

Legal Aid Society of Cleveland must cut \$1.4 million from budget

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CLEVELAND, Ohio -- The Legal Aid Society of Cleveland, which until now has weathered the economic downturn by tapping reserves, must cut \$1.4 million from its budget in the coming year -- at a time when poor clients are in greatest need of legal assistance.

A combination of financial troubles, including a drastic reduction in federal funding this year, will force Legal Aid programs that already must turn away half of their applicants to deny many more.

"Our clients need us more than ever," said
Colleen Cotter, the agency's executive
director. "Our communities cannot afford
for our services to contract at a time like this."



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The entire justice system suffers when poor plaintiffs are forced to represent themselves in civil matters, says Barbara Roman, president of the Cleveland Metropolitan Bar Association, when discussing impending budget cuts at the Legal Aid Society of Cleveland. (Keith Berr Productions)

Legal aid lawyers give free help to the poor on cases involving evictions, divorce, domestic violence, home foreclosure, loss of benefits and other civil issues. The agency must triage cases to identify the most desperate -- those in which clients will either lose their home, income, access to education or personal safety without immediate legal assistance.

The agency is funded primarily through a federal grant, civil filing fees and interest on money that attorneys set aside in trusts and escrow for their clients' legal settlements.

Low interest rates hurting legal aid

State law requires that the nonprofit Ohio Legal Assistance Foundation divvy that interest money among legal aid groups based on the level of poverty in each community.

Historic low interest rates have caused Cleveland's share of those funds to plunge by 80 percent -- from \$3.38 million in 2008 to \$700,000 last year, the Legal Aid Society reports.

The group has relied on its reserves to avoid layoffs and program cuts with the expectation that interest rates eventually would rise again. But when the Federal Reserve announced in January its plan to maintain record low interest rates at least until late 2014, Legal Aid's budget seemed in dire straits.

To make matters worse, Congress during the past two years voted to slash the budget of the Legal Services Corp., the nonprofit organization responsible for administering federal funds among 136 legal aid agencies nationwide.

That organization's budget was cut by 4 percent in 2011 and 14.4 percent in 2012 -- resulting in a \$450,000 loss to Cleveland's Legal Aid Society.

All told, the Cleveland group has lost 28 percent of its revenue in recent years.

Though Cotter has made no decisions about where to make the cuts, she said Legal Aid must become a leaner operation and rely more heavily on donations and pro bono services of attorneys in the private sector. The national organization, however, predicts that among Ohio's five legal aid societies that receive federal funds, 60 positions will be cut -- about half of which will be attorneys.

Meanwhile, the same economic forces that led to those budget cuts has inflated the need for legal services in the community. Between 2005 and 2010, the number of low-income applicants for Legal Aid in Cleveland increased 63 percent -- from 10,211 to 16,667, the agency reports.

The entire justice system suffers when poor plaintiffs are forced to represent themselves in civil matters, said Cleveland Metropolitan Bar Association President Barbara Roman, who specializes in domestic relations and family law. The courts are inundated with self-represented litigants who don't know where to begin, she said.

The bar association encourages its members to offer pro bono services, Roman said. But even the 1,600 attorneys who volunteer their time to Legal Aid cannot make up for the millions of dollars the agency's budget has lost to the recession.

To mitigate the effect of low interest rates and help legal aid societies stay afloat, the Ohio Legal Assistance Foundation last month rolled out its Prime Partner Program, recognizing and promoting banks that offer higher interest rates on attorney escrow accounts.

And last month, President Barack Obama proposed a \$54 million increase in funding for the Legal Services Corporation -- a partial restoration of the lost funds. If Congress rejects the proposal, untold numbers of

disadvantaged potential clients will go without services, said John Constance, director of government relations and public affairs for the Legal Services Corporation.

"We're trying to help people stay in their homes, escape domestic violence, help the elderly fight off foreclosure," Constance said. "We're talking about protecting some strong American values, like access to justice. So we must educate the newer members of Congress about the work we do."

Cleveland program is national model

Constance said Cleveland's program is a national model for how to run a successful and solvent legal aid society -- one whose work has a ripple effect on the community it serves with every home or job saved.

Vietnam veteran Douglas Weisman is among those whose entire livelihood would have been lost without the advocacy of his legal aid attorney.

Untreated mental health issues led the 61-year-old Ashtabula resident to a theft conviction in Florida in the early 1980s. Weisman violated the terms of his probation in 1986, trying to make his way home after his release from prison. But he was unaware of the violation until 2009, when the Veterans Administration discovered it and terminated his benefits.

The government also sent Weisman a \$39,000 bill for benefits already received.

Cleveland Legal Aid attorney Jennifer Becker worked with a Florida public defender to clear Weisman's warrant, persuaded the Veterans Administration during a hearing to grant him a reprieve on the overpayment and had his benefits reinstated.

"I don't know where I'd be without Legal Aid," Weisman said. "They just kept reassuring me that everything was in the works. And I came out of it a lot healthier mentally because I knew they were on my side."

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