Minnesota Supreme Court Legal Services Advisory Committee FY24-FY25 Annual Report

Reviewed May 21, 2025



The Legal Services Advisory Committee shall work to ensure its grant-making procedures promote statewide access to legal services for low-income Minnesotans and lead to effective use of funding by grantees.

Letter from the Chair

The Legal Services Advisory Committee (LSAC) has been making grants to support access to justice in Minnesota for more than four decades. Last year, the legislature changed the statute to sunset LSAC on June 30, 2025, and established a new State Board of Civil Legal Aid ("the State Board") which will begin its work on July 1, 2025.

This is therefore the final year-end letter from LSAC to the Minnesota Supreme Court. This letter will reflect on the accomplishments of LSAC, on Minnesota's progress in achieving access to justice, and on hopes for the future.

LSAC'S ACCOMPLISHMENTS

Over the past 42 years, the Minnesota Supreme Court has shepherded more than \$487 million in grants to civil legal aid from all revenue sources. LSAC's first year of grants, FY1983, totaled \$829,100, and in its last year of grantmaking, FY2025, LSAC grants totaled \$36,385,957. This funding comprises more than 50% of all revenue for civil legal aid statewide.

Over these decades, these grants have made it possible for Minnesota legal services providers to take on, handle, and bring to conclusion approximately 2,000,000 cases for low-income Minnesotans. Each case closed represents a person in economic crisis who did not have to navigate the justice system alone. This includes helping victims of domestic violence achieve safety, preserving housing stability and preventing homelessness caused by illegal and improper evictions and foreclosures, protecting vulnerable Minnesotans from financial exploitation, and maximizing the ability of people who are elderly or have disabilities to live safely and independently in their communities. By any method of counting – counting by dollars of funding or counting by number of cases handled – LSAC has been able to support very significant provision of legal services for low-income Minnesotans.

The Court and LSAC owe a debt of gratitude to all the members of the committee who have served as volunteers over the many years. These committee members are drawn from the bar, from the larger community, and from the eligible client community. They contributed hundreds of hours of work to LSAC each year. There are too many committee members to list, but I'd like to note all of the committee chairs who came before me:

Gerald Regnier

James Baillie

William Mahlum

Minnesota Supreme Court Legal Services Advisory Committee FY24-25 Annual Report

Cathy Haukedahl
Michael Fargione
Jerry Rotman
Sally Scoggin
Joseph Dixon, Jr.
Beverly Heydinger
Nicholas Slade

Christopher Wendt

We also owe a debt of gratitude to the Court staff who did the painstaking, day-to-day work involved in grantmaking, program assessment, grant compliance, financial analysis, and implementation of the Court's instructions regarding planning and other strategic initiatives, and who provided the leadership that made LSAC's work possible. Judy Rehak supported the committee from 1982 to 2011. Bridget Gernander has been the primary grant manager since 2007 and Susan Beaudet has served as grants program assistant since 2017, both of whom will be continuing their work with the State Board.

And finally, we owe a foundational debt of gratitude to the Minnesota Supreme Court. We are fortunate to live in a state where the highest court deeply values access to justice. The Court's leadership over all these decades went significantly beyond simply providing support for a grantmaking structure. In 2017, the Court directed the creation of statewide centralized infrastructure, including phone and online intake. This effort has resulted in a more integrated service delivery system for low-income Minnesotans and improved civil legal services statewide. The wide-ranging and steadfast support that civil legal aid has received from the Minnesota Supreme Court has made our state a leader in access to justice for low-income people.

MINNESOTA'S PROGRESS IN ACHIEVING ACCESS TO JUSTICE

LSAC has been committed to deploying its resources effectively to move Minnesota towards the aspirational goal of civil legal services being available to all. The National Center for State Courts (NCSC) articulates well a vision of justice for all:

When justice for all has been achieved, everyone will have access to the information and assistance they need to address essential civil legal needs, when and where they need it, and in a format they can use . . . Currently, too many people are left without any meaningful assistance in addressing important civil legal issues like evictions, child custody, employment, immigration, debt collection, and public benefits. The

consequences of these unmet legal needs can be dire not just for individual families, but for their communities, the economy, and the larger legal system. Justice benefits society and is a mutual obligation.

Throughout our state, dedicated staff and volunteers are working very hard to achieve this vision with critical support from the Minnesota legislature and the Court. However, we have miles to go. Despite our substantial work, Minnesota is still a place in which more than half of the eligible people who contact civil legal aid are turned away for lack of resources.

The Court's and LSAC's work to make civil legal aid services available to those who need them is critical to the viability of the system of justice and to the fabric of community in our state.

HOPES FOR THE FUTURE

The members of LSAC have great hope that the new State Board will be able to pick up the ball and keep running. LSAC has put much thought and work into transferring its institutional memory to the new State Board. This work has included preparing for the State Board a detailed report about the challenges that civil legal aid is facing now and the LSAC committee members' and grantees' input about how best to meet those challenges.

It has been a great privilege to serve as a member and then as chair of the Legal Services Advisory Committee. May this sacred work that is so critical to the fabric of our community go from strength to even greater strength.

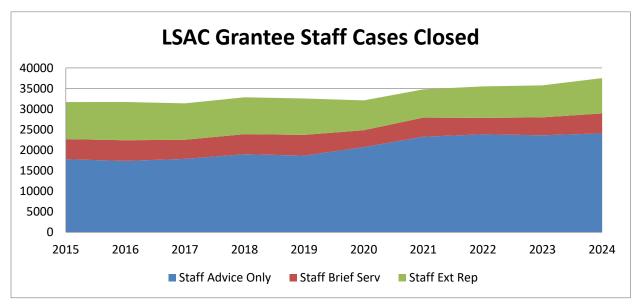
Randi Ilyse Roth Chair

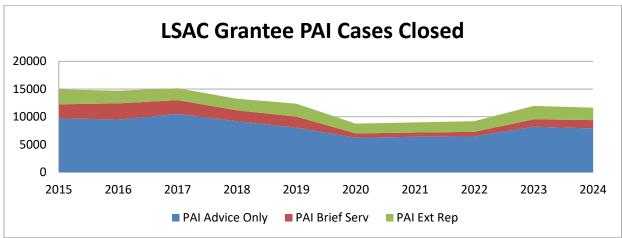


Clients Served

LSAC focuses its grant making on programs that benefit low-income Minnesotans facing critical legal needs. LSAC guidelines provide that grants can be used to serve clients at or below 200% of the federal poverty guidelines, defined as less than \$64,300 per year for a family of four.¹ According to recent Census data, there are more than 1.2 million Minnesotans who meet these income guidelines.²

The following charts detail the number of cases closed by LSAC grantees over the past decade. Staff case totals have increased again, with a slightly larger share of brief service and extended representation. PAI cases (both pro bono and judicare) have been trending down for the past decade but have at least returned to pre-pandemic levels.





¹ 2025 Poverty Guidelines, U.S. Dept. of Health and Human Services.

² 2024 American Community Survey 1-Year Estimate for Minnesotans at or below 200% of Poverty.

LSAC Grantee Calendar Year 2023 Case Data Summary

Total Cases Closed: 47,708

- 35,748 cases (75%) closed by staff attorneys
- 11,960 cases (25%) closed by private attorney involvement (PAI) through pro bono or judicare

Total People in Households Benefitting from Service: 114,593

Client Demographics Reported:

- Gender 67% Female, 32% Male, 1% Other/Non-Binary
- Age 4% Under 18, 78% 18-59, 18% Over 60
- Race 47% White, 26% Black, 13% Hispanic, 4% Asian, 4% Native American,
 6% Other/Multi-Racial

Case Types: **30%** Family, **29%** Housing, **8%** Immigration, **6%** Consumer, **5%** Income/Health Benefits, **22%** Other (includes employment, education, estate planning, expungement, tax, etc.)

Dollar Benefits Achieved for Clients: \$21,670,804.51

- \$9,904,577.69 in existing income or benefits protected for clients
- \$11,766226.82 in new income or benefits established for clients

Benefits Achieved through Extended Representation:

- Clients better able to pay for daily necessities 3,779
- Clients less likely to be harassed by creditors 2,983
- Clients in a better position to keep or find a job 3,132
- Clients in a better position to keep or find housing 6,801
- Client has improved housing conditions 3,188
- Client is physically safer (including OFP or safety plan) 3,646
- Client has improved quality of life 9,992

Benefits Achieved through Access to Legal Information, Advice, or Brief Service:

- Clients with access to legal advice 31,822
- Clients with access to brief services 5,681
- Individuals who received automated court form assistance through LawHelpMN.org – 1,754
- Individuals who were assisted with live chats to navigate LawHelpMN.org 1,572
- Unique visitors to access legal information through LawHelpMN.org 426,500

LSAC Grantee Calendar Year 2024 Case Data Summary

Total Cases Closed: 49,161

- 37,518 cases (76%) closed by staff attorneys
- 11,643 cases (24%) closed by private attorney involvement (PAI) through probono or judicare

Total People in Households Benefitting from Service: 116,424

Client Demographics Reported:

- Gender 64% Female, 33% Male, 3% Other/Non-Binary
- Age 4% Under 18, 77% 18-59, 19% Over 60
- Race 42% White, 24% Black, 13% Hispanic, 4% Asian, 5% Native American,
 12% Other/Multi-Racial

Case Types: **28%** Family, **28%** Housing, **9%** Immigration, **7%** Consumer, **5%** Income/Health Benefits, **23%** Other (includes employment, education, estate planning, expungement, tax, etc.)

Dollar Benefits Achieved for Clients: \$29,132,034.05

- \$18,387,604.36 in existing income or benefits protected for clients
- \$10,744,429.69 in new income or benefits established for clients

Benefits Achieved through Extended Representation:

- Clients better able to pay for daily necessities 4,004
- Clients less likely to be harassed by creditors 2,993
- Clients in a better position to keep or find a job 3,646
- Clients in a better position to keep or find housing 6,803
- Client has improved housing conditions 3,571
- Client is physically safer (including OFP or safety plan) 4,007
- Client has improved quality of life 10,448

Benefits Achieved through Access to Legal Information, Advice, or Brief Service:

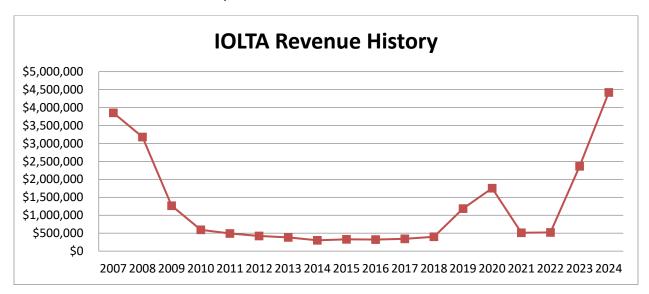
- Clients with access to legal advice 31,982
- Clients with access to brief services 6,349
- Individuals who received automated court form assistance through LawHelpMN.org – 1,799
- Individuals who were assisted with live chats to navigate LawHelpMN.org –
 1,685
- Unique visitors to access legal information through LawHelpMN.org 469,797

LSAC Funding Sources

LSAC is responsible for the management and distribution of grant funding from three primary³ sources: Interest on Lawyer Trust Accounts (IOLTA) revenue, an appropriation from the Minnesota legislature, and a portion of the lawyer registration fee. The committee has also received smaller amounts from donations or settlement awards.

FY24 IOLTA Revenue - \$4,421,186

In 1983, Minnesota was the first state in the country to create a mandatory IOLTA program by court rule. As an interest rate dependent funding source, IOLTA revenue has fluctuated dramatically over time. The Lawyer Trust Account Board⁴ recognized that the cyclical nature of the IOLTA revenue made it difficult to provide stable funding and adopted a reserve policy to save money in the higher interest years to offset cuts in the lower interest years. That reserve was used to supplement grants from 2009-2015, but the low-interest rate environment lasted so long that the reserve was depleted. During that period civil legal aid programs had to lay off 75 FTE statewide, which was an important lesson that IOLTA revenue is too volatile to use the majority of those funds for staff costs. The Federal Reserve increased rates in 2022, resulting in the large increase in revenue in recent years.



³ The Court also tasked LSAC with the management of the Lawyer Assistance Program (LAP) portion of the lawyer registration fee through FY25. LSAC reports separately to the Court every June on the LAP budget and the contract with Lawyers Concerned for Lawyers. The LAP funding is not included in this document.

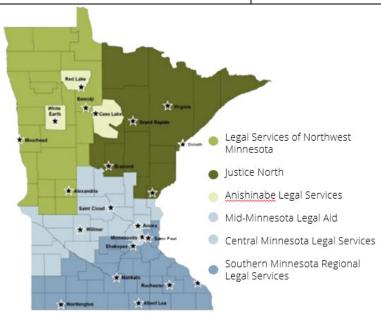
⁴ The Lawyer Trust Account Board (LTAB) managed IOLTA funding from 1983 through 2010, when the Court consolidated LTAB and LSAC to improve grant making efficiency and strategic planning across programs.

FY24-25 Legislative Allocation – \$33,560,000 per year

Minnesota Statutes 480.24 through 480.244 directs the process for allocating the appropriation. In compliance with the statute, LSAC distributes 85% of the appropriation based on a per poverty population formula to organizations that were eligible to receive federal legal services corporation funding on July 1, 1982. The remaining 15% of the appropriation is added to other LSAC funding sources and awarded through a competitive grant process.

Legislative rider language dedicates a portion of the total appropriation to family law services through the same per poverty population formula controlling the 85% funds. The table below shows the organizations that received per poverty population funding with their FY25 formulaic awards and the map shows the corresponding service areas and office locations.

85% Organization Name	FY25 Formulaic Award
Anishinabe Legal Services	\$334,617
Central Minnesota Legal Services	\$1,156,056
Justice North	\$2,982,446
Legal Services of Northwest Minnesota	\$2,592,197
Mid-Minnesota Legal Aid	\$10,507,347
Southern Minnesota Regional Legal Services	\$10,953,337
	Total: \$28,526,000



After these 85% awards were calculated, LSAC added the remaining \$5,034,000 per year in legislative funds to the available IOLTA and lawyer registration fee revenue to create the total funds available for discretionary grants. The recipients of the discretionary grant awards are detailed in the next section (LSAC Grant Making).

FY24 Lawyer Registration Fee Revenue - \$2,089,042

The Minnesota Supreme Court has dedicated a portion of the lawyer registration fee to civil legal services since 1997. In 2009, the Court increased the fee to offset a portion of the IOLTA decline, which generated an additional \$600,000 per year. That increase was made permanent by court order in 2011. Under current court rule, \$75 from the full lawyer registration fee is allocated to LSAC to support civil legal services.

The lawyer registration fee is the most stable funding source for the civil legal services grant programs. The civil legal services portion of the fee has historically been used for all of the administrative costs needed to manage the grant program. At this time, LSAC manages the entirety of its grant funding sources with an administrative overhead of less than 1%. Administrative costs include one full-time grant manager and one full-time project assistant, as well as meeting and travel costs. The committee has also set aside a small amount of funding for technical assistance, including evaluation, data analysis and coordinated training opportunities for grantees.

FY24 Minnesota Legal Aid Foundation Fund

The Minnesota Legal Aid Foundation Fund was established by the Minnesota Legal Services Coalition in 1998 to support legal services to Minnesota residents who are financially unable to afford legal assistance in civil matters. This is a donor-advised fund administered by Minnesota Philanthropy Partners. The Donor Advisory Committee has consistently directed an annual distribution to LSAC from interest earned on the foundation fund. Because of staff turnover LSAC did not receive any payments in FY23, but then received two payments in FY24: one for \$181,971 and one for \$184,000. No payments were made in FY25. Any Minnesota Legal Aid Foundation Fund revenue received is added to available funds for the next grant cycle.

LSAC Discretionary Grant Making

LSAC made \$7,077,482 per year in discretionary grants for FY24-25. The committee received grant applications from 26 eligible organizations requesting \$11,887,293 in annual funding.

LSAC strives to be transparent in its priorities, scoring and deliberations. The application is separated into proposals for staff general operating, PAI general operating and other general operating for ADR and support programs. These grant awards are analyzed to ensure regional equity. Application scoring criteria is detailed in the grant materials and includes an evaluation of organizational capacity, community impact, delivery system impact and collaboration.

The FY24-25 annual discretionary awards were as follows:

Discretionary Award Recipient	Award Amount
Anishinabe Legal Services	\$100,000
Cancer Legal Care	\$200,000
Central Minnesota Legal Services	\$289,605
Community Mediation Minnesota	\$250,000
Farmers' Legal Action Group	\$100,000
HOME Line	\$25,000
Housing Justice Center	\$200,000
Immigrant Law Center	\$1,225,000
Indian Child Welfare Act Law Center	\$150,000
Justice North	\$203,000
Legal Assistance of Dakota County	\$275,000
Legal Assistance of Olmsted County	\$279,995
Legal Services State Support	\$875,000
LegalCORPS	\$150,000
Loan Repayment Assistance Program	\$55,000
Minnesota Disability Law Center	\$741,882
Minnesota Elder Justice Center	\$50,000
Minnesota Justice Foundation	\$210,000
Rainbow Health	\$30,000
Standpoint	\$50,000
The Advocates for Human Rights	\$325,000
Tubman	\$324,000
Volunteer Lawyers Network	\$969,000

Pro Hac Vice Funding and Grants

In 2015, the Conference of Chief Justices and the Conference of State Court Administrators unanimously passed Resolution 5, Reaffirming the Commitment to Meaningful Access to Justice for All. The resolutions recognized the significant advances in access to justice that had occurred over the previous decade and concluded with a call to action to achieve the aspirational goal of meaningful access to justice for all:

"...the Conference of Chief Justices and the Conference of State Court Administrators support the aspirational goal of 100 percent access to effective assistance for essential civil legal needs and urge their members to provide leadership in achieving that goal and to work with their Access to Justice Commission or other such entities to develop a strategic plan with realistic and measurable outcomes; and ... the Conferences urge the National Center for State Courts and other national organizations to develop tools and provide assistance to states in achieving the goal of 100 percent access through a continuum of meaningful and appropriate services."

This resulted in the Justice for All project administered by the National Center of State Courts. Minnesota participated in the first round of Justice for All grants to review our civil justice system and recommend improvements. One of the recommendations in 2018 final report was the creation of a funding source for projects that support access to justice regardless of income. This led to LSAC filing a petition with the Minnesota Supreme Court to create a fee for attorneys requesting pro hac vice status to appear in Minnesota courts for the purpose of supporting Justice for All projects. Minnesota was one of only a few states in the country that did not have a pro hac vice fee at the time.

The Minnesota Supreme Court then created the pro hac vice fee of \$450 per out of state attorney effective June 1, 2021. Over the almost four years where this rule has been in place, pro hac vice revenue has totaled \$911,700 (June 2021 through April 2025), averaging \$19,820 per month.

Grants from these funds are administered outside of the usual LSAC grant process. The applications are accepted on a rolling basis, subject to available funds. The application scoring criteria include:

- 1. Clear connection to <u>Justice for All framework</u>.
- 2. Budget provides necessary details to understand how grant will be expended.
- 3. Project will have a wide-ranging impact (large geographic or demographic reach).
- 4. Realistic project timeline.

The following is a list of all entities that received grants from pro hac vice revenue in FY24-25.

- Southern Minnesota Regional Legal Services / First Judicial District Kiosk and MNDES Project \$29,400
- Legal Services State Support Legal Aid Organizational Capacity Project \$73,708
- Legal Services State Support Legal Aid Wellness Project \$75,600
- Minnesota State Bar Association Minnesota Legal Referral Information Service (MNLRIS) Case Management and Website Project \$77,149
- Justice North Automated Forms Project \$100,000
- Community Mediation Minnesota Community Dispute Resolution Outreach and Evaluation Project \$49,727
- Wanton Injustice Legal Detail (WILD) Pro Bono Attorney Curriculum Project \$75,000
- CAIR-MN Know Your Rights Project \$50,000

In Closing

LSAC has been charged by the Court with ensuring its "grant making procedures promote statewide access to legal services for low-income Minnesotans and lead to effective use of funding by grantees." Committee members volunteer hundreds of hours every year working diligently towards this mission and are committed to continuous improvement of the civil legal aid system statewide.

We hope this report demonstrates that the commitment and enthusiasm of the civil legal aid staff and volunteers who provide legal services across the state is mirrored and buoyed by the committee, and that the allocation of funds entrusted to us by the Court is a worthy expression of the mission of justice for every Minnesotan.

FY24-25 Legal Services Advisory Committee

Nicole Archbold, Public Member Tresor Banglia, Client Member Ashton Boon, Attorney Member James Long, Attorney Member Amir Malik, Attorney Member

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Molly Martin, Client Member
Dr. Jessica Pereira, Public Member
Randi Ilyse Roth, Attorney Member and Chair
Summra Shariff, Attorney Member
Sally Silk, Attorney Member
Laura Tripiciano, Attorney Member