

TESTIMONY OF SANDRA HANSBERGER

House Business and Labor

HB 2608

March 15, 2013

Chair Doherty and members of the Committee, my name is Sandra Hansberger. I am from Portland and speak on behalf of the Lawyers' Campaign for Equal Justice. I am the Executive Director and have served in that capacity for five years. I have been an Oregon lawyer since 1983 and have spent the greater part of 30 years representing low-income clients, or working to support funding for such representation.

The Campaign for Equal Justice was founded in 1991 by Oregon lawyers to support Oregon's statewide legal aid programs. The Campaign is a 501(c) (3).

Oregon's legal aid programs provide free civil legal services to low-income Oregonians. Services are limited to high priority needs such as food, shelter and physical safety. About 40% of legal aid's cases are in the area of family law assisting victims of domestic violence. About 25% of legal aid's cases are in the area of housing. The attached handout is a sampling of clients who have been helped by legal aid. Oregon's legal aid programs provide services to low-income Oregonians in all 36 Oregon counties, through offices in 17 communities.

Oregonians have been hit hard by the economy, and sadly, the numbers of low-income Oregonians continues to climb. Nationally, there has been a 17% increase in the numbers eligible for legal aid. Legal aid offices across the state continue to report spikes in domestic violence, and issues relating to housing and unemployment.

At a time when the need for services is at an all time high, funding has dropped from a number of sources in a perfect storm of cuts. Prior to the recession, legal aid had funding to address

less than 20% of the civil legal needs of the poor in Oregon. Legal aid programs now estimate that they have resources to meet about 15% of the critical civil legal needs of the poor.

Oregon's legal aid programs are a state, federal and private partnership. One of the goals of the Campaign for Equal Justice is to increase financial support for legal aid by developing diverse funding sources, in recognition of the economic pressures on public funding. Currently, over one third of legal aid's funding comes from court fees that are distributed by statute through the Oregon State Bar Legal Services Program. About 23% of legal aid's funding comes from the federal Legal Services Corporation. In recent years, about 7% of legal aid funding came from Interest on Lawyer Trust Accounts ("IOLTA"), but that amount is much lower today. Oregon lawyers, through an annual fund drive with the Campaign for Equal Justice, raise between \$1 million and \$1.2 million each year to support legal aid, or about 5% of legal aid's funding. Additional funding comes from state and federal contracts, and foundation support. In all, Oregon's legal aid programs manage about 80 different sources of funding.

Legal aid has lost 25% of its revenue in the past two years because of decreases in federal funding (lost about \$ 1 million in revenue), the loss of state general fund money (lost \$923,574 in revenue), declining IOLTA revenue because of low-interest rates (IOLTA revenue dropped from \$3.6 million to \$970,000 per year as interest rates fell), and loss of foundation support because of the poor economy. This has resulted in a 20% reduction in staff and the closure of two offices.

The IOLTA program has proved a valuable source of funding for Oregon's legal aid programs. The expansion of the program to include escrow accounts is a logical step which has proven successful in other states. Thank you.

# Legal Aid: Making a Difference in People's Lives

For more than 75 years, Oregon's legal aid programs have been providing free assistance to low-income Oregonians statewide. These stories are a snapshot of how legal aid makes a meaningful difference in low-income Oregonians' lives and helps preserve the integrity of our justice system.

## SUPPORTING FAMILIES

Helen is the mother of five daughters, all under the age of 11. She endured serious domestic violence at the hands of her husband, which her children often witnessed. Helen's religious beliefs kept her from showing her injuries to the police, so the police could not arrest her husband. When her husband threw her out and denied her requests to see the children, Helen turned to legal aid. With legal aid's help, she obtained a restraining order. Legal aid also represented Helen in her divorce, and obtained a favorable custody and child support decision. Helen and her daughters are now safe from the violence they suffered every day.



Joey's mother, Marie, used her body to shield Joey and his sister Sarah from their abusive father, taking the brunt of his abuse. Marie saw the emotional toll the abuse was taking on Joey and Sarah and wanted to get away, but she needed help. Legal aid helped Marie obtain a restraining order and temporary custody. Her message to other survivors of domestic violence is, "it's not easy, but there is help and hope." Today, Marie is on the road to stabilizing life for herself and her children.

## HELPING OUR SENIORS

Mary, 84, developed dementia, and her daughter was appointed as her guardian/conservator. Mary's daughter sold Mary's home, stole the proceeds, and threatened to move Mary to foster care in another county. Fortunately, the county protective service was able to refer Mary to legal aid. Legal aid stopped the threatened move and recovered the stolen funds and property, some of which went into a supplemental needs trust for Mary.



Doug and Cathy Jory live on a tight monthly budget of \$1,000 social security disability. After Doug had two major surgeries, life became even more chaotic. Their mortgage was transferred to another company, which added an extra \$100 per month charge they could not afford. They did not know where to turn, but a friend referred them to legal aid. Legal aid helped the Jorys recover the fees that had been illegally charged and saved their home from being at risk of foreclosure. Cathy said, "I could not have handled this alone. I didn't have anyone listening to what I was saying until I went to legal aid. Having someone who knows the law . . . it was a lot of help."

### Your Investment Helps to:

- Provide direct legal services to 20,000 individuals and families each year;
- Assist thousands of individuals with self-help materials, classes and websites;
- Connect private lawyers and low-income clients in need of representation through legal aid's many pro bono programs; and
- Secure public funding and foundation support to help to maintain the integrity of our justice system.

