we suggest below to expand capacity of the entire system for delivering vital legal services in Marin County.

Recommendations

- 1. We suggest that MCF apply the findings of our analysis in its strategic planning for legal assistance aimed at enhancing resource development and investment efforts by MCF and its partners across the Bay Area, with close attention to the opportunities presented by the economic impact findings.**
- 2. We also suggest that consideration be given to expansion of our economic impact analysis to cover at least BayLegal’s Marin County services, and possibly the legal service network serving the entire Bay Area, thereby supporting an integrated approach that places efforts to address Marin’s “justice gap” within a broader regional context.**

B. Opportunities for Strengthening Case Tracking

In this section, we are proposing for the legal services programs’ and MCF’s consideration some simple changes that could provide more reliable case service and outcomes data without adding greatly to the administrative burden for programs. Some of our observations were as follows:

- 1. All three MCF-funded providers have computerized case management systems in place.** These provide the basic infrastructure needed for tracking clients, cases and services, and for producing reliable data for use in program administration, evaluation and grant reporting.
- 2. An important goal for efforts to improve data collection is to achieve closer alignment of case tracking categories and outcome measures among the general civil legal service providers serving Marin County – LAM, FACLC, and Bay Area Legal Aid.** The systems used by LAM and FACLC are not greatly dissimilar from BayLegal’s, but a closer alignment of some details unique to the individual programs could help to maximize the utility of case statistics for an integrated approach to self-evaluation, program improvement, and resource development at Marin County-wide or regional levels.

³⁹ As indicated by Exhibit 16 on page 37 of this report, 64 percent of the need for public benefits legal assistance is currently not being met.

- 3. A further challenge faced by the Foundation and shared by its two immigration legal service grantees is the unique nature of immigration legal services** and the associated shortcomings of the Case Service Report (CSR) for capturing the nature and volume of these services being provided. A format for immigration legal services reporting is available that could be considered for use by the Foundation and its grantees.

Recommendations for strengthening case tracking. While the challenges presented above are significant, the Foundation and its grantees could take some simple steps in the immediate future to address them while also keeping options open for applying any improvements that might come out of current efforts underway by the federal Legal Services Corporation and its California grantees to address similar challenges at the national and statewide levels.

- 1. The individual legal service providers could take steps to strengthen their own data collection.** The findings of this study make it clear that the programs are having social and economic impacts much greater than previously recognized. This story would be most powerful if supported by data from the programs' own recordkeeping systems documenting the outcomes being achieved on behalf of clients.
- 2. MCF could provide an important service to its grantees by convening an effort by the providers serving Marin County (including BayLegal) to review and align their statistical reporting frameworks.** This would involve making adjustments in the legal problem codes, case disposition categories, and outcome categories that would bring the systems used by all Marin legal services programs into alignment with each other.
- 3. We further suggest that MCF encourage Canal Alliance and Brazilian Alliance to review the "Immigration Legal Matters Report,"** a data collection format used by immigration legal services programs in several other states for potential use as a uniform system for capturing and reporting the volume and type of immigration legal services they provide.

C. Opportunities for Improving the Delivery System

The following observations, based on our experience from our work around the U.S. and Canada, outline opportunities for increasing numbers of clients served with existing resources (staff, volunteers, and budget), as well as maintaining high levels of service quality.

- 1. There is a remarkable amount of collaboration among the legal services programs and funders in Marin County and in the Bay Area generally,** compared to many areas with which we are familiar through our work with civil justice programs around the country. Assessment of this collaboration was outside the scope of our study, but it is worth noting that we found the legal services programs in Marin County to be exceptionally effective in responding to our requests for information and well-organized for working together, presumably based on the historical relationships built by the Justice Center Network, an initiative supported by MCF from 2000-2011. We take that as an indicator that there is a strong foundation in place for further collaborative efforts to identify and grasp opportunities for improving service delivery in Marin County in the immediate future.
- 2. The "justice gap" outlined in section V is a major challenge, but it also presents opportunities.** While it is true that more resources are needed (a challenge discussed previously in this section), it is also the case that any improvements in the delivery system that increase efficiency and/or effectiveness will have a multiplier effect on investments in direct services.

The following are examples that illustrate how delivery improvements can enhance efficiency and effectiveness:

- **Application of technology for streamlining citizenship legal assistance.** An evaluation of the CitizenshipWorks (CW) pilot program that we completed in early 2013 illustrated that this technology-based initiative significantly increases the numbers of people who can be served using group-processing and individual assistance citizenship models with given resources of staff, volunteers, and budget. Accordingly, investments in expanding the use of this kind of innovation would leverage higher impacts from subsequent investments in expansion of citizenship assistance programs compared with those that could be achieved using traditional, paper-based models.
- **Applications of legal “helplines.”** Telephone-based intake and advice systems can dramatically improve access to legal assistance for residents of rural areas, such as West Marin.⁴⁰ Evaluation of telephone-based legal assistance in Marin County, however, was outside the scope of this study, and we have no information to indicate how well any systems available to Marin County residents are aligned with best practices that have evolved over the past decade as telephone-based legal assistance has spread across the country. That said, it seems likely that any improvements that optimize this service would have a multiplier effect on any investments that would be required such that further examination of opportunities for improving access through this service delivery mode to residents of outlying areas of Marin County could be fruitful. For example, further funding support for (including additional outreach and promotion to achieve higher visibility of) BayLegal’s existing telephone Advice Lines reaching residents of rural Marin could have a multiplier effect on any investments that would be required.

Recommendations

MCF could convene a planning effort aimed at developing strategies around the findings of this study having high potential for application in Marin County.

1. Especially promising are areas combining *high unmet need with high economic impacts*. The information in this report could be useful to the leaders of the legal services programs in striking an appropriate balance between outcomes such as obtaining more income for clients struggling with extreme poverty and other values like providing access to justice for underserved or protected populations. As indicated in this report, opportunities for high economic impacts include the following:

- **Homelessness prevention work**, aimed at preventing evictions and/or providing additional time for families facing eviction to obtain alternative housing. Considering the enormous economic and societal impacts of an individual or family becoming temporarily or chronically homeless, legal assistance aimed at keeping families in their homes warrants a high priority.
- **Legal assistance aimed at obtaining work permits for unauthorized immigrants**, which can open the door to higher wages and benefits such as health insurance for many more immigrants, with ripple effects benefiting the entire community.

⁴⁰ For results of a recent, comprehensive evaluation of telephone helplines, see Ken Smith, Kelly Thayer, and Kathy Garwold, “Final Report on the Assessment of Telephone-Based Legal Assistance Provided by Pennsylvania Legal Aid Programs Funded Under the Access to Justice Act,” the Pennsylvania IOLTA Board, 2012.

- **Public benefits legal assistance**, which can increase numbers of people enrolled in programs such as SSI, SSD, and CalWORKs, bringing state and federal money into Marin County while also addressing the basic economic needs of especially vulnerable residents such as older adults, people with disabilities, and children.
 - **Legal assistance to authorized immigrants who need public benefits**, such as single parents with small children, workers who have been laid off, people lacking health insurance, older adults, and people with disabilities. The utilization rates by immigrants of public benefit programs for which they are eligible are significantly lower than those of native-born citizens. Immigration legal services can help to achieve the legislative intent of these programs by helping more immigrants to receive the benefits for which they are eligible. Moreover, a small investment in legal assistance can bring a return of millions of state and federal dollars into Marin County that otherwise would go elsewhere in the state and nation.
 - **Health care legal assistance**, which could enroll more people in programs such as Medi-Cal and the Child Health and Disability Prevention Program (CHDP), thereby improving health outcomes as well as providing reimbursement for health care services that hospitals and doctors currently have to write off.
 - **Wage claims representation** aimed at providing income that low-income workers have earned but have been denied.
 - **Foreclosure prevention legal assistance** aimed at minimizing the enormous social and economic disruption that foreclosure brings to low-income homeowners, their neighbors, their lenders and the entire community.
 - **Legal assistance with consumer problems**, which inherently have a significant economic payoff for clients and of which 83 percent of the need goes unmet in Marin, such as helping residents to deal with illegal garnishment of wages, abusive debt collection efforts, deceptive business practices, and utility cutoffs.
2. **Also promising are technology-based delivery innovations** such as LawHelp Interactive and CitizenshipWorks that can leverage higher impacts from dollars invested in legal services programs through improvements in efficiency and effectiveness, and expansion of, or improvements in, telephone-based intake and advice systems that potentially can provide a gateway to legal assistance for residents everywhere in Marin County, including the most rural parts of the county.

This analysis has shown that the legal services programs funded by MCF are providing essential services that help thousands of low-income residents of Marin County each year to address critical legal issues directly affecting their families, homes, incomes, jobs, and access to vital services. The gap between the need for these services and the capacity of these programs to address them is significant. The findings of this study have demonstrated that additional investments aimed at bridging the “justice gap” will not only help many more people, it will have dramatic economic impacts that radiate outward to benefit all of Marin County.

Appendix A

Endnotes for Text Boxes in Report

Page 28 – Self-Help Desk at the Courthouse

^a Source: Statistics provided by Alexandria Quam, the Superior Court of Marin County’s manager of Legal Self Help Services and Family Law Facilitator.

Page 35 – The Demographics of Marin: Poverty amidst the Plenty

^a See “A Portrait of Marin. Marin County Human Development Report 2012,” American Human Development Project for the Marin Community Foundation (2012) at www.measureofamerica.org/marin/.

^b At 125% of the U.S. Census Bureau Poverty Thresholds, 2011, which is roughly equivalent to the HUD "Extremely Low Income" limits for Marin County’s legal services programs for client eligibility. See the U.S. Department of Housing and Urban Development Website at www.huduser.org/portal/datasets/il.html.

^c See “A Portrait of Marin,” as cited above.

^d See “A Report on Services for Older Adults in Marin,” Executive Summary, Harder+Company Community Research for the Marin Community Foundation, September 2008, at www.marincf.org/grants-and-loans/grants/community-grants/successful-aging.

^e See “A Portrait of Marin,” as cited above.

^f Ibid.

^g See “In Marin County, poverty exists alongside wealth,” Patricia Leigh Brown, California Watch, February 16, 2012, at <http://californiawatch.org/dailyreport/marin-county-poverty-exists-alongside-wealth-14915>