

# Massachusetts Legal Assistance Corporation

## FY17 Civil Legal Aid Yields Economic Benefits to the Commonwealth

Valuation of the access-to-justice work of Massachusetts civil legal aid programs typically focuses on non-economic benefits such as the social benefits of homelessness prevention, access to education, protection from domestic violence and child abuse, access to nutrition and health care, and much more. Frequently lost in the discussion are the many economic benefits that flow to the Commonwealth by virtue of this work.

Each year legal aid programs funded through the Massachusetts Legal Assistance Corporation (MLAC) substantially boost the Commonwealth's economy by bringing in millions of federal dollars; improving the economic conditions of low-income residents<sup>1</sup>; and saving the state millions in avoided public benefits, emergency shelter, and social service costs.

An examination of just some of the FY17 economic benefits attained by MLAC-funded legal aid programs reveals over \$59 million in economic benefits to the Commonwealth.

### Summary

<b>Federal Revenue Coming into the Commonwealth</b>	
<b>Disability Benefits Project:</b> One-year new federal SSI/SSDI benefits and back payments to clients	\$5,726,768 <sup>2</sup>
<b>Disability Benefits Project:</b> Direct federal reimbursement to DTA for EAEDC payments	\$213,277
<b>Disability Benefits Project:</b> Federal payments to legal aid for representation of DBP clients	\$299,486
<b>SNAP Benefits:</b> Preservation of federal nutrition assistance benefits	\$10,301,353
<b>Medicare:</b> Federal health care coverage won	\$593,456
<b>Federal Taxes:</b> Credits and refunds from representing clients with tax controversies	\$558,440
<b>Total New Federal Revenue</b>	<b>\$17,692,780</b>

<b>Other Benefits Won for Low-Income Residents</b>	
<b>Unemployment Insurance:</b> benefits won on appeal	\$2,064,256
<b>Child Support:</b> Child support orders obtained	\$1,470,664 <sup>3</sup>
<b>Financial Judgments for Tenants</b>	\$2,359,346
<b>Foreclosure:</b> Compensation and debt relief	\$5,180,604
<b>Utilities:</b> Exempting low-income consumers from rate increases	\$7,000,000
<b>Wages Won or Protected</b>	\$2,930,000
<b>Reimbursement for Medical Debt</b>	\$11,080
<b>Debts Discharged in Bankruptcy</b>	\$3,311,770
<b>Total Benefits and Savings for Residents</b>	<b>\$24,327,720</b>

<b>Savings for the Commonwealth</b>	
<b>Foster Care Avoided for Unaccompanied Minors:</b> savings through obtaining custody orders	\$2,033,150
<b>Homelessness Prevention:</b> avoided costs for shelter and health care for homeless	\$13,466,507
<b>Domestic Violence Prevention:</b> avoided health care costs only	\$1,700,721
<b>Total Estimated Savings</b>	<b>\$17,200,378</b>

<b>Total Benefits and Savings to the Commonwealth in FY17</b>	<b>\$59,220,878</b>
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<sup>1</sup> Nearly all economic benefits won for clients in the form of cash are spent locally and in their entirety.

<sup>2</sup> Includes back payments and only the first year of benefits. Clients whose cases were won by MLAC's Disability Benefits Project in FY17 can be expected to receive a combined **\$25.4 million in SSI/SSDI benefits over their lifetimes.**

<sup>3</sup> Includes only the first year of child support. Over the long term (estimated here to be nine years), these orders could bring clients an estimated **\$13.2 million in payments.**