

LEGAL SERVICES OF EASTERN MICHIGAN
2001 ANNUAL REPORT



LETTER FROM THE EXECUTIVE DIRECTOR

This was a year of not only service, but also introspection. Legal Services of Eastern Michigan (LSEM) completed its 50th year of delivering free civil legal assistance to the poor. Its history includes a tradition of delivering quality service. LSEM's history is also a reflection of how the legal needs of the poor have changed and how its specialties have been altered to meet them. Currently, LSEM offers a wider variety of services than it has ever provided its clients.

Throughout its history LSEM has provided its services in a manner that has reaffirmed its basic mission of xx. At the core of that mission is the service LSEM provides to individual low-income people. During 2001 LSEM provided individual legal service to 6,906 clients. The firm also did impact work that touched thousands of others that are not reflected in those statistics. Many people are part of LSEM's ability to provide these services, and they must be thanked.

The real measure of quality service is not the number of people served, but the relationship between the individual client and the advocate providing legal assistance. I am proud of our advocates. They have excellent skills, commitment to public advocacy law, and compassion for the people they serve. I appreciate how much of themselves they give to our clients. Added to in-house staff are pro bono attorneys who selflessly donate their time to assist our clients. Their help is invaluable, and I appreciate their work.

In addition, I want to thank our Board of Directors who provide support for LSEM to do the meaningful work for which it is known. Board members' willingness to give their time and ideas to ensure that the poor in our area receive the same quality legal service, which any other citizen can access, is admirable, and I thank them.

It is also important to note that no non-profit agency offers service in a vacuum. LSEM is fortunate to have partnerships with many other human service agencies, which create synergies that result in an expanded scope of service that benefits the poverty community as a whole and the individuals within it who are in need of specific services.

Lastly, LSEM is indebted to its funders. The more varied our programming has grown, the more diverse our funding has become. To each of the local, state, federal, federated giving agencies, foundations and private individuals that have supported us during the past year, thank you for your vote of confidence.

I give each of these groups that have helped LSEM fulfill the mission for which it was founded the same commitment I give our clients. LSEM will do its best to provide free quality legal service to address the results and causes of poverty. With all of your help – on to the next 50 years of service !!

EDWARD J HOORT

INDIVIDUAL LEGAL SERVICES

Legal Services of Eastern Michigan (LSEM) offers services in a variety of specialties that directly assist clients in resolving individual legal problems. Current specialties include housing, public benefits including health, family law, senior law including elder abuse, consumer/bankruptcy, employment and economic development, low-income tax clinics, and education. LSEM also sponsors the Genesee County Fair Housing Center. What follows are examples of casework pursued on behalf of individual clients. Although pursued on behalf of a single client, some of this work has significant impact for a broader base of people than those assisted in the individual case.

LSEM relies on the support of other legal assistance in the delivery of these services. First, the firm relies on the help of approximately 400 pro bono attorneys who offer services that allow LSEM to expand the services it provides clients at a minimal cost. Second, the same 10 county area which LSEM serves is served by another non-profit law firm, the Center for Civil Justice (CCJ). CCJ provides advocacy for legal issues that affect the poor and pursues complex litigation such as representation in class action suits, which LSEM is forbidden by its major federal funder, the Legal Services Corporation, from providing. These services do not duplicate, but complement LSEM's efforts, and the agencies enjoy a reciprocal referral arrangement, which results in an entire range of free legal assistance being available to the poor who live in their mutual service area.

Housing

- A landlord filed a summons and complaint against a woman for non-payment of rent. The landlord was demanding a \$1,050 monetary judgment. The woman had withheld rent due to the landlord's failure to make repairs. She sought help from LSEM, and the firm represented her in a court case. The judge's decision dismissed the complaint, forced the landlord to make the necessary repairs, and resulted in a \$250 rent abatement for the client. The habitability of the property was improved and the client continued to occupy the residence after the settlement of the case.
- A woman living in a private subsidized apartment complex retired in May and immediately applied for a decrease in her share of the rent due to her reduced retirement income. The local manager denied her request and told her she would have to wait until her recertification came up in November. She continued paying the same rent while the situation was being resolved and received a substantial reduction in November. She attempted to resolve the issue herself with no success and then went to LSEM for assistance. LSEM intervened with the local manager in an attempt to negotiate a financial settlement for what was seen as the rent overage paid between May and November. When the matter was not resolved with the local apartment manager LSEM began to deal with the attorney representing the out-of-state corporation that owned the apartment complex. A financial settlement of \$900 was

secured for the client. She was able to pay some small bills, put some money in her savings account, and take a weekend vacation, her first in 10 years.

- A LSEM client, who owned her own trailer and paid lot rent, withheld rent due to the fact that the trailer park had sewer problems resulting in a back up of raw sewage into her trailer. The client requested repairs to the sewage system and sanitation of her yard, but the park owner did not make repairs. Instead, the owner responded by filing a summons and complaint for non-payment of back lot rent including penalties. He was seeking a money judgement of \$684. The LSEM advocate represented the client and negotiated a settlement. The park owner was forced to fix the sewage problem and sanitize the client's yard, and all rent was abated except \$298. The client can now continue to enjoy her own home again.

Public Benefits

- LSEM assisted a couple in their mid 40's who are caring for 5 children, 10 and under, two of their own and 3 grandchildren. The problem presented to the advocate public benefits issue. However, during the many months that LSEM worked on their case, it was found the problems were more numerous and a variety of assistance was offered. Prior to 1998 the man had worked at a car wash. During hospitalization for a bout of pneumonia the man contracted a blood infection and got gangrene. He had to have both legs amputated mid-calf and lost all of the fingers on both hands as well as part of one thumb. When the man approached LSEM for help, the family's was existing on Veterans Administration (VA) benefits, Food Stamps, and Medicaid. VA Benefits included an amount for the man, his wife, and the two children. When the Family Independence Agency (FIA) figured the spend down or patient pay amount for Medicaid it counted all of the VA benefits as part of the man's income. Since the man was completely incapacitated he required the assistance of a personal care giver to help him bathe, comb his hair, dress, etc. The man's condition also qualified him for an additional homebound benefit, which FIA also counted as part of his income. A review of the rules showed that the inclusion of the other family members' benefits and the homebound benefit should not have been counted. The case was taken to an administrative law hearing where it was won so the man was eligible for AD Care, a medical assistance program with higher individual protected income level than Medicaid. The Medicaid patient pay amount was reduced from \$400 per month to \$125, a significant change for a family living on such a limited income. Also, there was an adjustment made which entitled the family to supplemental Food Stamps.

In an effort to assist the whole client not merely respond to his legal issues, LSEM also made referrals to a number of human services agencies that assisted this family. A referral was made to Disability Network, which built a wheelchair ramp. This was completed in 4 months while the family had tried for two years to get someone to help do this. The family was referred to the Resource Center, the local information and referral service, for beds for the children since not all of the children had their own bed. Beds were donated. Although the man was eligible for prosthesis through

the VA he had to go to Ann Arbor, an hour away, to be fitted, and the family did not have transportation. The Jewish Family Service Agency's Highway to Health Program provided the transportation and the man got his prosthesis and can walk. He is no longer forced to crawl through his home like his one-year old grandchild. In addition, a referral was made for the couple's two children and the oldest grandchild to attend a free summer camp in Jackson County. The children went again near the Christmas holiday and were treated not only to the fun of camp, but toys and clothes as Christmas gifts. LSEM is an agency that works to help address all of the needs of those living in poverty by attacking the legal problems that keep them poor and through referrals to other agencies that can meet the needs it cannot.

Family Law

- LSEM has represented individuals in four counties regarding the issue of being forced to pay child support from Supplemental Security Income (SSI), when that was their sole source of income. According to both state and federal law, SSI is totally inalienable for any purpose. The amount of SSI is set to pay for only the immediate needs of the disabled person. Having SSI recipients pay any amount of support placed an undue burden upon them. Further, for most of the SSI recipients LSEM represented the constant harassment by the Friend of the Court and the fear of going to jail aggravated their disabilities. All of these cases were resolved favorably for the clients. These cases have significant impact for like issues being brought in cases throughout the state.
- A woman approached LSEM with multiple problems. She was seeking a divorce and LSEM assisted her through its pro se divorce clinic. Then her estranged husband left without paying the water bill, and the water in the woman's house was shut off. The woman approached the City explaining the problem and asked to have the account changed to her name. The City refused unless the previous bill was paid. The woman did not have the money to do so and again approached LSEM for help. A LSEM housing advocate contacted the City and explained that the husband was no longer living in the woman's house and that a divorce was in process. The City turned the water back on, established a new account in the woman's name with only a new account fee being charged, and contacted the estranged husband for settlement of the unpaid bill. The woman's housing issue was successfully resolved, and she has secured her divorce.

Senior Law

- Seniors are particularly susceptible to consumer exploitation so LSEM tries to offer assistance to them. A woman contacted LSEM regarding work that contractors had done to her house. The work was unfinished and what had been done was not properly completed. For two years she tried on her own to get the contractor to complete the work she had paid for. The advocate got the contractor's license

number and address and wrote a letter requesting completion of the work. Within two weeks the contractor returned to the woman's home and completed the work to her satisfaction. The woman got what she paid for and can now enjoy the improvements to her home.

Employment and Economic Development

- Two examples of employment cases demonstrate the positive impact this specialty has for LSEM clients. First, a man who left a job for which he earned both salary and commission was denied any part of what he was owed. He sought LSEM help with the suit he filed to collect what he was owed. The LSEM advocate filed an amended complaint, negotiated a resolution, and the client received \$900 in back wages and commission. A second man, employed in a fast food restaurant, was also still owed back wages when he stopped working. LSEM assisted him in filing a Wages and Hours Claim, and he received \$1,000 in back wages.

Consumer/Bankruptcy

- A client received a notice that an \$800 Nextel Communications bill was being turned over for collection. The client had no Nextel account. She contacted LSEM for help. Inquiries showed that the bill was issued in the client's name and had her correct Social Security number, but did indicate that she lived in the state of Maryland. Nextel promised to investigate, and the client later received a letter from the company informing her that account had been established in her name fraudulently. Nextel committed to contacting the collection agency and the credit reporting service to resolve the matter and ensure that the client had a clear credit record. This type of identity fraud is one that is becoming more and more common.

Low-Income Tax Clinics

- Two examples of cases in which the low income tax clinics have offered assistance are significant. First, a homebound senior sought assistance in preparing her tax return. In the previous year her return had been only \$280, however, when the LSEM advocate found her to be eligible for the Michigan homestead credit and completed the necessary paperwork for her to receive this benefit her refund was calculated at \$2,000. Second, was a man in Midland County who had a number of problems, legal and otherwise. He was trying to get his life back together. During an interview with the LSEM advocate, he stated that one of the obstacles he faced was his failure to have filed 3 years of returns plus the current year. Fortunately, he had retained most of the records necessary to document the information for the back returns. All the returns were properly prepared and submitted, and the man was to receive a refund, which he intended to use to pay some debts that had been plaguing him. When he came to LSEM for his initial interview he appeared depressed and was disheveled in

his appearance. When he came for his final visit, the advocate reported that he was all dressed up and seemed much less stressed. He told the advocate that he was going to use his return to pay some debts, and thanked the advocate for lifting this burden from him.

Education

- A pro bono attorney spent almost two years resolving a case for a client who was being harassed about a \$5,500 delinquent student loan incurred in 1981 that was not hers. The client was pursued in spite of the fact that she had informed the college and collection agencies that she was still in high school in 1981 and had never attended this Pennsylvania college. She did some investigation on her own and found that someone else with the same name had attended the college at that time. The woman tried for over a year to resolve the issue. Still not successful, she came to LSEM for help. By then the accumulated debt with interest and penalties had increased to \$15,000. For close to two years an LSEM pro bono attorney waded through red tape from the federal government and two collection agencies to resolve the case in the client's favor and clear her credit record. She is now eligible to apply for a student loan and pursue her own goal for getting a college education.

Pro Se Involvement

- LSEM relies greatly on its wonderful panel of pro se attorneys to assist in meeting the legal needs of its clients. A disabled man with inadequate funds to pay the \$1,500 in fees that a private attorney would have charged approached LSEM for help. The case was referred to a pro bono attorney. The disabled client has a conservator. The client inherited \$7,900 from his mother's estate. However, exploiting the client's disability and lack of understanding, the personal representative of the estate wrongfully withheld money from the client's share. The pro bono attorney sued the personal representative and the court ordered her to repay the client the settlement sum of \$6,500. The pro bono attorney provided the help and refused any portion of the settlement for his time and efforts.

Referrals for Other Legal Service

- A referral was also made to the Center for Civil Justice (CCJ), LSEM's sister agency. CCJ takes on class action suits and other work that LSEM's federal Legal Services Corporation funding prevents it from pursuing. The man's wife is party to a suit that is being filed to try to win the same Medicaid eligibility for relative caregivers as is the case for parents. This would help win such rights for grandparents or other relatives raising children who are not their own. The suit is pending.

Community Lawyering

Legal Services of Eastern Michigan provides not only individual legal assistance, but also helps meet the needs of the client community as a whole. If LSEM moves toward a broader definition of clients that includes client groups and the poverty community as a whole the potential for having a more far reaching effect on the lives of its clients increases. This type of work, however, if it is to affect the client community cannot be done in a vacuum, but must be done in cooperation with other human services agencies which serve the same client population as LSEM.

The examples below are instances when LSEM has created a more comprehensive service delivery infrastructure, broadened the range of service it offers, or attacked the underlying causes of poverty.

This work does not negate the need for individual client services, nor does it compromise those services. To the contrary, individual client needs and community lawyering together provide the most meaningful and comprehensive body of free civil legal services that LSEM can provide to all clients.

- LSEM received an ABA rural service pro bono grant to implement a cooperative outreach and education effort with over 80 libraries throughout LSEM's 10 county service area. Clients can fax documents free from local libraries to LSEM offices. LSEM will distribute legal brochures at libraries. Pro bono attorneys will provide community legal education and staff training. As 2002 begins LSEM's web site will be accessible from libraries. Hundreds of people will be served.
- LSEM worked with the Genesee County Sheriff's Department, Prosecuting Attorney's office, and Senior Center Directors' Association to establish a Consumer Protection Services Program. At senior centers, seniors are assisted in resolving complaints against businesses and/or contacting business owners to mediate fair resolutions to disputes. LSEM serves on the program's Advisory Committee, trains senior volunteers, and is a resource for volunteers. In 2001 LSEM trained approximately 30 volunteers and over 500 seniors received assistance.
- An LSEM consumer attorney in Saginaw was asked to testify before the Michigan State Legislature on Payday Lending Practices, because he was one of the first attorneys in the state to challenge usurious practices of lending based on future paychecks in federal court. Some of his cases were later transferred to a private law firm and became part of a class action suit that could have lasting statewide impact on this issue. The result has been scheduling of a series of predatory lending forums sponsored by State Attorney General, Jennifer Granholm. LSEM has been asked to participate in the 2002 panel discussions.

- LSEM and the Genesee County Treasurer's office implemented a tax reversion program in response to state legislation shortening time of foreclosure due to delinquent property taxes from 7 to 3 years. LSEM representatives delivered delinquent tax notices to 1,300 residents of owner occupied properties. LSEM also offered property tax clinics to help those affected. Currently banks, non-profit agencies, etc. are being enlisted to develop a land reuse plan for properties that are foreclosed on.
- LSEM worked with the Genesee County Bar Association in planning and development of an Access to Justice Center at the Courthouse. LSEM worked with the paralegal hired to man the Center. LSEM also supplied a variety of brochures and videos on landlord/tenant issues etc. to assist people needing legal help. Once operable, LSEM's web site will be accessible from the Center. Hundreds of people annually will benefit from this effort.
- The City of Flint invited LSEM to join the County and four other non-profits on its Housing Change Project Team (CPT). CPT is developing a new housing delivery system to provide more quality, affordable housing. CPT is looking at quality of existing housing and current needs i.e. rehabilitation, demolition, and housing construction. The system will include methodology for determining allocation of the City's CDBG and HOME funds. It will also improve consumers' access to housing service providers.
- LSEM assisted the Genesee County Continuum of Care in attaining a Michigan State Development Housing Authority homeless prevention grant to establish a program through the local community action agency. The grant collaborative included over six local service providers and the community foundation. The foundation set up an endowment for continuation of the program. LSEM also served on the planning team for the first Homeless Summit that heightened awareness of the issue and raised \$6,032 for the endowment.
- LSEM is involved in Homelessness Consortia in five ten counties. It is most active in Genesee and Saginaw Counties. In Saginaw County, one staff member heads the permanent housing subcommittee, another chairs the public awareness and resource development subcommittee, and a third is a member of the homelessness prevention subcommittee. One result of this matter was LSEM's receipt of a federal grant to assist people seven days away from homelessness. In 2001 384 people benefited.
- In the 1999/2000 school year LSEM, the Genesee County Bar Association's Legal Aid Committee, and the Genesee Intermediate School District started a pro bono outreach program to public high schools. Pro bono attorneys and local jurists made presentations to high school youth on such diverse legal issues as zero tolerance, family law issues, and landlord/tenant matters. The educational effort was so successful that in 2001 it was expanded to elementary and middle schools as well as community groups. In 2001 13 presentations were made in Genesee County, which reached 350 people.