

Massachusetts Legal Assistance Corporation

Line item 0321-1600

FY11 State Appropriation Fact Sheet

FY09	FY10	FY11			
		Governor	House	Senate	Request
\$11,070,424	\$9,500,000	\$9,500,000	\$9,500,000	\$9,500,000	\$9,500,000

The appropriation funds general support grants for legal aid programs as well as three special projects: the Battered Women's Legal Assistance Project, the Disability Benefits Project, and the Medicare Advocacy Project.

Legal aid funding has taken a disproportionate hit during the recession due to a 66% drop in IOLTA revenue. To maintain essential services for low-income residents with the most critical legal needs, **MLAC requests that the Commonwealth provide level funding of \$9.5 million in FY11.**

The Massachusetts Legal Assistance Corporation (MLAC) has two sources of income:

- MLAC's revenue from the Interest on Lawyers' Trust Accounts (IOLTA) program* has been devastated by the recession. Income from this source has **fallen 66%** since FY08 and is projected to continue its decline in FY11.
- The MLAC appropriation was reduced this fiscal year to \$9.5 million from \$11.1 million. Any additional reduction would further erode civil legal aid programs' capacity to keep families and communities stable during this difficult time.

The sharp decline in revenue has forced **MLAC to cut its grants to civil legal aid programs by 55%**, from \$27.9 million in FY08 to \$12.5 million in FY10.

- Today, requests for help at some legal aid programs are up 25-40% while these same programs have been forced to cut staff, salaries and services.
- Every year, legal aid's efforts bring millions of dollars in federal revenue into Massachusetts – more than \$40 million in FY09 – while producing millions more in cost savings for the Commonwealth and its neediest residents. Level funding for MLAC's state appropriation will maintain this economic boost next year.

About MLAC: The Legislature established MLAC in 1983 to provide support and leadership for civil legal aid. MLAC makes grants to local and statewide legal aid programs to help clients with housing, domestic violence, child custody and support, health care, disability benefits, elder abuse, and other non-criminal legal problems. Eligibility for legal aid is set at 125 percent of the federal poverty level, or \$530 per week for a family of four. For more information visit <http://www.mlac.org>.

* Interest-generating accounts set up by attorneys to hold short-term or modest client funds.

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