

# Helping Low-Income Americans Meet Pressing Legal Challenges

Clients of LSC-funded legal aid offices include the working poor, veterans, homeowners and renters, families with children, farmers, people with disabilities, and the elderly. To qualify for legal aid, a client must live in a household with an annual income no higher than 125 percent of the federal poverty level. In 2012, that meant \$13,963 for an individual and \$28,813 for a family of four. Clients come from every ethnic and age group, and live in rural, suburban, and urban areas. Women—many struggling to keep their children safe and their families together—comprise 70 percent of clients served by LSC's grantees.

**L**egal assistance is necessary to address many issues that affect low-income individuals and families. The most frequent cases involve family matters, including domestic violence, housing and foreclosure, consumer issues, and income maintenance, including employment issues. Some LSC grantees have services dedicated to helping veterans, victims of natural disasters, and the elderly.

## Family Matters

Family law cases represent about one-third of the cases closed by LSC grantees each year, and the legal services provided to victims of domestic violence are among the most important. Studies show that domestic violence occurs more frequently in households facing economic stress. Victims of domestic violence often require assistance with several domestic relations matters simultaneously, including protective orders, child custody and support, and divorce.

LSC's grantees are on the front lines with law enforcement authorities in protecting those facing family violence and abuse. In 2012, LSC grantees closed 46,658 domestic violence cases, including the following:

- With the assistance of **Legal Aid Foundation of Los Angeles (LAFLA)**, a mother's determination prevailed in April, 2012, when a judge granted her full custody of



her two children. After Jennifer\* learned in October, 2011, that the children's father had been arrested on multiple felony drug charges, a LAFLA attorney successfully argued that the children's safety depended upon their return to their mother. Once custody was granted, the children then had to be located. LAFLA helped Jennifer gain the assistance of police in Alaska to locate her children and return with them to California. Both children are now receiving counseling, getting the medications they need, and have Individualized Education

Programs to help them succeed in school.

- Kimberly\*, a mother of three young children, suffered a long history of verbal, physical, and sexual violence at the hands of her husband, a police officer. On one occasion, he punched Kimberly in the head as she held their infant, causing her to fall onto the baby. He threatened to report her as an abusive parent and get custody of their children.



Fearing for her safety and believing he would make good on his threats, Kimberly contacted **Community Legal Services (Arizona)**, which collaborated with a pro bono attorney from their Volunteer Lawyers Program to help Kimberly. Her attorney was able to assist her in securing safe housing, custody of her children (with supervised visitation at a neutral location for the father), and child support. Her husband was also ordered to complete an anger management program. For the first time in years, Kimberly no longer awakens with feelings of fear and hopelessness.

## Housing and Foreclosure

The second largest category of all matters handled by LSC's grantees, these cases include landlord-tenant disputes, predatory lending, improper foreclosures, unlawful evictions, and disputes over federal housing subsidies.

\*Names and other personal identifiers have been changed to protect client confidentiality.

- The Cruzes\* were an everyday family with three school-aged children. They got behind on their mortgage when Mr. Cruz was injured on the job. Their mortgage lender had agreed to a loan modification, but then suddenly backed out and foreclosed on the home. Afraid that they might become homeless and that their children would be forced to change schools, the Cruzes reached out to **Legal Aid of North Carolina (LANC)**. LANC attorneys filed a breach of contract complaint on the family's behalf, seeking a temporary restraining order in order to prevent the padlocking of the Cruz home. After a year and a half of negotiations during which the Cruzes were able to remain in their house, a settlement was reached. LANC negotiated a new loan modification, saving the Cruzes nearly \$6,600 in fees. Mr. Cruz is working full-time again, and the family remains in their home.



- When Matthew\*, a decorated veteran of Iraq and Afghanistan, and his wife, Becky\* returned from a trip to find that their apartment was occupied by another family, **Lone Star Legal Aid's Texas Veteran's Project** assisted them with a wrongful eviction suit. The couple had signed a standard one-year lease, and their rent was current when they left for a two-week business trip. While they were away, the landlord had entered the unit, concluded that the apartment was abandoned, disposed of the couple's belongings, and re-rented the apartment. After at first refusing to consider a settlement, the landlord agreed the day before the scheduled court date to compensate the couple for their lost belongings.



### Consumer Issues

More than 10 percent of cases involve protecting the elderly and other vulnerable groups from being victimized by unscrupulous lenders, helping people file for bankruptcy when appropriate and helping people manage their debts.

- Mrs. Johnson\*, an 87-year-old retired home-health-care worker on a fixed income of \$1000 per month, refinanced her home with something called a "pay option adjustable rate mortgage." This means that

the amount of the monthly payment was not actually based on paying the loan back. Mrs. Johnson made payments on time, but fell behind on the mortgage because, much like a credit card, the interest was greater than the minimum payment. When she went to **Atlanta Legal Aid Society**, she had paid \$30,000 toward her mortgage but owed \$10,000 more than when she took out the loan. Mrs. Johnson was a victim of predatory lending, and when legal aid attorneys confronted the bank, officials agreed to accept a short payment of \$50,000 rather than the \$160,000 they claimed was owed. Mrs. Johnson's predatory mortgage is now paid off, and she can live in her home without making payments for the rest of her life.



### Income Maintenance

More than 12 percent of cases handled by LSC grantees involve helping working Americans obtain promised compensation from private employers, and helping veterans and others obtain and retain government benefits such as disability benefits to which they are entitled.

- Carl\* was a disabled Vietnam veteran who came to **Legal Services of North Florida** because he was about to lose his mobile home. He could not work and had no income. He applied for but was denied U.S. Department of Veterans Affairs (VA) benefits. Legal Services contacted the VA and Senator Bill Nelson's office and, together, they were able to have Justin's disability evaluated at no cost and his case reviewed by the VA in just 30-day's time. As a result, Carl was awarded 100 percent of his disability benefits, was able to save his land, and purchase a newer, more affordable mobile home in which to live.



### Helping Military Veterans

Consistent with the overall rise in poverty, the percentage of veterans in poverty has increased significantly in recent years, rising from 5.4 percent in 2007 to nearly 7 percent in 2010, according to a report from the U.S. Congress Joint Economic Committee. In all, more than 1.4 million veterans are living in poverty, and over 1 million more are at risk of slipping into poverty. Poverty rates are highest for post-9/11 veterans: 12.4 percent of

post-9/11 veterans were living in poverty in 2010.

Many veterans who served in combat zones in Iraq and Afghanistan are coming home to legal problems—e.g., child custody disputes, evictions, and denials of earned benefits—that LSC grantees handle regularly.

- Sean\* was an Iraq War veteran who performed counterinsurgency work while overseas. When he returned home to New York City, he could find only part-time work. When Sean applied for a position at JFK International Airport with the Transportation Security Administration (TSA), he had high hopes of finally securing a new career. But a routine TSA pre-employment credit check revealed that he had defaulted on a \$10,000 debt, disqualifying him from the job. Sean was frustrated and baffled; he had never accrued any significant debt. He came to **Legal Services of NYC's Veterans Justice Project** for help. Upon further investigation, LSNYC attorneys learned that the disqualifying debt was the result of a scam: an online company had asserted that Sean owed thousands of dollars for breaking a non-existent contract. LSNYC worked with the various credit bureaus to remove the fraudulent entry from Sean's credit report. Sean's TSA application was reinstated, and his good credit restored.



A growing number of legal aid offices grantees have dedicated projects, often collaborating with other service providers to reach and provide legal assistance to veterans. These include:

- The **Veterans Justice Project of Legal Services NYC** partners with veterans' health clinics to provide legal services to veterans, service members and their families that prevent evictions and foreclosure, protect victims of domestic violence, increase and stabilize incomes, and address other legal needs.
- The **Veterans Consortium Pro Bono Program**, a partnership of major veterans services organizations, provides pro bono representation for pro se appellants before the U.S. Court of Appeals for Veterans Claims.
- The **Veterans Justice Center at the Legal Aid Foundation of Los Angeles** assists veterans who are homeless or at imminent risk of becoming homeless on a wide range of legal issues.
- The **Veterans' Rights Project at the Legal Aid Foundation of Metropolitan Chicago** helps veterans

secure VA benefits and protect their legal rights on consumer, housing and related issues.

- The **Kentucky Corps of Advocates for Veterans** at the **Legal Aid Society of Louisville, Ky.**, a collaboration with the state bar, the courts, the Kentucky Department of Veterans, and veterans services organizations, expands legal assistance available to veterans.



- The **Veterans Legal Advocacy Project at Community Legal Services of Mid-Florida (CLSMF)** helps veterans in 12 central Florida counties obtain Veterans Administration benefits. CLSMF also helps veterans and families with a wide variety of civil legal issues.

### Ensuring the Legal Rights of Low-Income Families After Disaster Strikes

In October, 2012, Hurricane Sandy caused significant damage to coastal communities in several mid-Atlantic states. Just a few days after Sandy struck, LSC-funded legal aid programs in the hardest-hit areas of New York and New Jersey began providing assistance to survivors via telephone hotlines, FEMA disaster recovery centers, neighborhood-based legal clinics, community legal education presentations, and online and printed information.

With tens of thousands of homes destroyed by Sandy, LSC grantees reported that clients needed legal help with a wide range of storm-related housing problems, including improper evictions, denial of insurance claims or inadequate reimbursement by insurance companies, delays in critical repairs, and home

***"In the hundreds of thousands of people that have been displaced in the Northeast are a lot of people who have lost their apartments and houses that don't have the money to hire lawyers. Their conditions are such they've lost everything that they have—their possessions, their apartments, the houses that they've invested in throughout their lives—and many of these people do not have the financial means to protect their interests."***

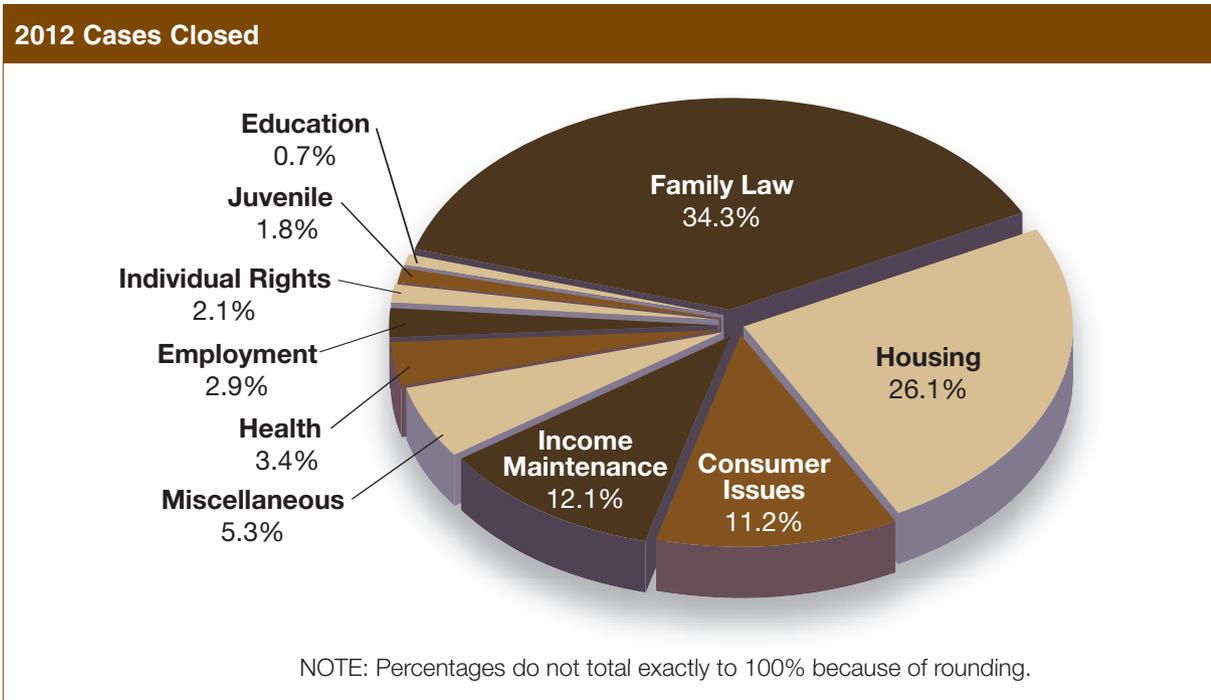


—Rep. Rodney Frelinghuysen (R-N.J.) during floor debate on the Hurricane Sandy supplemental appropriation.

repair scams. In addition to direct service, legal aid lawyers recruited and trained pro bono attorneys and participated in long-term community recovery groups.

The Hurricane Sandy Disaster Relief Act, passed by Congress and signed by President Obama in January,

2013, included \$1 million for LSC—reduced to 950,000 by sequestration—to provide assistance to low-income people in areas significantly affected by the hurricane. The funding will be distributed via grants to LSC-funded offices.



The common types of legal problems experienced by clients in 2012 cases closed are grouped in 10 broad Legal Problem Categories as set out below:

<b>CONSUMER/FINANCE</b>	Bankruptcy/Debtor Relief; Collection (Including Repossession/Deficiency/Garnishment/Creditor Harassment); Contracts/Warranties; Predatory Lending Practices; Loans/Installment Purchase (Not Collections); Public Utilities; Unfair and Deceptive Sales and Practices (Not Real Property)
<b>EDUCATION</b>	Disciplinary Actions (Including Expulsion and Suspension); Special Education/Learning Disabilities; Access (Including Bilingual, Residency, Testing); Vocational Education
<b>EMPLOYMENT</b>	Employment Discrimination; Wage Claims and other FLSA (Fair Labor Standards Act) Issues; EITC (Earned Income Tax Credit); Taxes (Not EITC); Employee Rights
<b>FAMILY</b>	Child Custody & Support; Divorce/Separation/Annulment; Adult Guardian/Conservatorship; Name Change; Parental Rights Termination & Adoption; Paternity; Domestic Abuse
<b>HEALTH</b>	Medicaid/Medicare; Children's Health Insurance Programs (CHIP); Home and Community Based Care; Private Health Insurance
<b>HOUSING</b>	Landlord/Tenant Disputes; Housing Discrimination; Mortgage Foreclosures and Predatory Lending/Practices
<b>INCOME MAINTENANCE</b>	TANF, Food Stamps; Social Security (Not SSDI), SSDI, SSI; Unemployment Compensation; Veterans Benefits
<b>INDIVIDUAL RIGHTS</b>	Mental Health; Disability & Civil Rights; Human Trafficking
<b>JUVENILE</b>	Delinquency; Neglected/Abused/Dependent; Emancipation/Guardian/Conservatorship
<b>MISCELLANEOUS</b>	Indian/Tribal Law; Torts; Wills, Trusts & Estates, Advance Directives/Powers of Attorney