



## ECONOMIC IMPACT OF CIVIL LEGAL AID IN ARKANSAS Executive Summary

- Indigent Arkansans who face criminal prosecution have a constitutional right to have an attorney appointed to represent them in court. **No such right exists for Arkansans facing life-altering civil legal problems such as domestic violence, child custody, and housing foreclosures.** When left unresolved, these problems can snowball into crises that have a negative ripple effect on families and local communities.
- More than **724,000 Arkansans are currently eligible** by income to receive free civil legal aid (eligibility is set at 125% of the Federal Poverty Level, which comes to \$29,800 for a family of four). National studies suggest that current resources are capable of meeting only 20% of the civil legal needs of the client eligible population.
- Our state has two nonprofit organizations that provide high-quality free legal representation for indigent Arkansas who face critical civil legal issues: The **Center for Arkansas Legal Services**, which serves 44 counties in central, western, and southern Arkansas; and **Legal Aid of Arkansas**, which serves 31 counties in northern and eastern Arkansas. **Each year, these programs receive a combined total of 30,000 calls** from Arkansans with legal problems who qualify for services.
- In spite of limited financial resources, CALS and LAA stretch the dollars they receive in innovative ways, allowing them to **help about 15,000 clients each year with a combined staff of only 64 attorneys** statewide. Those services range from the provision of free, easy-to-understand online forms and information, to brief services through a statewide helpline, to full-service representation for an entire case.
- In addition to services provided by CALS and LAA staff attorneys, **900 attorneys volunteered to take “pro bono” cases** for legal aid clients in 2013. Together, they put in more than **8,000 hours** of work on these cases. Arkansas attorneys performed another **estimated 80,635 hours of pro bono work** on their own.
- In 2014, a team of students from the Clinton School of Public Service completed a study that examined the **costs and benefits** associated with the provision of civil legal aid in Arkansas, **how legal interventions prevent future costs**, and the **qualitative impact** that such interventions have on clients helped. Their conclusions were based on primary data from CALS and LAA, surveys of Arkansas circuit judges, interviews of legal aid attorneys, and interviews of clients who received either brief services or more extended legal representation.
- That study found that **these two programs provided \$8.4 million worth of legal services** to Arkansans in 2013. Legal aid attorneys won almost **\$2 million in financial recoveries** for

their clients and helped them avoid **\$8.6 million in potential losses**. The **combined cost** to provide these services was **\$5.9 million**.

- Taking into account the “multiplier” effect of the dollars that legal aid puts into the Arkansas economy through recoveries and through salary and benefits paid to legal aid staff, **CALS and LAA generated an additional \$7.6 million in economic activity within the state in 2013**.
- The study also identified **savings to the state as a result of legal interventions** that prevented domestic violence, declining housing values caused by foreclosures, decreases in aggregate household consumption, and costs of out-of-state private legal document preparation services. These savings totaled **\$14.5 million in 2013**.
- In total, civil legal aid generated **over \$25 million** in economic activity in Arkansas for 2013. For every dollar spent on legal aid, there was a **\$4.32 return on investment**.
- The study indicated that the **impact on individual clients often extended well beyond their immediate financial circumstances**; clients who received services reported feeling empowered to face their challenges, safer, less stressed, and better equipped to provide for their families.
- These findings demonstrate that civil legal aid is a **smart investment** that not only addresses the immediate challenges facing Arkansans in poverty, but that has a **positive economic impact** on families and their communities.

*The Arkansas Access to Justice Commission was created in 2003 by the Arkansas Supreme Court for the purpose of coordinating statewide efforts to provide equal access to civil justice for all Arkansans. Since its creation, the Commission has worked toward this goal by undertaking initiatives to expand pro bono attorney recruitment and participation, implementing court assistance projects, facilitating changes to statutes and court rules that impact access to justice, educating the public about the need for civil legal aid, and working to increase financial*

*resources available to provide civil legal aid to low-income Arkansans. Learn more at [www.arkansasjustice.org](http://www.arkansasjustice.org).*