

Legal Aid in Illinois: Selected Social and Economic Benefits Methodology Report

May 2012

Updated July 17, 2012

Acknowledgements

This study, conducted by the Social IMPACT Research Center, was commissioned by The Chicago Bar Foundation, the Illinois Equal Justice Foundation, the Illinois Bar Foundation, the Lawyers Trust Fund of Illinois, and the Polk Bros. Foundation.

Representatives of The Chicago Bar Foundation, the Illinois Equal Justice Foundation, and the legal aid providers whose data were used in this study were all generous with their time and information, allowing IMPACT to assess the economic benefits of legal aid in Illinois along multiple dimensions.

Primary author: Jonah Kushner

Evaluation team: Jonah Kushner, Amy Rynell, Amy Terpstra, Lindy Carrow, Jennifer Clary, Suniya Farooqui, Ellyn Drathring, Kristin Scally.

Suggested citation: Kushner, J. (2012, May). *Legal Aid in Illinois: Selected Social and Economic Benefits*. Chicago: Social IMPACT Research Center.

This report is available at www.heartlandalliance.org/research

The Social IMPACT Research Center (IMPACT) investigates today's most pressing social issues and solutions to inform and equip those working toward a just global society. IMPACT, a program of the nonprofit Heartland Alliance for Human Needs & Human Rights, provides research, policy analysis, consulting, technical assistance, communications, and coalition building to projects in Illinois, the Midwest, and nationally. Visit www.heartlandalliance.org/research to learn more.

33 W. Grand Avenue, Suite 500 | Chicago, IL 60654 | 312.870.4949 | research@heartlandalliance.org

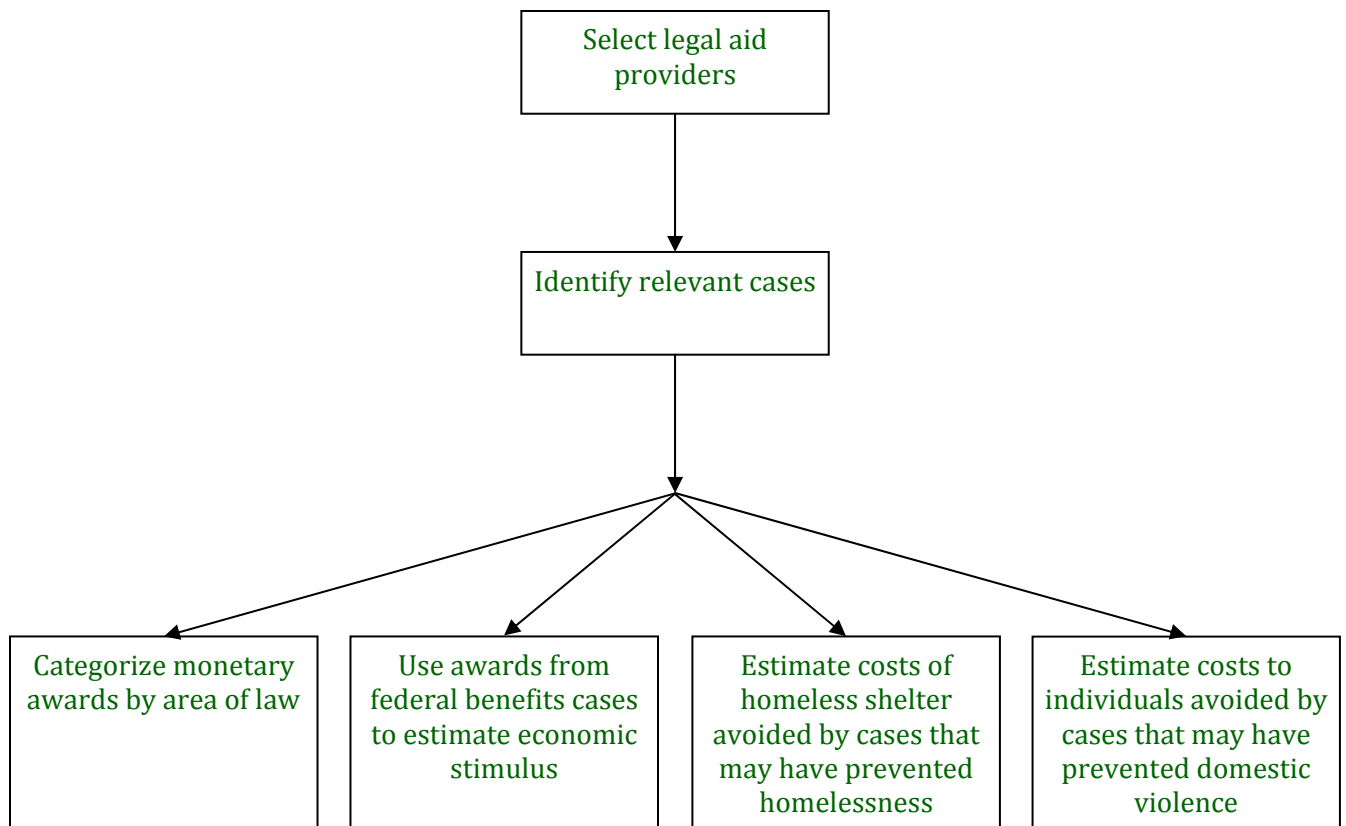
Copyright © 2012 by the Social IMPACT Research Center at Heartland Alliance
All rights reserved

Overview

This study quantifies the economic benefits to clients and other Illinoisans of civil law cases closed by seven legal aid providers in 2010. The following economic benefits were quantified:

- Monetary awards from cases in all areas of law
- Economic stimulus from cases involving benefits wholly or partially paid for by the federal government
- Costs to homeless shelters avoided by case outcomes that may have prevented families from entering shelters
- Costs to individuals avoided by case outcomes that may have protected a client from domestic violence

Legal aid providers were selected and relevant cases from these providers were identified. Monetary awards from cases were categorized by area of law and awards from cases involving federal benefits were used to estimate economic stimulus. Numbers of cases and information from prior studies were used to estimate costs to homeless shelters avoided by case outcomes that may have prevented homelessness and costs to individuals avoided by case outcomes that may have protected clients from domestic violence. The following figure illustrates these steps.



Economic benefits were then compared to revenue received by the seven legal aid providers. Total economic benefits were divided by revenue received in 2010 to calculate the ratio of benefits to spending on legal aid, or number of dollars in economic benefits associated with one dollar of spending.

This study uses the best available case data and prior studies to quantify the economic benefits of legal aid. Where incomplete case data or the limitations of prior studies necessitated assumptions, conservative assumptions were used. This document details all assumptions made and explains the likely consequences of these assumptions for the estimates presented.

Legal Aid Providers and Cases Included in the Study

Data from seven legal aid providers were used in this study. Providers were selected from grantees of the Illinois Equal Justice Foundation, a nonprofit organization that distributes funding appropriated by the State of Illinois to support nonprofit legal aid programs. Three providers were also grantees of the Legal Services Corporation, a nonprofit organization that administers federal funding for legal aid programs. While there are 38 legal aid providers funded by The Chicago Bar Foundation and the Lawyers Trust Fund, a provider must have been a grantee of the Illinois Equal Justice Foundation and able to provide case data necessary for the study in order to be included. This requirement excluded most legal aid providers in Illinois from the study.

Case data necessary for the study included the following:

- A unique identification number for each case
- The client's county of residence
- The client's household size
- The client's household income
- A legal problem code categorizing each case into an area of law
- A level of service describing the type of legal assistance provided in each case
- One or more outcome codes describing the subject matter of each case and stating whether the case was resolved in the client's favor
- Monetary awards associated with each case
- Date on which the case was closed

Data on 8,134 cases were used in the study. Only cases that met the following criteria were included:

- The case must have been closed in 2010.
- The client must have resided in Illinois. All cases in which a client resided outside Illinois or a client's county of residence was unknown were excluded from the study.
- The provider must have rendered a level of service beyond providing legal advice. Levels of service beyond providing legal advice included limited action or brief services, such as preparing legal documents, communicating with a third party, or assisting a client in representing himself or herself; negotiating a settlement with or without litigation; representing a client in a court proceeding or administrative agency action; extensive service, such as extensive research, preparation of complex legal documents, and extensive

interaction with a third party; and other legal assistance beyond providing legal advice. By contrast, cases in which a provider referred a client to another provider, rejected the case, withdrew from the case, or lost contact with clients were excluded from the study.

Using outcome codes and monetary awards associated with each case, cases were identified in which clients won monetary awards, in which the outcome may have prevented the client and his or her family from entering a homeless shelter, and in which the outcome may have protected the client from domestic violence. The processes for categorizing cases are described below. A case may have belonged to more than one category; for example, a client may have obtained a divorce that helped protect him or her from domestic violence and obtained child support payments (a monetary award). Table 1 shows the number of cases included in the study by case type.

Table 1: Cases included in the study by case type

<i>Case type</i>	<i>Number of cases</i>	<i>Percentage of all cases</i>
Cases in which a monetary award was obtained	2,033	25.0%
Cases in which the outcome may have prevented homelessness	1,642	20.2%
Cases in which the outcome may have protected a client from experiencing domestic violence	2,845	35.0%
Cases in which a monetary award was obtained and in which the outcome may have prevented homelessness	693	8.5%
Cases in which a monetary award was obtained and in which the outcome may have protected a client from domestic violence	919	11.3%
Cases in which the outcome may have prevented homelessness and protected a client from domestic violence	1	0.0%
Cases in which a monetary award was obtained and in which the outcome may have prevented homelessness and protected a client from domestic violence	1	0.0%
<i>Total</i>	<i>8,134</i>	<i>100.0%</i>

Household Size and Income

To understand the level of economic disadvantage experienced by legal aid clients, average household income and size were calculated for all clients with cases used in this study and separately for clients helped by each case type. Average household size and income were then compared to the 2010 federal poverty guidelines to determine whether the average client had a household income below the 2010 federal poverty level.

Household income and size were collected by providers from clients at intake. In most cases, clients self-attest to household size and income (as opposed to presenting documentation) in an intake interview.

Household sizes ranging from 1 to 24 were used to calculate average household size. Household sizes of zero were recorded for 90 cases included in the study and were excluded as nonsensical. The largest household size recorded for a case included in the study was 24. While large, this was considered a

plausible value for household size and included. Table 2 shows household sizes of clients included in calculation of average household size.

Table 2: Household size of clients helped, all case types

<i>Household size</i>	<i>Number of clients</i>	<i>Percentage of clients</i>
1	2,672	33.2%
2	1,640	20.4%
3	1,649	20.5%
4	1,044	13.0%
5 to 9	1,021	12.7%
10 to 15	16	0.2%
More than 15	2	0.0%
<i>Total</i>	<i>8,044</i>	<i>100.0%</i>

Household incomes ranging from zero to \$100,000 were used to calculate average household income. Household incomes over \$100,000 were recorded for three cases included in the study. Because providers serve low-income clients, these were excluded as extreme outliers. Among households included in calculation of average income, 28 (0.3 percent of all such households) had recorded household incomes between \$50,000 and \$100,000. While high, it is possible that these amounts accurately reflect the household incomes of clients who received legal aid: clients with household incomes in this range may have had large families, received financial exceptions to the income eligibility criteria for legal aid, or been mistakenly determined eligible to receive legal aid.* Consequently, household incomes from zero to \$100,000 were considered plausible and included. Table 3 shows household income of clients included in calculation of average household income.

Table 3: Household income of clients with awards, all case types

<i>Income range</i>	<i>Number of clients</i>	<i>Percentage of clients</i>
Reported no income	1,889	23.2%
Reported income	6,242	76.8%
\$1 to \$4,999	680	8.4%
\$5,000 to \$9,999	1,825	22.4%
\$10,000 to \$19,999	2,412	29.7%
\$20,000 to \$29,000	971	11.9%
\$30,000 to \$39,000	251	3.1%
\$40,000 to \$49,999	75	0.9%
\$50,000 to \$74,999	25	0.3%
\$75,000 to \$100,000	3	0.0%
<i>Total</i>	<i>8,131</i>	<i>100.0%</i>

* Legal Services Corporation grantees may choose to serve clients with household incomes above 125 percent of the federal poverty level in some cases. Legal Services Corporation. (2011 December). *Case service report handbook*. Retrieved April 3, 2012 from http://grants.lsc.gov/sites/default/files/Grants/RIN/Grantee_Guidance/CSR/CSR%20Handbook%202008%20as%20amended%202011.pdf

The average client helped through a case used in the study belonged to a household of three people and reported annual household income of \$14,075.

Monetary Awards for Low-Income Clients

Data on monetary awards to which clients were entitled according to court decisions, settlements, and other official sources were used to report total monetary awards and monetary awards by area of law. The legal problem code for each case was used to report total monetary awards by area of law. Legal problem codes are defined by the Legal Services Corporation and group each case into one of 10 broad areas of law. Three providers use different legal problem codes than those defined by the Legal Services Corporation. All cases handled by these providers were recoded to match Legal Services Corporation legal problem codes. Awards for cases associated with each legal problem code were summed to determine total monetary awards by area of law.

Economic Stimulus from Federal Benefits

Monetary awards from cases involving benefits wholly or partially paid for by the federal government and economic multipliers created by the U.S. Department of Commerce, Bureau of Economic Analysis were used to estimate economic stimulus from cases involving federal benefits. First, monetary awards from federal benefits cases were recorded and the amount that clients spent in Illinois was estimated. Next, this amount was used to estimate federal dollars spent in Illinois as a result of federal benefits cases. Finally, economic multipliers were applied to federal dollars spent in Illinois to estimate demand for goods and services, household income, and employment associated with federal benefits cases.

Monetary awards from federal benefits cases were recorded from outcome codes, which include award amounts broken out by source.* Awards amounts were recorded for cases that obtained, preserved, or increased the following benefits: Social Security, including Old-Age and Survivors Insurance, Social Security Disability Insurance, and Supplemental Security Income; Housing Choice Vouchers/Section 8 rental assistance; Supplemental Nutrition Assistance Program/Food Stamps; Medicare and Medicaid; Temporary Assistance to Needy Families (TANF); veterans' benefits; and IRS tax cases. Three providers recorded actual payments for medical services as award amounts; one provider also recorded average Medicaid spending per individual if the provider obtained Medicaid cards for clients as award amounts. Both types of award amounts were used. While not federal benefits cases per se, IRS tax cases were included because awards from these cases represent payments from the federal government to clients and are identical to payments from benefits cases for purposes of estimating economic stimulus.

Monetary awards from a sample of all eviction cases in which eviction from private housing of clients with Section 8 rental subsidies was prevented were also counted. Federal law directs agencies that issue Section 8 vouchers to terminate a voucher if a beneficiary is evicted for a serious violation of a lease. Consequently, the outcome of such cases most likely preserved Section 8 benefits for the client. While outcome codes do not indicate why evictions occurred, providers that handle many eviction cases indicated that the majority of evictions were for alleged violations of a lease. To reflect awards from such cases, half of all eviction cases in which eviction from private housing of clients with Section 8 rental subsidies was prevented were selected randomly. It was assumed that these cases involved

* A single outcome code may include different types of awards. For example, an outcome code may state that a case preserved or increased TANF benefits by \$1,000 and preserved or increased Food Stamp benefits by \$500.

alleged violations of a lease and effectively preserved Section 8 benefits for clients. Awards from these cases were counted and included with awards from other cases in which Section 8 rental assistance was obtained, preserved, or increased. Because providers indicated that the majority of cases in which eviction from private housing of clients with Section 8 rental subsidies was prevented were for alleged violations of a lease, the decision to count half of these awards represents a conservative approach to recording monetary awards from federal benefits cases; to the extent that more than half of such cases were for alleged violations of a lease, this decision understates economic stimulus from federal benefits.

Text of outcome codes for some federal benefits cases indicated that benefits were obtained, preserved, or increased but did not include the dollar amounts of the awards. The reason that award amounts were not recorded is unknown and award amounts were not imputed in these cases. To the extent that clients received awards in these cases that were not recorded, this decision understates economic stimulus from federal benefits.

To estimate the amount of monetary awards from federal benefits cases that clients spent in Illinois, it was assumed that clients spent 70 percent of awards from Social Security, TANF, veterans' benefits, and IRS tax cases in Illinois. Studies of the Earned Income Tax Credit and federal stimulus payments find that low-income households spend approximately 70 percent of these payments immediately after receiving them.¹ A plausible alternative to spending payments from tax credits, stimulus payments, or public benefits is saving these payments. Financial institutions at which individuals save payments may, in turn, loan or invest payment amounts within or outside of a state. It was assumed that 30 percent of awards from Social Security, TANF, veterans' benefits, and IRS tax cases were saved and that these amounts were not loaned or invested within Illinois; to the extent that these amounts were loaned or invested within Illinois, this decision understates economic stimulus from federal benefits.

It was assumed that 100 percent of awards from Section 8 rental assistance, Food Stamps, and Medicare and Medicaid benefits were used to obtain food, rental housing, and medical care within Illinois. All clients were Illinois residents, and it is plausible that they used these awards to obtain goods and services within their local communities. To the extent that clients used these benefits to obtain food and medical care outside Illinois, this decision overstates economic stimulus from these federal benefits.

The amount of monetary awards from federal benefits cases that clients spent in Illinois was used to estimate federal dollars spent in Illinois as a result of federal benefits cases. The federal government pays for 100 percent of awards from Social Security benefits, Section 8, Food Stamp, Medicare, veterans' benefits, and IRS tax cases. The shares of TANF and Medicaid benefits paid for by the federal government were assumed to be equal to the federal share of TANF general assistance spending in Illinois (51.8 percent in fiscal year 2010) and the Federal Medical Assistance Percentage (50.2 percent in fiscal year 2010).² These percentages were used to estimate federal dollars spent in Illinois as illustrated Table 4.

Table 4: Federal dollars spent in Illinois from federal benefits cases closed by legal aid providers in 2010

<i>Benefit</i>	<i>Total dollars</i>	<i>Share spent by clients</i>	<i>Dollars spent by clients</i>	<i>Federal share</i>	<i>Dollars spent by clients that are federal</i>
TANF	\$258,236	0.70	\$180,765	0.5180	\$93,636
OASI	\$205,637	0.70	\$143,946	1.0000	\$143,946
SSDI	\$2,413,808	0.70	\$1,689,666	1.0000	\$1,689,666
SSI	\$3,652,252	0.70	\$2,556,576	1.0000	\$2,556,576
SNAP	\$1,591,993	1.00	\$1,591,993	1.0000	\$1,591,993
Veterans' benefits	\$10,329	0.70	\$7,230	1.0000	\$7,230
Section 8	\$2,194,504	1.00	\$2,194,504	1.0000	\$2,194,504
Medicare	\$14,268	1.00	\$14,268	1.0000	\$14,268
Medicaid	\$1,504,655	1.00	\$1,504,655	0.5017	\$754,886
IRS tax	\$29,418	0.70	\$20,593	1.0000	\$20,593
<i>Total</i>	<i>\$11,875,101</i>	<i>NA</i>	<i>\$9,904,197</i>	<i>NA</i>	<i>\$9,067,298</i>

To estimate demand for goods and services, household income, and employment associated with federal benefits cases, federal dollars spent in Illinois as a result of these cases were multiplied by economic multipliers created by the Bureau of Economic Analysis using its Regional Input-Output Multiplier System (RIMS II). Economic multipliers represent the relationship between demand in one sector of the economy and demand, household income, and employment across the economy. The Bureau of Economic Analysis creates multipliers for specific geographies, such as counties and states, and for sectors within geographies, such as construction and retail trade.

RIMS II Multipliers for three industrial sectors in Illinois were used to estimate economic stimulus from federal benefits cases:

- Multipliers for the retail trade sector were applied to Social Security, TANF, veterans' benefits, and IRS tax awards. This sector encompasses many business establishments at which clients might spend income from these awards, including general merchandise stores, gas stations, clothing stores, and health and personal care stores.³
- Multipliers for the real estate sector were applied to Section 8 rental assistance awards. This sector encompasses business establishments that rent or lease real estate to others or manage real estate for others.⁴
- Multipliers for the ambulatory health care services sector were applied to Medicare and Medicaid awards. This sector encompasses offices of physicians and other health practitioners, home health care services, and outpatient care services.⁵ Other sectors in which clients might spend Medicare and Medicaid awards, such as hospitals and nursing and residential care facilities, have multipliers similar in magnitude to those for the ambulatory health care services sector. Consequently, the multiplier for ambulatory health care services was considered appropriate for estimating economic stimulus from Medicare and Medicaid awards.

Three types of RIMS II multipliers were used for each sector:

- **Output multiplier:** An output multiplier represents the relationship between demand in one sector of the economy and demand across all sectors of the economy. It translates sales in one sector into sales across all sectors.
- **Income multiplier:** An income multiplier represents the relationship between spending in one sector of the economy and earnings received by households across the economy. It translates sales in one sector into increased household earnings across all sectors.
- **Employment multiplier:** An employment multiplier represents the relationship between spending in one sector of the economy and employment across all sectors. It translates sales in one sector into employment across all sectors.

All multipliers used were Type II multipliers, meaning that they count demand for goods and services on the part of households as contributing to demand in other sectors, rather than as ends in the “chain” of economic activity initiated by initial spending.

Table 5 shows demand, household income, and employment associated with awards from federal benefits cases spent by sector and for all three sectors.

Table 5: Economic stimulus associated with awards from federal benefits cases closed by legal aid providers in 2010

	<i>Retail trade</i>	<i>Real estate</i>	<i>Ambulatory health care services</i>	<i>Total</i>
Federal dollars spent	\$6,103,641	\$2,194,504	\$769,154	\$9,067,298
Subsequent spending	\$6,933,125	\$1,286,418	\$1,075,662	\$9,295,205
Household income	\$4,001,547	\$652,207	\$700,853	\$5,354,606
Employment (number of jobs)	130	27	15	172

Avoided Cost of Harm: Homeless Shelter

The number of cases with an outcome that may have prevented clients and their families from entering a homeless shelter and information from prior studies about the percentage of families facing eviction who become homeless and costs incurred by shelters were used to estimate the cost of homeless shelter avoided by legal aid. Cases with outcomes that may have prevented clients from entering shelter were identified and number of cases was multiplied by the estimated percentage of families facing eviction that would have entered shelter in the absence of an intervention. The resulting number was multiplied by the estimated cost of shelter per family per month and by the estimated average number of months that clients stay in a shelter.

Number of Cases

Outcome codes were used to identify cases with outcomes that may have prevented clients from entering a homeless shelter. Provider staff people and representatives of The Chicago Bar Foundation and the Illinois Equal Justice Foundation helped the Social IMPACT Research Center review outcome codes and identify relevant cases. The following codes were used:

- Prevented eviction from private housing, subsidized private housing, or public housing, or obtained additional time for a client to move in an eviction
- Prevented foreclosure or obtained additional time for a client to move in a foreclosure
- Prevented termination of a housing subsidy, obtained a new housing subsidy, or obtained an adjustment to a housing subsidy
- Obtained access to private housing, subsidized private housing, or public housing or prevented illegal discrimination in obtaining housing
- Prevented a threatened lockout or stopped an actual lockout
- Prevented retaliatory conduct or overcame illegal monetary charges by a landlord
- Enforced a client’s right to safe, habitable housing, obtained repairs to housing, or obtained accommodations for a client with a disability
- Enforced other tenant rights

A complete list of outcome codes used to identify cases with outcomes that may have prevented clients from entering shelter is available from the Social IMPACT Research Center.

Legal aid providers face high demand for free legal services and limited resources to meet this demand. Review of documents describing providers’ priorities for selecting cases and discussion with provider staff people indicates that providers prioritize housing cases with the potential to protect clients from losing their homes or remedy unsafe or unhealthy conditions in housing which might compel clients to leave their homes if uncorrected. Consequently, it is reasonable to assume that all housing cases used in this study may have prevented clients from entering a homeless shelter.

Table 6 shows cases with outcomes that may have prevented clients from entering a homeless shelter by outcome type.

Table 6: Cases with outcomes that may have prevented clients from entering a homeless shelter by outcome type

<i>Outcome type</i>	<i>Number of cases</i>	<i>Percentage of cases</i>
Prevented or obtained additional time in eviction	1,246	48.9%
Prevented or obtained additional time in foreclosure ¹	126	4.9%
Prevented termination of a housing subsidy, obtained a new housing subsidy, or obtained an adjustment to a housing subsidy	279	10.9%
Other	770	30.2%
Unknown ²	127	5.0%
Total	2,548	100.0%

¹Includes foreclosure cases in which eviction of tenants from a foreclosed-upon landlord was prevented.

²Includes cases from a provider that handles only housing cases. The provider was able to identify cases that may have prevented homelessness but was unable to provide outcome types.

Cost

It is unlikely that all cases would have resulted in clients and their families entering a homeless shelter had legal aid not resolved the cases in their favor: some clients might have obtained new rental housing, stayed with family or friends, or found other housing arrangements had their cases been unsuccessful. Information from a study of New York State families that received welfare and requested homeless shelter was used to estimate the number of cases in which clients and their families would have entered a homeless shelter had the cases not been resolved in their favor. Based on a survey of these families, leading homelessness researchers estimated that one in five families receiving public assistance and facing eviction would enter shelters in the absence of intervention.⁶ Accordingly, it was assumed that one in every five cases resolved in clients' favor prevented one family from entering shelter. Because the characteristics of families in the survey may differ from those of legal aid clients in Illinois, this assumption may overstate or understate costs of shelter avoided.

The number of cases that may have prevented clients from entering a homeless shelter was multiplied by 0.20 to estimate the number of cases that actually prevented clients and their families from entering shelter:

$$2,548 \times 0.20 = 510$$

Information from a study sponsored by the U.S. Department of Housing and Urban Development was used to represent the cost of homeless shelter per family per month.⁷ The study determined the average cost per month of family emergency shelter provided by homeless systems, defined as programs within a community designed and dedicated to providing housing services to people who are homeless. It considered operating, leasing, administration, and capital costs, and the costs of services provided as part of residential programs; it excluded the cost of "mainstream service systems," defined as services not used exclusively by people experiencing homeless but often used by them, and did not attempt to assess broader costs of homelessness to society. The study determined the average cost per month of family emergency shelter to homeless systems in the District of Columbia, Houston, Kalamazoo, and Upstate South Carolina. Of these areas, fair market rent in Houston is most comparable to fair market rent in the Chicago area, where most clients in housing cases handled by legal aid resided. Accordingly, the cost of family emergency shelter in Houston was inflated by the CPI-U to reflect 2010 dollars and used to represent the cost of shelter per family per month. Because the cost of family emergency shelter in Houston may differ from the cost in Illinois, this assumption may overstate or understate costs of shelter avoided.

The average length of stay in interim homeless shelter in Chicago was 75 days, or 2.5 months, in 2010.⁸ Accordingly, this length of stay was used to represent length of stay that clients would have had if they had entered shelter. Because length of stay in Chicago may differ from length of stay in other parts of Illinois, this assumption may overstate or understate costs of shelter avoided.

The number of cases with outcomes that prevented clients and their families from entering a homeless shelter was multiplied by the cost of family emergency shelter in Houston, \$1,505 per family per month (2010 dollars), and by the average length of stay in interim shelter in Chicago in 2010 to estimate costs of shelter avoided:

$$510 \times \$1,505 \times 2.5 = \$1.9 \text{ million}$$

Avoided Cost of Harm: Domestic Violence

The number of cases with outcomes that may have prevented clients from experiencing domestic violence and information from prior studies about the percentage of individuals with protective orders who experienced domestic violence and the cost of domestic violence to those who experience it were used to estimate the cost of domestic violence avoided by legal aid. Cases with outcomes that may have prevented domestic violence were identified and the number of cases was multiplied by the estimated number of incidents of domestic violence prevented per case. The resulting number was multiplied by the estimated cost of domestic violence to those who experience it.

Number of Cases

Outcome codes were used to identify cases with outcomes that may have prevented domestic violence. Provider staff people and representatives of The Chicago Bar Foundation and the Illinois Equal Justice Foundation helped the Social IMPACT Research Center review outcome codes and identify relevant cases. The following codes were used:

- Obtained or modified a protective order
- Obtained divorce, legal separation, or annulment
- Obtained, maintained, or modified child custody
- Obtained protection for a noncitizen under the U Visa, Violence Against Women Act, or Special Immigrant Juvenile program
- Obtained favorable division of marital property or alimony in a divorce
- Obtained, maintained, or modified a visitation order

A complete list of outcome codes used to identify cases with outcomes that may have prevented domestic violence is available from the Social IMPACT Research Center.

Legal aid providers face high demand for free legal services and limited resources to meet this demand. Review of documents describing providers' priorities for selecting cases and discussion with provider staff people indicates that providers prioritize family law cases with the potential to protect clients from serious risks to their health and safety. Provider staff people stated that all or nearly all family law cases involved protecting clients from domestic violence. Consequently, it is reasonable to assume that all family law cases used in this study may have protected clients from domestic violence. One provider identified 26 cases in which divorce was obtained (a relatively small share of its total divorce cases) as cases that did not involve domestic violence; these cases were excluded from calculations to estimate costs of domestic violence avoided.

Table 7 shows cases with outcomes that may have prevented domestic violence by outcome type.

Table 7: Cases with outcomes that may have prevented domestic violence by outcome type

<i>Outcome type</i>	<i>Number of cases</i>	<i>Percentage of cases</i>
Obtained a protective order	1,322	25.9%
Obtained divorce, legal separation, or annulment	1,911	37.4%
Obtained, maintained, or modified child custody	1,063	20.8%
Obtained protection for a noncitizen under the U Visa, Violence Against Women Act, or Special Immigrant Juvenile program	219	4.3%
Other	594	11.6%
<i>Total</i>	<i>5,109</i>	<i>100.0%</i>

Cost

It is unlikely that all clients would have experienced domestic violence had legal aid providers not resolved the cases in their favor: some clients might have protected themselves from a potential assailant or moved away from a potentially harmful living situation had their cases been unsuccessful. Information from a prior study of 2,691 women in Seattle, Washington who had experienced domestic violence was used to estimate incidents of domestic violence that clients would have experienced had cases not been resolved in their favor.⁹ The study followed women who reported intimate partner violence and who had not obtained a permanent protective order in the prior 12 months. It collected data on incidents of physical abuse reported to police during the 12 months following the initial incident of violence and the amount of time during which each subject had no protective order, a temporary protective order, or a permanent protective order. These data enabled researchers to calculate incidents of domestic violence experienced in a year among a group of individuals without protective orders, a group with temporary protective orders, and a group with permanent protective orders. The group with permanent protective orders reported physical abuse at a rate of 2.9 incidents per 100 person years during the 12 months following the initial incident; the group without protective orders reported physical abuse at a rate of 14.0 incidents per 100 person years during the 12 months following the initial incident. The difference between the two groups was 11.1 incidents per 100 person years, equivalent to 11.1 incidents per 100 people during one year. This indicates that 11.1 incidents of physical abuse were prevented among 100 individuals with protective orders during a one-year period.

It was assumed that protections obtained by legal aid providers prevented domestic violence at the same rate as permanent protective order in the Seattle study, 11.1 incidents per 100 individuals during a one-year period. With a large number of individuals and observations of individuals with and without protective orders, the Seattle study represents the best available evidence about the effectiveness of protective orders.¹⁰ However, there are several reasons that the difference in incidents of domestic violence among women with permanent protective orders and with no protective orders in the Seattle study may not be generalized to estimate incidents of domestic violence avoided for legal aid clients in Illinois. If the characteristics of women in the group with permanent protective orders differed from those in the group without protective orders, and if these characteristics affect the likelihood that women will experience domestic violence, then the difference between the two groups overstates or understates the effectiveness of protective orders. The effectiveness of permanent protective orders may differ from that of divorce, child custody, noncitizen protections, and other cases that may have prevented domestic violence. Additionally, the Seattle study was conducted over two decades ago in a different state, and the effectiveness of protective orders and other legal protections may differ over

time and across geographies. Consequently, use of information from the Seattle study may overstate or understate costs of domestic violence avoided.

The number of cases that may have prevented domestic violence was multiplied by the rate of 11.1 incidents per 100 individuals per year to estimate incidents of domestic violence prevented:

$$5,109 \times (11.1 \div 100) = 567$$

Information from a study by the U.S. Department of Justice was used to represent the cost of one incident of domestic violence.¹¹ Specifically, estimated costs of crime to victims of domestic or spousal abuse not included in the National Crime Victims Survey were used. Researchers estimated the cost of medical and mental healthcare, lost productivity, property damage, and intangible losses such as pain, suffering, and reduced quality of life. These costs were inflated by the CPI-U to reflect 2010 dollars and used to represent the cost of one incident of domestic violence.

Estimated costs from the U.S. Department of Justice study represent a convenient benchmark for costs of domestic violence. However, there are several reasons that they may not be generalized to estimate costs of domestic violence avoided for legal aid clients in Illinois. The study uses national survey and records data to estimate costs of domestic violence and was conducted nearly two decades ago. The costs of domestic violence may differ over time and across geographies. Consequently, use of information from this study may overstate or understate costs of domestic violence avoided.

Incidents of domestic violence prevented were multiplied by the cost of one incident of domestic violence, \$16,599 (2010 dollars), to estimate costs of domestic violence avoided:

$$567 \times \$16,599 = \$9.4 \text{ million}$$

Comparing Economic Benefits to Spending

Economic benefits were compared to revenue received by the seven legal aid providers from all public and private sources in fiscal year 2010. Economic benefits used in the comparison included \$49.4 million in monetary awards, \$9.3 million in demand for goods and services, \$1.9 million in costs avoided to homeless shelters, and \$9.4 million in costs of domestic violence avoided to individuals. Household income was not used because it is part of demand for goods and services: some increased demand for goods and services is realized as income by households as legal aid clients spend federal benefits awards. Revenue data were provided by the Illinois Lawyers Trust Fund. Revenue received was from a variety of sources, including the federal government, state government, other public funding sources, foundations, corporations, and the legal community.

Economic benefits were divided by revenue received to calculate the ratio of benefits to spending on legal aid, or number of dollars in economic benefits associated with one dollar of spending:

$$\$70.1 \text{ million} \div \$38.0 \text{ million} = 1.8$$

Summary

This study estimates the economic benefits of cases closed by seven legal aid providers in 2010. It also provides a picture of the level of economic disadvantage experienced by clients who benefited from legal aid using data on clients' average household size and income. Cases used in the study were associated with the following economic benefits:

- \$49.4 million in monetary awards for clients
- \$9.3 million in demand for goods and services, \$5.4 million in household income, and 172 non-legal-aid jobs across Illinois
- \$1.9 million in costs avoided to homeless shelters
- \$9.4 million in costs of domestic violence avoided to clients

Each dollar spent on selected legal aid providers was associated with \$1.80 in economic benefits for legal aid clients or other Illinoisans. Total economic benefits exceeded spending on legal aid providers by \$32.1 million.

Other types of cases than those included in this study may have economic benefits for legal aid clients in Illinois. Because this study estimates economic benefits from cases in only four easy-to-monetize areas, it represents an incomplete estimate of the economic benefits of legal aid in Illinois. While a complete inventory of the economic benefits from legal aid is beyond the scope of this study, the estimates it presents can help inform policymakers as they make decisions about the future of legal aid.

References

- ¹ EITC recipients spent 70 percent of their EITC checks. Low-income households spent 76 percent of their 2001 income tax rebates and 71.5 percent of their 2008 economic stimulus payments. R. Edwards. (2003 September). *Macroeconomic implications of the Earned Income Tax Credit*. Retrieved from <http://www.demog.berkeley.edu/~redwards/Papers/edwards-eitc.pdf>; D. Johnson, J. Parker, & N. Souleles. (2006 December). Household expenditure and the income tax rebates of 2001. *American Economic Review*, Volume 96, 1589-1610; J. Parker, N. Souleles, D. Johnson, & R. McClelland. (2009 December). *Consumer spending and the economic stimulus payments of 2008*. Retrieved from http://finance.wharton.upenn.edu/~souleles/research/papers/ESP2008_v7b_results.pdf
- ² U.S. Department of Health and Human Services. (n.d.). *Illinois: Federal TANF and state MOE expenditures summary by ACF-196 spending category, FY 2010*. Retrieved from <http://www.acf.hhs.gov/programs/ofa/data/2010fin/states/illinois.pdf>; U.S. Department of Health and Human Services. (n.d.). *Federal Medical Assistance Percentages and Enhanced Federal Medical Assistance Percentages, effective October 1, 2009-September 30, 2010 [Fiscal year 2010]*. Retrieved from <http://aspe.hhs.gov/health/fmap10.htm>
- ³ U.S. Department of Labor, Bureau of Labor Statistics. (n.d.). *Retail Trade: NAICS 44-45*. Retrieved from <http://www.bls.gov/iag/tgs/iag44-45.htm>
- ⁴ U.S. Department of Labor, Bureau of Labor Statistics. (n.d.). *Real Estate: NAICS 531*. Retrieved from <http://www.bls.gov/iag/tgs/iag531.htm>
- ⁵ U.S. Department of Labor, Bureau of Labor Statistics. (n.d.). *Ambulatory Health Care Services: NAICS 621*. Retrieved from <http://www.bls.gov/iag/tgs/iag621.htm>
- ⁶ Shinn, M. & Baumohl, J. (1999). Rethinking the prevention of homelessness. In Fosburg, L. & Dennis, D. (Eds.), *Practical lessons: The 1998 National Symposium on Homelessness Research*. Washington, DC: U.S. Department of Housing and Urban Development and U.S. Department of Health and Human Services. Retrieved from U.S. Department of Health and Human Services website: <http://aspe.hhs.gov/progsys/homeless/symposium/toc.htm>
- ⁷ Spellman, B., Khadduri, J., Sokol, B., & Leopold, J. (2010). *Costs associated with first-time homelessness for families and individuals*. Washington, DC: U.S. Department of Housing and Urban Development. Retrieved from U.S. Department of Housing and Urban Development website: http://www.huduser.org/publications/pdf/Costs_Homeless.pdf Costs were reported in 2006 dollars and inflated by the CPI-U to reflect 2010 dollars.
- ⁸ Pfeiffer, J. (personal communication, April 11, 2012)
- ⁹ Holt, V., Kernic, M., Lumley, T., Wolf, M., & Rivara, F. (2002 August). Civil protection orders and risk of subsequent police violence. *Journal of the American Medical Association* 288:589-94.
- ¹⁰ Benitez, C., McNiel, D., & Binder, R. (2010). Do protection orders protect? *The Journal of the American Academy of Psychiatry and Law* 38:376-85.
- ¹¹ Miller, T., Cohen, M., & Wiersma, B. (1996). *Victim costs and consequences: A new look*. Retrieved from National Criminal Justice Reference Service website: <https://www.ncjrs.gov/pdffiles/victcost.pdf> Costs were reported in 1993 dollars and inflated by the CPI-U to reflect 2010 dollars.