

Senate Committee on the Judiciary

HB 4143

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February 20, 2014

Mr. Chair Prozanski, and members of the Committee, my name is Lane Shetterly. I am an attorney in private practice in Dallas, Oregon, and a member of the boards of directors of the Oregon Law Center (OLC) and Legal Aid Services of Oregon (LASO). I am also a member of the Advisory Committee of the Campaign for Equal Justice and a member of the Task Force on Legal Aid Funding.

I am here today to address the civil justice crisis in Oregon, let you know what the legal community is doing to try to help address the justice crisis, and ask for your continued support. As members of Senate Judiciary Committee you understand that in civil matters there is generally no right to an attorney, and those who are unable to pay legal fees, either try to navigate the justice system on their own, or most likely go without any access. In addition to providing counsel, advice, and representation to the most vulnerable Oregonians, legal aid programs are also able to address problems and solutions to systemic problems such as domestic violence. One study shows that the presence of a legal aid office in a community is the single largest factor in reducing domestic violence.

The handout attached to my testimony tells the stories of just some of the low-income Oregonians and families that legal aid has helped with critical issues like accessing to medical care, staying in safe housing, and keeping women and children safe from domestic violence.

Legal aid currently has funding to meet 15% of the civil legal needs of the poor---down from 20% in previous years. This means that low-income Oregonians who need a lawyer to access our justice system are effectively shut out. But the implications are much broader than that. When the justice system is only available to those who have money to pay for services, the credibility of our entire justice system is put into question.

On the heels of Legal Aid's Strategic Plan that was adopted by the boards of OLC and LASO in December 2013, the Campaign for Equal Justice has convened a Task Force on Legal Aid Funding to bring together a broad group of stakeholders and funders to address this justice gap. We appreciate the participation of members of the Oregon legislature in this process, along with the Oregon State Bar, the Oregon Law Foundation, the Chief Justice, Attorney General, Office of the Governor, Secretary of State, corporations and several members of the philanthropic community. Because legal aid funding is a state, federal and private partnership,

the goal of the Task Force is to take a comprehensive look at funding from all sources and also to look at new potential sources of revenue.

While the Task Force has not completed its work, it is safe to say that we have identified that funding for legal aid must double in order for our programs to be even minimally adequately funded. National standards say we should have 2 legal aid lawyers for every 10,000 low-income individuals; currently we have 1 legal aid lawyer for every 9,444 low-income individuals. Current statewide funding for legal aid is about \$15 million. It is fairly simple math to say that our legal aid programs need another \$15 million. We know there are no easy answers, but are looking for ways to increase sources of revenue—including applying unclaimed class action damages to supplement Legal Aid funding per House Bill 4143. These monies no longer are the property of the tortfeasor and should stay in Oregon to help the poor have access to justice in civil cases and matters.

What is the legal community doing to try to address the justice gap? Through the Campaign for Equal Justice annual fund drive, over 3,000 Oregon lawyers now contribute about \$1.2 million each year to support legal aid. Of the 20,000 cases that legal aid handles, about 19% of those are pro bono cases handled by the private bar through legal aid offices. The annual fund drive of the Campaign continued to grow by 4% each year—even through the recession. In addition, lawyers are stepping up to pledge to the Campaign's endowment to help preserve this funding stream for the future of legal aid. While this level of support makes a difference for low income Oregonians, it is not enough to bridge the gap.

In light of the tremendous unmet legal needs of the poor and the benefit that legal aid programs provide in our communities, I hope you will support HB 4143. . The legal community will continue to do our part in participating in this unique private, state and federal partnership.

Thank you for your past support for Oregon's legal aid programs and for giving me an opportunity to testify today.

Oregon's Legal Aid Programs: A Partnership in Fighting for Civil Access to Justice

Why We Fight

Fairness and justice are core Oregon values.

"A community is democratic only when the humblest and the weakest person can enjoy the highest civic, economic, and social rights that the biggest and most powerful possess." *Hon. Neil Bryant, Former Oregon State Senator*

When Oregonians need help keeping themselves or their children safe from domestic violence, challenging a wrongful termination, or when a wounded veteran needs help obtaining government benefits, there is no constitutional right to a lawyer. That's only in criminal cases. Generous financial contributions and pro bono work from lawyers alone is not enough to fill the gap, and we need adequately funded legal aid programs.

More than one of every five Oregonians lives in poverty.

Between 2000 and 2011, poverty in Oregon increased by 61.5%. the 8th highest rate in the nation. Legal aid programs provide services to about 22,000 poor and elderly Oregonians each year who have no where else to turn for legal help.



How We Fight: A Unique Federal, State, and Private Partnership

Federal Funding

In addition to funding from the Legal Services Corporation, legal aid receives federal grants, including a new grant from the National Institutes of Health.

State Funding

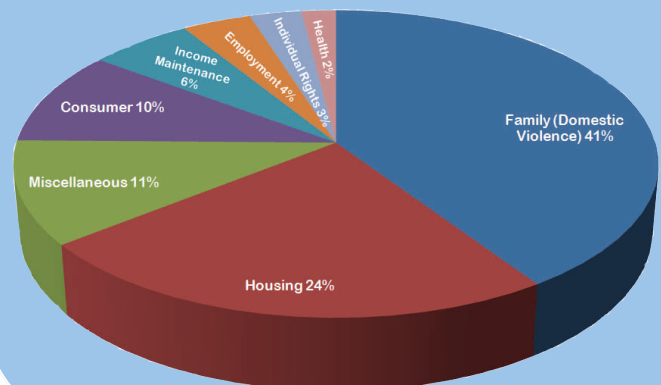
Legal aid has received funding from state court fees since 1977 through the Oregon State Bar (OSB LSP); receives pro hac vice fees; and now abandoned lawyer trust account funds go to fund legal aid.

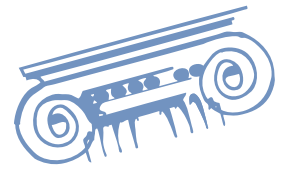
Private Funding

Legal aid manages funding from over 80 different private grants, which have included United Way, the Warm Springs Tribe, and Meyer Memorial Trust. The Oregon Law Foundation distributes interest on lawyer trust accounts (IOLTA) to legal aid; Oregon lawyers contribute over \$1 million each year to the Lawyers' Campaign for Justice (CEJ)

Cases Handled

Legal aid programs work with community partners, lawyers, judges and the low-income client community to determine the most pressing civil needs of low-income clients.





CEJ and you. Fighting for justice for families like these. Together.

“Margaret”

Margaret has three grown children. For years, she lived with physical abuse and threats from her husband. After she insisted he move out, he threatened her and her family. Terrified, she called the police, who told her to get a stalking order. She didn’t know how to get one, so she contacted a domestic violence shelter, and the shelter connected her with legal aid. Legal aid lawyers helped her get a protective order, stay safe at work when her husband began stalking her there, and get spousal support so she can complete a vocational program and become self-sufficient.



“Zach”

Zach, age five, has a severe digestive disorder. He has had eight surgeries so far. “Natalie,” Zach’s mom, worked almost full time and also took Zach to weekly treatments 500 miles away. Social Security benefits helped offset some of the costs. When Zach turned three, he celebrated a milestone—he could take food orally. That’s when Social Security terminated his benefits, despite his doctors’ protests that he was still seriously ill. Natalie tried to hire a lawyer to navigate the bureaucracy, but she couldn’t pay for a lawyer and fees were not available. Legal aid stepped in and benefits were reinstated. Between work, benefits, scrimping, and saving, Natalie was able to relocate closer to a facility with more treatment options, giving Zach a better chance at life.



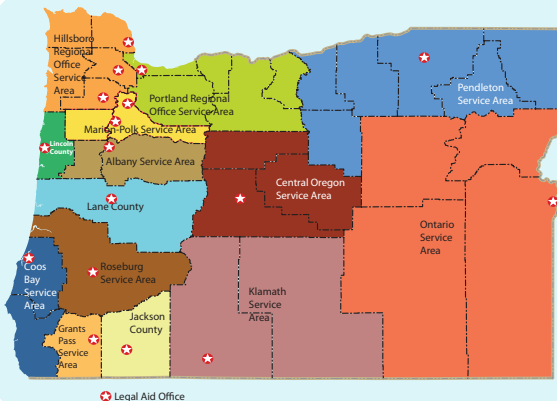
“Marisol”

Marisol works full time at a day care center and has four little boys. Faced with low wages and a tight rental market, the best apartment she could afford was in poor condition. It had roaches, rats, and the stove sparked, so she was afraid to cook. She asked the landlord to fix the problems, and he responded with an eviction notice. Marisol knew that wasn’t right, but she couldn’t get the landlord to listen to her. Then a co-worker suggested calling legal aid. Legal aid negotiated an agreement with her landlord, including cleanup and repairs. The landlord followed through, and now Marisol and the boys have a clean, safe place to live.



“Charlene”

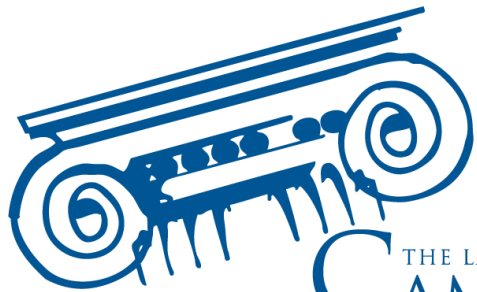
Charlene, 68, was overwhelmed with medical bills from her ongoing battle with breast cancer, so she decided to rent out her spare room. But the man who moved in became abusive. He threatened her, and when she asked him to pay his past-due rent, he charged at her as if he was going to hit her. Terrified, she got a restraining order that ousted him from her home. Then he filed a small claims lawsuit against her, falsely claiming she had stolen some of his clothing and demanding she pay his hotel and food bills for the time after the judge ordered him out of her home. That’s when Charlene called legal aid. Legal aid got special permission to represent Charlene in small claims court, because she was having cognitive difficulties due to the cancer treatments. After several hearings, Charlene prevailed. Today, Charlene is safe in her home.



Legal Aid Office

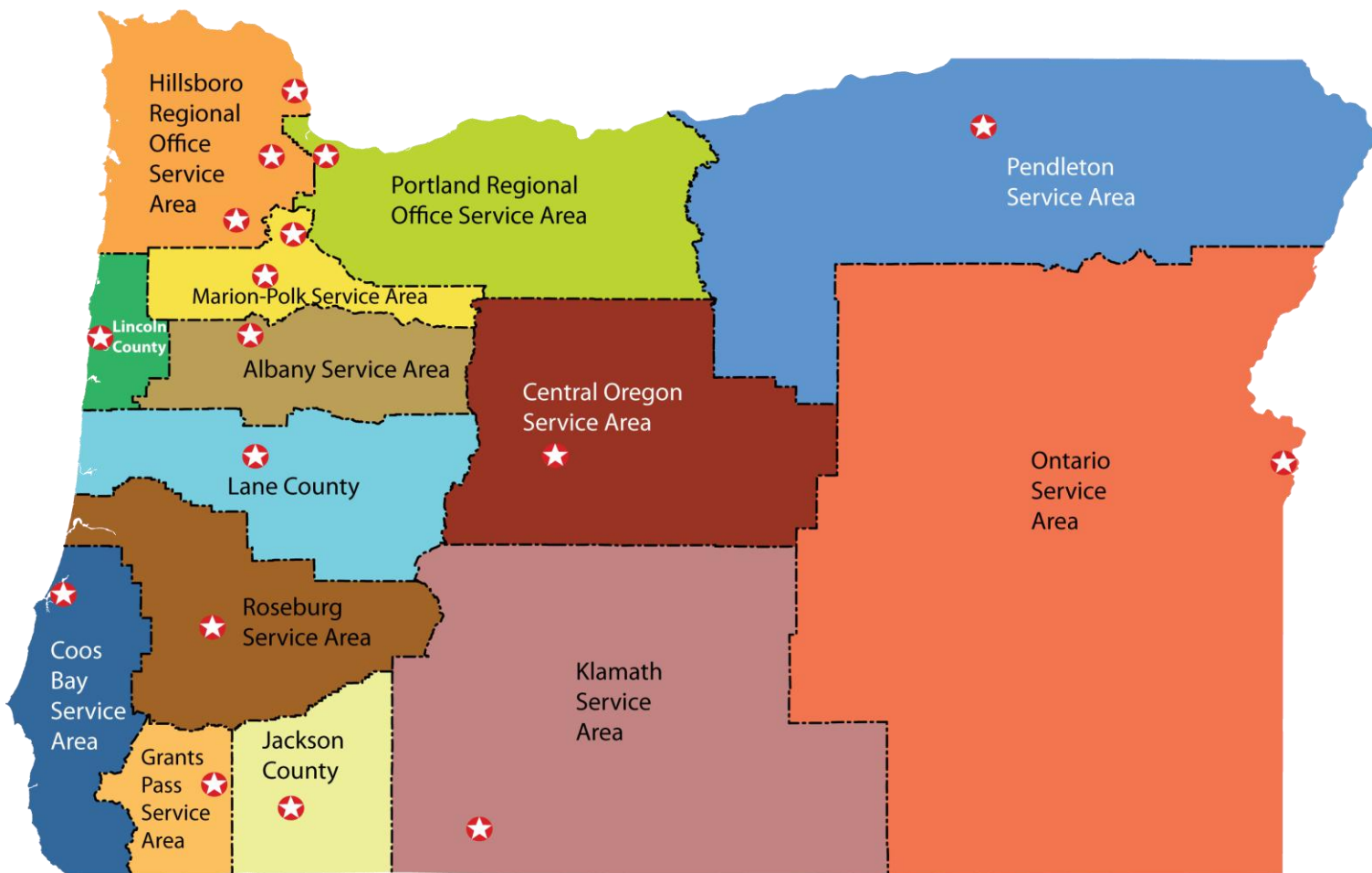
- Legal aid provides free civil legal services to poor and vulnerable Oregonians in all 36 Oregon counties.
- Because the need is so great, legal aid takes cases where legal help is essential to making sure families can meet their basic needs: food, shelter, medical care and physical safety.
- More than 40% of legal aid’s cases are family law cases in which there is domestic violence. About one quarter are housing cases. Other subject matter areas include consumer law, income maintenance (social security, unemployment insurance, and other self-sufficiency benefits), health, employment, and individual rights.
- **Thank you for joining the fight and helping legal aid help Oregonians in need! We can win the fight for justice.**

Learn more at www.cej-oregon.org.

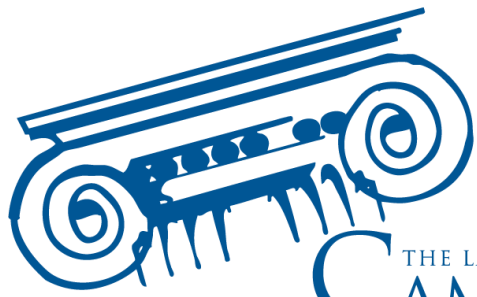


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Legal Aid Offices



★ Legal Aid Office



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Case Types

