



## **Minnesota Supreme Court Legal Services Advisory Committee**

FY21 Annual Report  
Submitted January 2022

The Legal Services Advisory Committee shall work to ensure its grant making procedures promote statewide access to legal services for low-income Minnesotans and lead to effective use of funding by grantees.

## Letter from the Chair

I am pleased to present LSAC's annual report for activities between July 1, 2020 and June 30, 2021 (FY21). LSAC funding supports legal services to low-income Minnesotans in every county in the state, with more than 40,000 cases closed by LSAC grantees in calendar year 2020. This report details the distribution and impact of \$18,231,974 in grant funds managed by LSAC in FY21.

### **The Particular Challenges Presented by COVID**

This is a time that presents many daunting challenges. Racial inequities, deep poverty, global pandemic, political polarization, and more. This letter will focus on one of those challenges – COVID – and the truly inspiring job that legal services programs statewide have done to meet that challenge. As LSAC has met with program staff and with clients throughout the year, I've been struck by the dedication and ingenuity programs have drawn on to keep meeting low-income Minnesotans' unmet legal needs.

### **How Legal Services Met the COVID Challenge: Four Examples**

Community Intake: Programs that traditionally relied on in-person intake had to find new ways to welcome clients into relationship with lawyers and paralegals. Anishinabe Legal Services provides one example. Anishinabe, which serves a large rural area including the Leech Lake, Red Lake, and White Earth reservations, responded to COVID swiftly. Anishinabe staff accessed personal protective equipment (PPE) and bravely allowed clients into the office by appointment early in the pandemic, as early as April 2020. Southern Minnesota Regional Legal Services (SMRLS) provides another example. SMRLS uses a novel new approach to continue pro bono work in community-based clinics during COVID. SMRLS' paralegal attends their clinics in-person with proper COVID precautions, a laptop, and a hotspot. The paralegal and the client sit together in-person in the community, and they connect via Zoom with the appropriate expert pro bono attorney to address the client's unmet legal needs.

Internet Access: Legal aid programs statewide received CARES Act funding to create a network of more than 250 legal kiosks available in community locations. The kiosks provide assistance for people who need internet access to get legal services and attend court hearings. More information is available at [www.reachjustice.org](http://www.reachjustice.org).

Community Legal Education: The primary legal referral website - [www.lawhelpmn.org](http://www.lawhelpmn.org) - saw a 175% increase in traffic at the beginning of the pandemic. Legal Services State Support quickly produced a portion of the website specific to COVID impacts on legal needs, including materials specifically related to housing, unemployment, and health care. Several programs produced and disseminated legal rights videos in coordination with community partners to help their client communities safely learn their rights and understand when to seek enforcement of rights.

Specialized Client Need: Client populations with special needs face specialized challenges during COVID. Legal services is there to help. The Minnesota Disability Law Center (MDLC) provides one example. MDLC assists individual clients with maintaining their disability

supports/services and housing during COVID; seeks appropriate services and alternatives to in-person services for students with disabilities; pursues and remedies abuse and neglect issues during COVID; and ensures appropriate access to governmental and non-governmental services during COVID. MDLC additionally provided input into the Governor's Executive Orders and subsequent legislation regarding health care and vaccine access for low-income Minnesotans with disabilities and educated policymakers on different ways students can access special education services when districts are not providing in-person supports.

### **Conclusion**

COVID has presented daunting challenges to low-income Minnesotans with unmet legal needs. Minnesota's wonderful network of legal services programs brings great energy, bravery, and ingenuity to meeting those challenges. The people who go to work at legal services programs every day – and especially during COVID – are heroes.

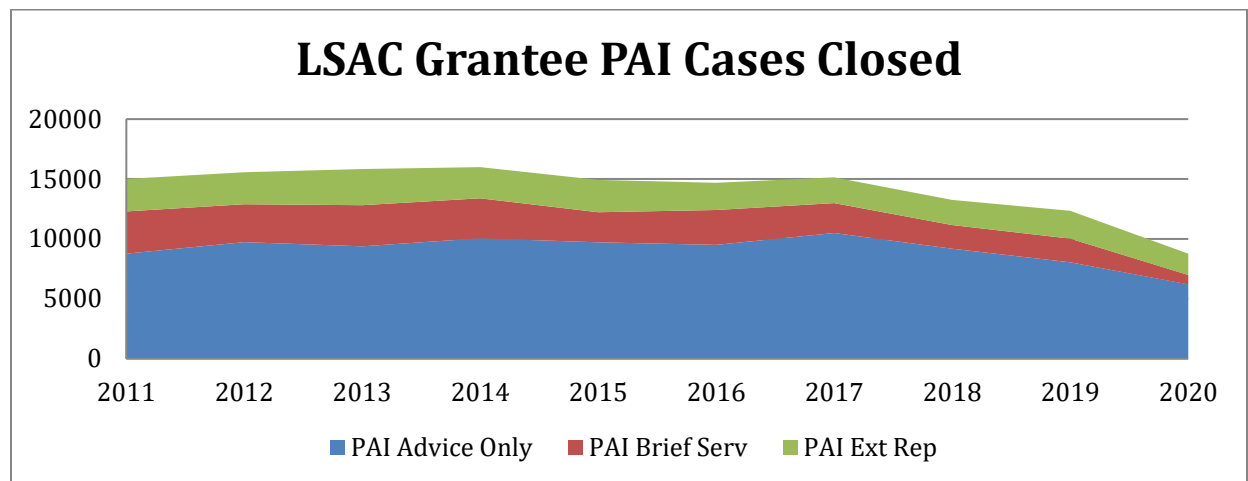
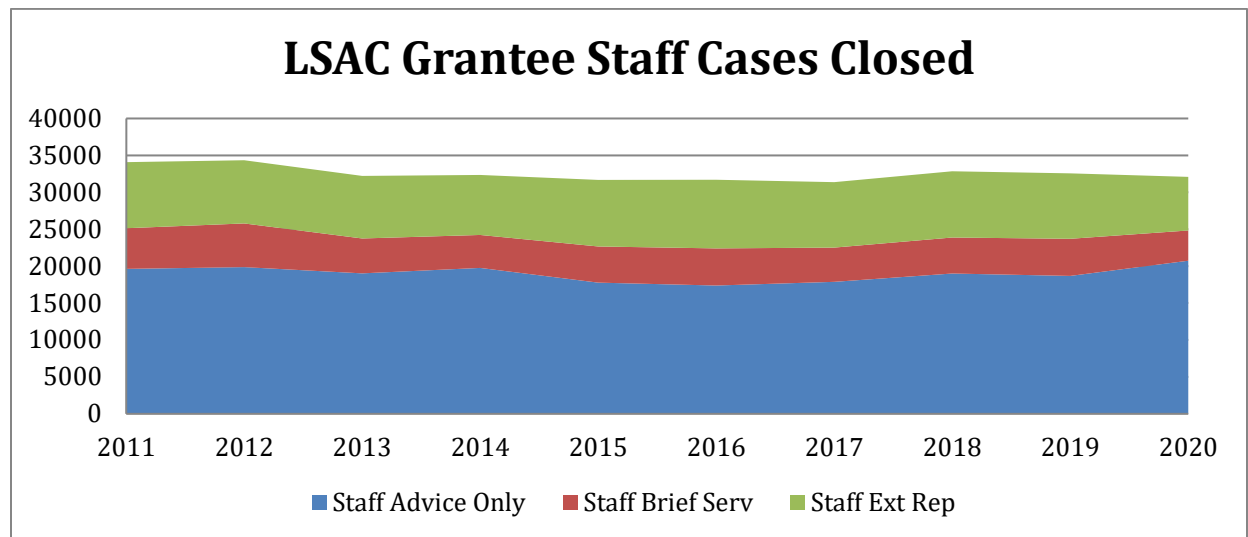
Warmly,  
Randi Ilyse Roth  
Chair



## Clients Served

LSAC focuses its grant making on programs that benefit low-income Minnesotans facing critical legal needs. LSAC guidelines provide that grants can be used to serve clients at or below 200% of the federal poverty guidelines, defined as less than \$53,000 per year for a family of four.<sup>1</sup> According to recent Census data, there are more than 1.2 million Minnesotans who meet these income guidelines.<sup>2</sup>

The following charts detail the number of cases closed by civil legal aid staff and private attorney involvement (PAI) programs over the past decade. The number of staff cases has been relatively steady in recent years, with more advice only cases in 2020 due to the pandemic. PAI cases (both pro bono and judicare) have been trending down for several years and took a sharp dive in 2020 when the pandemic closed in-person volunteer clinics and it took some time to transition to remote volunteer opportunities.



<sup>1</sup> 2021 Poverty Guidelines, U.S. Dept. of Health and Human Services

<sup>2</sup> 2019 American Community Survey 1-Year Estimate for Minnesotans at or below 200% of Poverty. This is the most current data available from the Census Bureau at the time of publication of this report.

## LSAC Grantee Calendar Year 2020 Case Data Summary

### Total Cases Closed: 40,863

- 32,093 cases (79%) closed by staff attorneys
- 8,770 cases (21%) closed by private attorney involvement (PAI) through pro bono or Judicare

### Total People in Households Benefitting from Service: 91,988

#### Client Demographics:

Gender – **66%** Female, **34%** Male

Age – **15%** Under 18, **70%** 18-59, **15%** Over 60

Race – **49%** White, **25%** Black, **13%** Hispanic, **5%** Asian, **4%** Native American, **4%** Other

#### Case Types:

**29%** Family, **22%** Housing, **11%** Immigration, **7%** Consumer, **11%** Income/Health Benefits, **20%** Other (includes employment, education, estate planning, expungement, tax, etc.)

### Dollar Benefits Achieved for Clients: \$17,107,754

- \$7,769,874 in existing income or benefits protected for clients
- \$9,337,880 in new income or benefits established for clients

#### Additional Benefits Achieved for Clients:

*Major Benefit Was Achievement of Legal Objective through Extended Representation*

Clients better able to pay for daily necessities – **2,515**

Clients less likely to be harassed by creditors – **1,908**

Clients in a better position to keep or find a job – **1,385**

Clients in a better position to keep or find housing – **2,774**

Client has improved housing conditions – **1,615**

Client is physically safer (including OFP or safety plan) – **2,755**

Client has improved quality of life – **5,227**

*Major Benefit Was Access to Legal Information, Advice, or Brief Service*

Clients with access to legal advice – **26,951**

Clients with access to brief services – **4,878**

Individuals who received automated court form assistance through LawHelpMN.org – **1,726**

Individuals who were assisted with live chats to navigate LawHelpMN.org – **1,799**

Unique visitors to access legal information through LawHelpMN.org – **666,187**

## LSAC Funding Sources

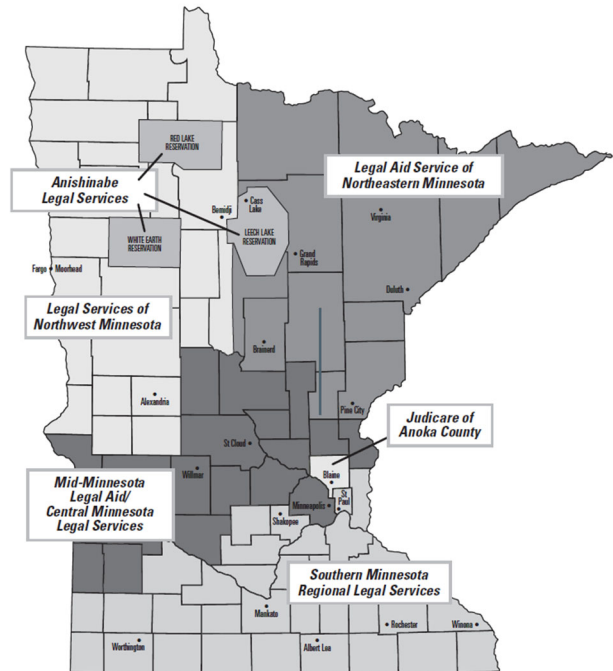
LSAC is responsible for the management and distribution of grant funding from three primary<sup>3</sup> sources: an appropriation from the Minnesota legislature, the Interest on Lawyer Trust Accounts (IOLTA) revenue and a portion of the lawyer registration fee. In addition, the committee has also received funding from donations and court settlement awards to be distributed to eligible grantees.

### FY21 Legislative Allocation – \$14,720,000

The Minnesota Judicial Branch has administered legislative funding for civil legal aid since 1982. Minnesota Statutes 480.24 through 480.244 directs the process for allocating the appropriation. In compliance with the statute, LSAC distributes 85% of the appropriation based on a per poverty population formula to organizations that were eligible to receive federal legal services funding on July 1, 1982. The remaining 15% of the appropriation is added to other LSAC funding sources and awarded through a competitive grant process.

Legislative rider language dedicates a portion of the total appropriation to family law services through the same per poverty population formula controlling the 85% funds. The table below shows the organizations that received per poverty population funding with their FY21 formulaic awards and the map shows the corresponding service areas and office locations.

<b>Anishinabe Legal Services:</b> \$161,026
<b>Judicare of Anoka County:</b> \$493,780
<b>Legal Aid Service of Northeast Minnesota:</b> \$1,339,509
<b>Legal Services of Northwest Minnesota:</b> \$1,059,771
<b>Mid-Minnesota Legal Aid:</b> \$4,577,012
<b>Southern Minnesota Regional Legal Services:</b> \$4,880,902
<b>TOTAL \$12,512,000</b>

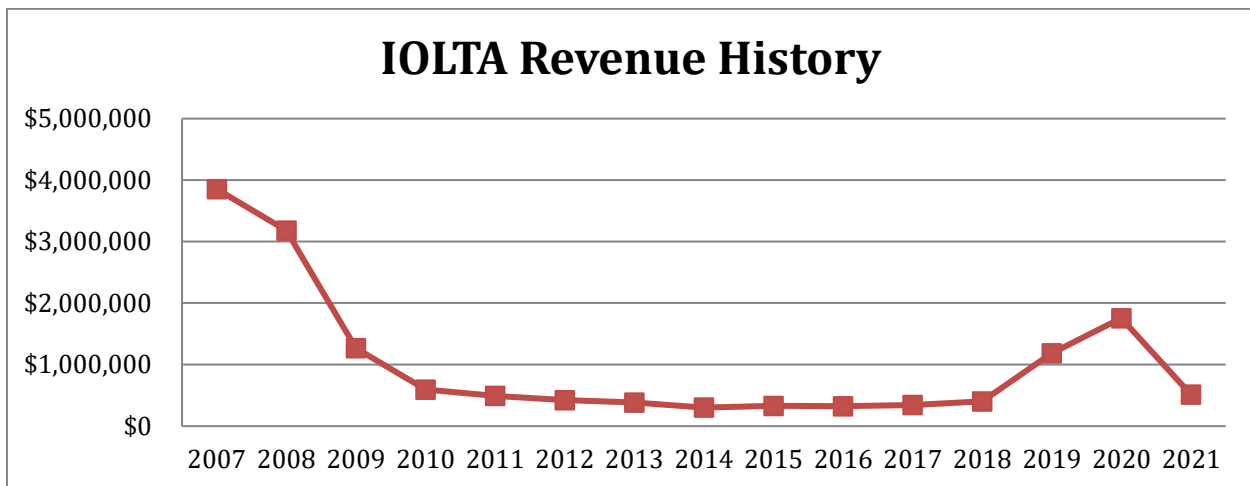


After these awards are calculated, LSAC added the remaining \$2,208,000 from the 15% funds to the additional grant funding sources detailed below. The total amount of the discretionary grant awards are detailed in the next section (LSAC Grant Making).

<sup>3</sup> The Court has also tasked LSAC with the management of the Lawyer Assistance Program (LAP) portion of the lawyer registration fee. LSAC reports separately to the Court every June on the LAP budget and the contract with Lawyers Concerned for Lawyers. The LAP funding is not included in this document.

### FY21 IOLTA Revenue – \$511,504

In 1983, Minnesota was the first state in the country to create a mandatory IOLTA program by court rule. As an interest rate dependent funding source, IOLTA revenue has fluctuated dramatically over time. The Lawyer Trust Account Board<sup>4</sup> recognized that the cyclical nature of the IOLTA revenue made it difficult to provide stable funding to civil legal services programs and adopted a reserve policy to save money in the higher interest years to offset cuts in the lower interest years. That reserve was used to supplement grants from 2009-2015, but the low interest rate environment lasted so long that the reserve was depleted. Rates increased and revenue went above \$1,000,000 for the first time in a decade in 2019-2020. In FY20 LSAC used the increase in IOLTA funds to pay for all grantees to upgrade to the same case management system. In FY21 the funds dropped dramatically again because of the interest rate cut in response to the pandemic. The funds will be monitored closely to decide when would be the right timing to start building a reserve again.



### FY21 Lawyer Registration Fee Revenue – \$2,118,153

The Minnesota Supreme Court has dedicated a portion of the lawyer registration fee to civil legal services since 1997. In 2009, the Court increased the fee to offset a portion of the IOLTA decline, which generated an additional \$600,000 per year. That increase was made permanent by court order in 2011. Under current court rule, \$75 from the full lawyer registration fee is allocated to LSAC to support civil legal services.

The lawyer registration fee is the most stable funding source for the civil legal services grant programs. The lawyer registration fee funding is used for all of the administrative costs needed to manage the civil legal services and alternative dispute resolution grants. At this time, LSAC manages the entirety of its grant funding sources with an administrative overhead of less than 2%. Administrative costs include one full-time grant manager and one full-time project assistant, as well as meeting and travel costs. The committee has also set aside a small amount of administrative funding for special projects, including project evaluation and coordinated training opportunities for grantees.

<sup>4</sup> The Lawyer Trust Account Board (LTAB) managed IOLTA funding from 1983 through 2010, when the Court consolidated LTAB and LSAC to improve grant making efficiency.

### Bank of America Settlement Revenue Spent in FY21 Grants - \$1,000,000

As a result of a 2014 settlement between the federal Department of Justice and Bank of America, every state IOLTA program received funding to make grants for “foreclosure prevention legal assistance” and “community economic redevelopment legal assistance.” The Minnesota IOLTA Program received \$442,000 in 2015 and \$4,549,000 in 2016.

LSAC maintained a separate application for Bank of America grants and budgeted \$1,000,000 per year through June 30, 2021 for dedicated grant awards. FY21 is the final year of Bank of America funded projects. The work supported by these funds includes:

- **Cancer Legal Care:** Grant to support legal services to income-eligible clients affected by cancer and in jeopardy of foreclosure due to medical debt and other financial hardship.
- **Farmers’ Legal Action Group:** General operating grant for legal services to low-income farmers statewide.
- **Housing Justice Center:** This grant is focused on stabilizing and revitalizing low-income communities in the Twin Cities through legal advocacy for affordable housing.
- **Immigrant Law Center of Minnesota:** In partnership with Ballard Spahr’s pro bono program, this grant supports legal services to immigrant businesses in southeast Minnesota.
- **LegalCORPS:** Grant to support their Entrepreneurs of Color program providing statewide pro bono legal assistance to small businesses and nonprofits.
- **Mid-Minnesota Legal Aid:** In partnership with the Northside Residents Redevelopment Council and Stinson Leonard Street’s pro bono program, this grant provides a broad range of legal services with the goal of reducing blight, retaining quality, affordable housing, and improving business development in North Minneapolis.
- **Mid-Minnesota Legal Aid:** Funding for one staff attorney to provide mortgage foreclosure prevention legal assistance.
- **Mid-Minnesota Legal Aid:** Funding for the Minnesota Asset Building Coalition project focused on legislative advocacy to advance initiatives that ensure equitable access to business financing for populations that have historically been underserved by banks and to support the development of new cooperative business models.
- **Southern Minnesota Regional Legal Services:** This grant focuses on revitalization and stabilization of the community through preservation of wealth, preservation of homeownership and preservation of neighborhood vitality. Legal work will include estate planning, tax benefits and foreclosed and vacant properties.

### FY21 Minnesota Legal Aid Foundation Fund - \$162,282

The Minnesota Legal Aid Foundation Fund was established by the Minnesota Legal Services Coalition in 1998 to support legal services to Minnesota residents who are financially unable to afford legal assistance in civil matters. This is a donor-advised fund administered by Minnesota Philanthropy Partners. The Donor Advisory Committee has consistently directed an annual distribution to LSAC from interest earned on the foundation fund. A donation of \$162,282 was received in February 2021 and 100% of the funding was added to the other discretionary funding sources to supplement the FY21 grant awards.



## LSAC Discretionary Grant Making

LSAC made \$6,070,000 in FY21 discretionary grants, including the Bank of America awards detailed above. FY21 was the second year of the two-year grant awards decisions made in June 2019. The committee received grant applications from 25 eligible organizations requesting \$7,055,955 in annual funding.

LSAC strives to be transparent in its priorities, scoring and deliberations. The application is separated into proposals for staff general operating, PAI general operating and project grants for the purpose of reviewing regional equity. Application scoring criteria is detailed in the grant materials and includes an evaluation of organizational capacity, community impact, delivery system impact and collaboration.

In the FY20-21 grant cycle LSAC continued its practice of split into three cohorts that reviewed one-third of the applications. Each cohort interviewed the organizations whose applications they were reviewing and had an opportunity to discuss and calibrate scores after the interviews. The cohort scores were then brought to the full committee for the final grant decisions. The FY21 awards were as follows:

Anishinabe Legal Services	\$75,000
Central Minnesota Legal Services	\$165,000
Conflict Resolution Center	\$80,000
Farmers' Legal Action Group	\$75,000
Immigrant Law Center	\$305,000
Indian Child Welfare Act Law Center	\$75,000
Legal Aid Service of Northeast Minnesota	\$453,000
Legal Assistance of Dakota County	\$110,000
Legal Assistance of Olmsted County	\$100,000
Legal Services of Northwest Minnesota	\$360,000
Legal Services State Support	\$418,000

LegalCORPS	\$27,000
Loan Repayment Assistance Program	\$24,000
Mid-Minnesota Legal Aid	\$750,000
Minnesota Disability Law Center	\$182,000
Minnesota Justice Foundation	\$110,000
Rainbow Health	\$23,000
Southern Minnesota Regional Legal Services	\$885,000
Standpoint	\$25,000
The Advocates for Human Rights	\$150,000
Tubman	\$108,000
Volunteer Lawyers Network	\$450,000

## **In Closing**

LSAC has been charged by the Court with ensuring its “grant making procedures promote statewide access to legal services for low-income Minnesotans and lead to effective use of funding by grantees.” Committee members volunteer hundreds of hours every year working diligently towards this mission and are committed to continuous improvement of the civil legal aid system statewide.

We hope this report demonstrates that the commitment and enthusiasm of the volunteer attorneys and paid staff who provide legal services in the state is mirrored and buoyed by the committee, and that the allocation of funds entrusted to us by the Court is a worthy expression of the mission of justice for every Minnesotan.

### **Legal Services Advisory Committee for FY21 Grant Decisions**

Timothy Auge (St. Cloud), Client Member  
Michael Blackmon Jr. (Minneapolis), Attorney Member  
Peter Knapp (St. Paul), Attorney Member  
Laurence McDonough (Minneapolis), Attorney Member  
Deborah Peterson (White Bear Lake), Public Member  
Randi Ilyse Roth (St. Paul), Attorney Member  
Summra Shariff (Minneapolis), Attorney Member  
Maria Thu Salas (Mounds View), Public Member  
Laura Tripicano (St. Cloud), Attorney Member  
Tamara Ward (Minneapolis), Client Member  
Christopher Wendt (Rochester), Attorney Member

### **LSAC Members Joining LSAC After FY21**

Tresor Banglia (Plymouth), Client Member  
Ashton Boon (Rochester), Attorney Member  
Deepinder Mayell (Minneapolis), Attorney Member  
Sally Silk (Minneapolis), Attorney Member  
Rev. Florence Conover (St. Paul), Client Member  
James Long (Minneapolis), Attorney Member

### **LSAC Staff**

Bridget Gernander, Grants Manager  
Susan Beaudet, Program Assistant