Nevada Legal Needs and Economic Impact Study

Economic impact on communities across Nevada

Nevada Supreme Court Access to Justice Commission | Nevada’s Legal Aid Providers
The Access to Justice Commission works with Nevada’s non-profit legal aid organizations to improve access to civil justice for Nevadans struggling to make ends meet.

- Assess needs
- Develop policies
- Improve self-help and pro bono
- Increase awareness
- Pursue funding
- Recommend rules and legislation
### Legal Problems in Nevada by LEGAL ISSUE

**147,000 Total Problems - 35,000 Cases Closed = The “Justice Barrier”**

<table>
<thead>
<tr>
<th>Type of Issue</th>
<th>Number of Problems per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income &amp; Employment</td>
<td>36,000</td>
</tr>
<tr>
<td>Health</td>
<td>28,000</td>
</tr>
<tr>
<td>Family, Juvenile, &amp; Education</td>
<td>28,000</td>
</tr>
<tr>
<td>Consumer</td>
<td>25,000</td>
</tr>
<tr>
<td>Housing</td>
<td>16,000</td>
</tr>
<tr>
<td>Other Issues</td>
<td>14,000</td>
</tr>
</tbody>
</table>
ECONOMIC BENEFITS of Reducing the Justice Barrier

The Bottom Line
Cost Savings
Where the Impacts Come From
Income for Low-Income Clients
The Multiplier Impact on Communities
Pro Bono Contribution by the Private Bar
The Bottom Line
2016 Estimated Impact of Legal Aid in Nevada: $128 Million
A $7 return for every $1 in funding
Where the Impacts Come From:

- **Income for low-income households $40M**
  Legal aid cuts barriers keeping people in poverty

- **Cost savings $38M**
  Legal aid saves money

- **Multiplier impact on communities $50M**
  Spending by clients provides new revenue for businesses and creates jobs
Income for Clients
Legal Aid Secured $40M for Clients, Comprised of

• Supplemental Security Income (SSI) and Social Security Disability Income (SSDI) – $25M

• Medicare & Medicaid reimbursements – $8M

• Veterans benefits – $5M

• Child support – $2M
How the Study Quantified the Income Received by Clients

EXAMPLE: *SSSI and SS Disability Income*

- Social Security Cases Completed by Providers in 2016
  - A. OUTCOMES: 217 Clients Obtained SS Benefits
  - B. INCOME: $115,000 Net Present Value per Outcome
  - C. TOTAL INCOME: $25 Million

DATA & ESTIMATES FROM PROVIDERS’ OUTCOME MEASURES*

MULTIPLIERS FROM EXTERNAL STUDIES/LOCAL DATA*

COMPUTATIONS OUTCOMES X SAVINGS / OUTCOME

*See final report and appendices for documentation of data sources and assumptions used in the analysis.*
Cost Savings
Legal Aid Saved $38M for Clients and Other Stakeholders in 2016 by

• Preventing domestic violence thereby reducing emergency medical treatment and law enforcement costs ($4M savings)

• Avoiding foreclosure thereby avoiding costs to clients, neighbors, lenders, and local governments ($12M savings)

• Preventing eviction thereby avoiding costs of emergency shelter ($4M savings)

• Providing advanced directives avoiding unwanted medical treatments ($18M savings)
How the Study Quantified the Cost Savings

EXAMPLE Preventing Domestic Violence

- Legal Aid Cases in Which Domestic Violence Was Involved in 2016
  - A. OUTCOMES: 1,011 Clients Avoided DV
  - B. SAVINGS: $4,195 per Outcome
  - C. TOTAL SAVINGS: $4.2 Million

* DATA & ESTIMATES: FROM PROVIDERS’ OUTCOME MEASURES*
* MULTIPLIERS: FROM EXTERNAL STUDIES/LOCAL DATA*
* COMPUTATIONS: OUTCOMES X SAVINGS / OUTCOME

*See final report and appendices for documentation of data sources and assumptions used in the analysis.*
Multiplier Impact on Nevada Communities: **$50M**

How the Study Estimated the Multiplier Impact

**REVENUE**
flows into Nevada from the Federal government as a direct outcome of legal aid’s operations totaling...

$40 Million
in federal benefits and grants
- $29M SSDI, SSI, and veterans benefits to clients
- $7M in Medicare & Federal share (50%) of Medicaid
- $4M in Federal grants to legal aid programs

**SPENDING**
of these federal dollars locally provides income for business and wages for working Nevadans amounting to...

$40 Million
in total spending, consisting of...
- $29M by low-income families for:  
  - Food
  - Rent
  - Prescriptions
  - Utilities and other necessities
- $11M by health care and legal aid providers for:  
  - Wages
  - Space
  - Supplies and other expenses

**MULTIPLIER IMPACT**
Every federal dollar in spending circulates 1.23 times* in Nevada’s local economies, for a total of...

$50 Million
in additional economic impact...
- Income for local businesses
- 376 jobs

* Computed by The Resource based on low-income household spending patterns using U.S. Department of Commerce RIMS II input-output model and Nevada data
Legal Aid Improves Outcomes

- Helps people
- Increases revenue
- Reduces spending
- Narrows the “Justice Barrier”, meaning *everyone* has equal access to justice
Implications of Unmet Need For Legal Help With Domestic Violence

<table>
<thead>
<tr>
<th>WITHOUT Legal Help, People...</th>
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</thead>
<tbody>
<tr>
<td>• Continue in abusive situations</td>
</tr>
<tr>
<td>✓ Miss work</td>
</tr>
<tr>
<td>✓ Lose their jobs and income</td>
</tr>
<tr>
<td>✓ Can’t pay rent and lose their homes</td>
</tr>
<tr>
<td>✓ Have children’s schooling disrupted</td>
</tr>
<tr>
<td>✓ Struggle with addiction</td>
</tr>
<tr>
<td>• Are unaware of programs that could help</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>WITH Legal Help, People Can...</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Get independence from abuser</td>
</tr>
<tr>
<td>✓ Order of Protection</td>
</tr>
<tr>
<td>✓ Custody of children</td>
</tr>
<tr>
<td>✓ Child support</td>
</tr>
<tr>
<td>✓ Divorce</td>
</tr>
<tr>
<td>✓ Show up at work and school</td>
</tr>
<tr>
<td>• Get referrals to housing, employment, education and other support programs</td>
</tr>
<tr>
<td>WITHOUT Legal Help, People...</td>
</tr>
<tr>
<td>-------------------------------</td>
</tr>
<tr>
<td>✓ Are unaware of legal rights</td>
</tr>
<tr>
<td>✓ Have difficulty navigating the complex appeal process</td>
</tr>
<tr>
<td>✓ Usually give up or lose</td>
</tr>
<tr>
<td>✓ Continue in poverty</td>
</tr>
</tbody>
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<thead>
<tr>
<th>WITH Legal Help, People Can...</th>
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<tr>
<td>✓ Exercise legal rights</td>
</tr>
<tr>
<td>✓ File a timely legal appeal</td>
</tr>
<tr>
<td>✓ Win their appeal (80% success)</td>
</tr>
<tr>
<td>✓ Get an income stream averaging $830/mo. for 11 years...</td>
</tr>
<tr>
<td>✓ Total $109,000</td>
</tr>
</tbody>
</table>
Implications of Unmet Need For Legal Help With Eviction Notice

WITHOUT Legal Help, People...

✓ Miss work and schooling
✓ Usually lose by default
✓ Are unaware of programs that could help
✓ Have children’s schooling disrupted
✓ Wind up couch-surfing or in shelters

WITH Legal Help, People Can...

✓ Get time to seek alternative housing
✓ Stay at work
✓ Access emergency assistance programs
✓ Keep children in their own school
✓ Avoid homelessness
We Encourage You to Support Funding for Legal Aid in Nevada