



MLSC

MARYLAND LEGAL SERVICES CORPORATION



Annual Report

July 1, 2016 - June 30, 2017

IOLTA
INTEREST ON LAWYER TRUST ACCOUNTS



City Life Community Builders prepare young adults for construction jobs & with 1B4J offer training along with legal & other support services

MLSC and the Baltimore City Mayor's Office of Economic Development provided funding for legal services and workforce development partnerships in the One Baltimore for Jobs (1B4J) program. The Homeless Persons Representation Project, Maryland Legal Aid and Maryland Volunteer Lawyers Service **sent lawyers to training sites** to provide legal check-ups, representation and education to more than 400 program participants, removing legal barriers to gaining and keeping employment. MLSC extended funding for the coming year in Baltimore City and added pilot programs in two other counties.

Photo courtesy of Baltimore Mayor's Office of Employment Development.

MLSC

The mission of the Maryland Legal Services Corporation is to ensure low-income Marylanders have access to stable, efficient and effective civil legal assistance through the distribution of funds to nonprofit legal services organizations.

St. Ambrose Housing Aid Center attorneys set up a **pop-up legal clinic at Mondawmin Mall** and provided brief advice and counsel to more than 60 surprised shoppers and mall employees. One man stopped by to ask about the process of turning over possession of his father's house—his father had recently passed away, and the family thought he had left the home to someone else. An attorney was able to access online information to inform the client that his father had in fact deeded the house to him. The client was happy to learn this exciting news.



Dear Friends & Colleagues,



In 1982, changes in federal funding created a nationwide obstacle for civil legal aid. A dedicated group of individuals joined forces to enact an interest on lawyer trust account (IOLTA) program in Maryland, only the fourth such program in the nation. A companion bill launched the Maryland Legal Services Corporation to administer IOLTA funds. Thirty-five years later, MLSC has awarded more than \$271 million in grants, helping nonprofit organizations close more than 2.9 million cases. Looking back over the past 35 years, many things have changed. IOLTA revenue has ebbed and flowed with changing interest rates, new civil legal issues have resulted from changing circumstances and laws, and Maryland's population has grown and diversified. Two things, however, have remained the same: the need for civil legal aid has not gone away, and community partners have continued to work together to meet that need.

In this annual report, covering the fiscal year ending June 30, 2017, we especially highlight the work of MLSC grantees in the community. More and more, legal services organizations are meeting clients outside the office—at community fairs, senior centers, public libraries, churches, job training sites and even shopping centers. Recognizing that civil legal aid doesn't exist in a vacuum, grantees also partner with other nonprofit and government entities, ensuring a more holistic approach to the problems faced by low-income Marylanders.

While IOLTA revenue remains at less than half of pre-recession levels, MLSC and our supporters worked to stabilize legal services funding over the past year. During the 2017 Maryland General Assembly session, the community advocated for successful bills that not only removed the sunset of filing fee surcharge increases—preserving \$6 million in funding for civil legal aid—but also increased MLSC's annual distribution from the Abandoned Property Fund, from \$1.5 million to \$2 million beginning in fiscal year 2018.

With your support, we look forward to ensuring stable, efficient and effective civil legal services in Maryland for the next 35 years and beyond.



A handwritten signature in black ink that reads "Glenn F. Ivey".

Glenn F. Ivey
Chair



A handwritten signature in black ink that reads "Susan Erlichman".

Susan M. Erlichman
Executive Director

In Fiscal Year 2017

MLSC made **\$18.5 million** in operating, Judicare and special project grants to **35 nonprofits** serving low-income Marylanders

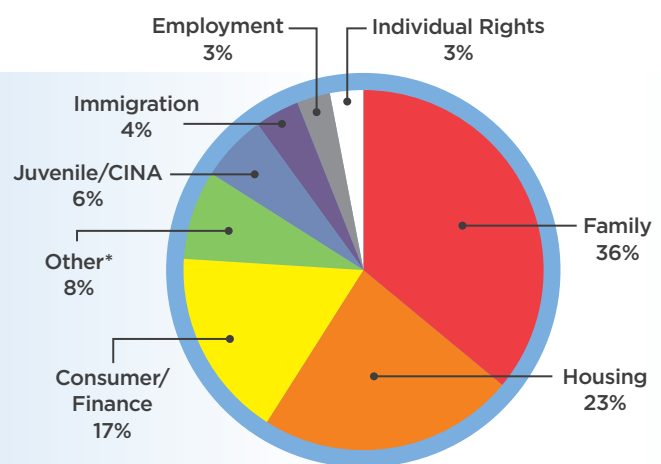
Our grantees closed **177,127 cases** (up 17% from FY16), benefiting **262,353 people**

Types of Closed Cases

1,739 people benefited from the peace of mind of planning for the future through a will or power of attorney

3,408 people benefited from a Judicare attorney thanks to a partnership between MLSC and the Administrative Office of the Courts, helping them navigate complex family law matters

1,057 people obtained veterans', health and other benefits



*Education, health, income maintenance & miscellaneous



From an office in Baltimore, volunteer attorney Anthony Butler of TBMG Law, LLC consults with a client in Salisbury

To better serve Eastern Shore residents who may not have access to pro bono attorneys, Maryland Volunteer Lawyers Service launched a **Cyber Civil Clinic in partnership with the Wicomico Public Library** in Salisbury. Potential clients come to the library and are often shocked they can talk to an attorney that same day. Using conferencing technology, volunteer attorneys can “meet” with clients from their own offices, often several hours away. In 2017, attorneys assisted more than 40 clients with issues like criminal record expungement and consumer law questions. Said one Wicomico Public Library staff member, “Everyone that participated was so grateful — people hugged us, some people cried, I cried. It was just wonderful to see how this one thing can impact people’s lives.”

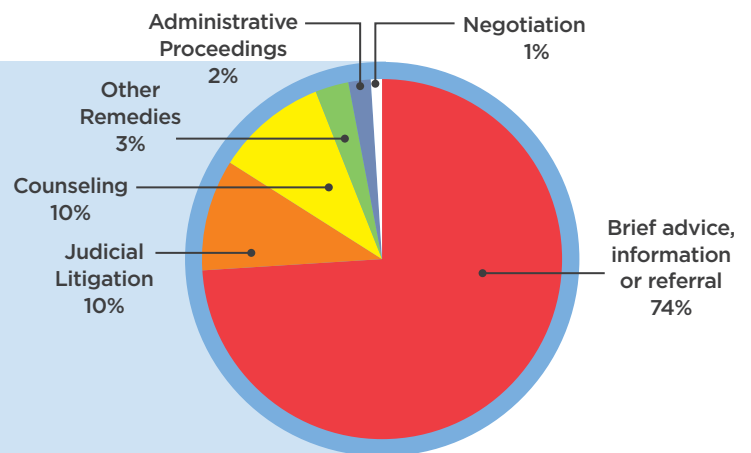
“It was a great opportunity where I could learn a lot about the rights that my children have. Learning a little each day we can get the necessary tools to advocate correctly for them,” said Guisela Lopez, parent in the class.

Disability Rights Maryland partnered with the Lollipop Kids Foundation in Montgomery County to offer **an onsite training to Spanish-speaking parents of children with disabilities**. Bilingual staff offered strategies to resolve special education disagreements with school systems—complex issues often made more challenging due to language barriers and concerns regarding immigration status.



Types of Service

More than **3,300** private attorneys donated pro bono services, valued at nearly **\$25 million**



Cases Closed Statewide

177,127

Western Maryland
10,236

Other
2,801

Central Maryland
11,441

Montgomery County
16,405

Prince George's County
36,706

Baltimore County
17,884

Baltimore City
35,041

Between July 1, 2016 and June 30, 2017, MLSC-funded legal services programs provided legal assistance to low-income clients in every jurisdiction in Maryland.

Anne Arundel County
26,281

Eastern Shore
12,159

Southern Maryland
8,173

Central Maryland: Carroll, Harford & Howard counties; Eastern Shore: Caroline, Cecil, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico & Worcester counties; Southern Maryland: Calvert, Charles & St. Mary's counties; Western Maryland: Allegany, Frederick, Garrett & Washington counties

MLSC Grantees

In May 2017, MLSC approved for the coming fiscal year \$15,218,104 in unconditional operating grant awards to 35 organizations. Two organizations were awarded a total of \$252,500 as challenge grants. In addition, in partnership with the Administrative Office of the Courts, MLSC approved funding in the amount of \$1,730,000 in direct grants for the continuation of the Judicare project, which pays reduced fees to private attorneys for contested family law representation, as well as \$170,000 allocated for a Judicare Supplemental Fund. Also, MLSC awarded extension funding of \$1,500,000 restricted for foreclosure prevention and \$660,500 restricted for community redevelopment legal services through bank settlement funds. More information about the grant process, application deadline and descriptions of current grantees is available at www.mlsc.org.

Allegheny Law Foundation

- \$56,202 Operating Grant to support pro bono and reduced fee services in Allegheny County
- \$80,400 Judicare Grant
- \$30,000 Foreclosure Prevention Grant

Alternative Directions

- \$279,480 Operating Grant to support civil legal workshops and assistance with civil legal matters for those incarcerated in Maryland's correctional institutions

Asian Pacific American Legal Resource Center

- \$36,965 Operating Grant to support legal services for low-income, limited English proficient Asian Americans in Maryland

Baltimore Bar Foundation Senior Legal Services

- \$63,500 Operating Grant to provide legal services to low-income seniors in Baltimore City

Baltimore Neighborhoods (BNI)

- \$113,373 Operating Grant to support the operation of a statewide hotline, serving both low-income tenants and landlords

CASA of Maryland

- \$125,970 Operating Grant to support legal services for low-wage workers and low-income immigrant communities

Catholic Charities of Baltimore

- \$115,862 Operating Grant to support legal services for low-income immigrants mainly in the Baltimore metropolitan area

Catholic Charities of the Archdiocese of Washington

- \$135,369 Operating Grant to support legal services for low-income immigrants primarily in Montgomery and Prince George's counties

Citizens Assisting and Sheltering the Abused (CASA)

- \$33,915 Operating Grant to support legal services for low-income victims of domestic violence and sexual assault in Washington County

Community Law Center

- \$92,055 Operating Grant to support pro bono legal representation of community-based and nonprofit organizations comprised of or serving low-income people

Community Legal Services of Prince George's County

- \$259,692 Operating Grant to support direct representation and referrals to pro bono and reduced fee attorneys to serve low-income populations of Prince George's County
- \$475,200 Judicare Grant
- \$275,000 Foreclosure Prevention Grant

Disability Rights Maryland

- \$798,454 Operating Grant to support legal services for people with disabilities, including a pro bono referral program for special education and Medicaid services

FreeState Justice

- \$40,800 Operating Grant to support legal services for Maryland's low-income LGBTQ residents

Harford County Bar Foundation

- \$52,907 Operating Grant to support pro bono services in Harford County
- \$158,400 Judicare Grant

Heartly House

- \$65,408 Operating Grant to support legal services for low-income victims of domestic violence and sexual assault in Frederick County

Homeless Persons Representation Project

- \$230,138 Operating Grant to support legal services for the homeless population or those at risk of homelessness
- \$127,400 Community Redevelopment Grant

HopeWorks of Howard County

- \$44,186 Operating Grant to support legal services for low-income victims of domestic violence and sexual assault in Howard County

House of Ruth Maryland

- \$369,723 Operating Grant to support legal services for low-income victims of domestic violence

Life Crisis Center

- \$32,038 Operating Grant to support legal services for low-income victims of domestic violence and sexual assault in Somerset, Wicomico and Worcester counties

Maryland Crime Victims' Resource Center

- \$113,929 Operating Grant to support legal services for low-income victims of crime

Student attorneys at the University of Maryland Carey School of Law Medical-Legal Partnership Clinic, under faculty supervision, now see clients at the new Center for Infectious Diseases. Clients can receive **both medical and legal help in one stop** with better outcomes. One client, a 55-year-old Baltimore County woman, was applying for reinstatement of Social Security benefits when she was told she owed \$25,000 due to an overpayment. Through the students' advocacy, the client got her monthly benefits reinstated, her overpayment reduced, and a repayment plan that she could afford.



Student attorneys Sidney Zahabizadeh & Annamaria Santini

Maryland Legal Aid

- \$10,457,049 Operating Grant and \$250,000 Challenge Grant to support statewide legal representation of Maryland's low-income population
- \$800,000 Foreclosure Prevention Grant
- \$384,100 for two Community Redevelopment Grants

Maryland Public Interest Law Project

- \$48,000 Operating Grant to support stipends for six University of Maryland and six University of Baltimore law students to intern with MLSC grantees

Maryland Volunteer Lawyers Service

- \$353,685 Operating Grant to support a statewide pro bono and reduced fee referral project for low-income Marylanders
- \$424,400 Judicare Grant
- \$119,500 Foreclosure Prevention Grant
- \$149,000 Community Redevelopment Grant

Mid-Shore Council on Family Violence

- \$113,664 Operating Grant to support legal services for low-income victims of domestic violence in Caroline, Dorchester, Kent, Queen Anne's and Talbot counties

Mid-Shore Pro Bono

- \$77,520 Operating Grant to support pro bono and reduced fee services in Caroline, Dorchester, Kent, Queen Anne's and Talbot counties
- \$301,300 Judicare Grant
- \$56,000 Foreclosure Prevention Grant

Montgomery County Bar Foundation

- \$205,428 Operating Grant to support pro bono and reduced fee services in Montgomery County
- \$182,600 Judicare Grant

Pro Bono Resource Center

- \$211,242 Operating Grant and \$2,500 Challenge Grant to provide statewide integration and support to pro bono civil legal services providers
- \$12,000 Pro Bono Litigation Fund
- \$21,500 Judicare Litigation Fund
- \$84,500 Foreclosure Prevention Grant

Public Justice Center

- \$231,591 Operating Grant to support direct individual representation, primarily for low-income tenant housing issues in Baltimore City
- \$37,500 Foreclosure Prevention Grant

St. Ambrose Housing Aid Center

- \$45,000 Operating Grant to support legal representation focusing on foreclosure, landlord-tenant disputes and other housing preservation issues
- \$97,500 Foreclosure Prevention Grant

Sexual Assault Legal Institute

- \$50,873 Operating Grant to support direct legal services for victims of sexual assault throughout the state

Sexual Assault/Spouse Abuse Resource Center (SARC)

- \$25,679 Operating Grant to support legal services for low-income victims of domestic violence and sexual assault in Harford County

Southern Maryland Center for Family Advocacy

- \$58,866 Operating Grant to support legal services for low-income victims of domestic violence and sexual assault in Calvert, Charles and St. Mary's counties

University of Maryland Carey School of Law Medical-Legal Partnership Clinic

- \$49,205 Operating Grant to support operation of a law clinic that provides direct representation to low-income people living with HIV in the Baltimore area by student attorneys under the supervision of clinical faculty

Whitman-Walker Health

- \$51,357 Operating Grant to support legal services for low-income LGBTQ or HIV-positive Maryland clients

Women's Law Center

- \$166,979 Operating Grant to support a statewide family law hotline
- \$86,200 Judicare Grant

MLSC

ANNUAL AWARDS



Each year MLSC solicits nominations and presents awards to individuals and organizations that have contributed significantly to the provision of legal services to low-income Marylanders. MLSC held its Annual Awards Reception at the Lord Baltimore Hotel on December 4, 2017. The reception also celebrated MLSC's 35th anniversary.



Standing: MLSC Chair Glenn Ivey, Michael Millemann, Herbert Berkow, Tom Prevas for Saul Ewing Arnstein & Lehr LLP, Senator Guy Guzzone, Delegate Ben Barnes. Seated: Robin Leone for Saul Ewing Arnstein & Lehr LLP, Sally Dworak-Fisher, Margaret Henn, Sandy Brown, Delegate Kathleen Dumais, Chief Judge Mary Ellen Barbera.

AWARD WINNERS

The **Robert M. Bell Medal for Access to Justice** was presented for only the fourth time since its establishment in 2004 to **Michael A. Millemann**, professor of law at the University of Maryland Francis King Carey School of Law, for his decades of active involvement with access to justice initiatives as a public interest lawyer, former chief of the civil division of the Office of the Attorney General, clinical law educator and a member of the first MLSC board.

Delegate Kathleen M. Dumais, a member of the Maryland House of Delegates and attorney at Ethridge, Quinn, Kemp, McAuliffe, Rowan & Hartinger, received the **Arthur W. Machen, Jr. Award** for her significant contribution to the legal services delivery system for low-income Marylanders as vice-chair of the House Judiciary Committee and through her family law practice.

The **Benjamin L. Cardin Distinguished Service Award** was presented to **Sally Dworak-Fisher**, staff attorney at the Public Justice Center, for her tireless work and vast expertise in workplace justice.

The recipient of the **Rising Star Award** was **Margaret K. Henn**, director of the Home Preservation Project at the Pro Bono Resource Center, recognizing her leadership in managing several housing stability projects.

Two **William L. Marbury Outstanding Advocate Awards** were presented. **Herbert N. Berkow** was honored for his dedication as a volunteer mediator in the Consumer Protection Division of the Office of the Attorney General. **Sandra A. Brown**, executive director of Mid-Shore Pro Bono, was recognized as a steadfast advocate for residents of the Eastern Shore.

Saul Ewing Arnstein & Lehr LLP was named as this year's recipient of the **Herbert S. Garten Public Citizen Award** for its increased commitment to access to justice through a firmwide pro bono project, pledging to give a minimum of 25 hours per attorney, and partnerships with many MLSC-funded organizations.

MLSC presented Awards of Special Recognition to **Delegate Benjamin S. Barnes**, **Senator Guy J. Guzzone** and **Senator Bobby A. Zirkin** for their leadership in the Maryland General Assembly to help stabilize and enhance funding for MLSC.

2017 MLSC Contributors

MLSC is pleased to acknowledge the generous contributions of the individuals and organizations that support our work.

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Olivia Wein
Brian Yeh

In Memory of Jervis Finney

Andrew Jay Graham, Kramon &
Graham, P.A.

Media Sponsor



IOLTA Honor Roll

The IOLTA Honor Roll, a joint initiative of the Maryland State Bar Association and MLSC, consists of financial institutions that pay premium rates on IOLTA accounts, supporting critically needed legal aid for low-income Marylanders. We salute these institutions and encourage our supporters to patronize Honor Roll members.

Bank of Charles Town
Carroll Community Bank
CFG Community Bank
Congressional Bank
First Shore Federal
HSBC Bank USA, N.A.

Industrial Bank
MainStreet Bank
Midstate Community Bank
NWSB Bank, A Division of ACNB Bank
Premier Bank, Inc.
Standard Bank

MLSC Revenue

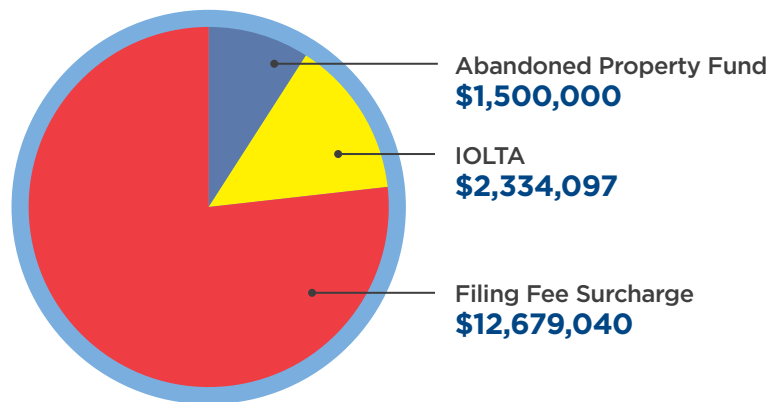
MLSC revenue for grants is primarily generated from the MLSC Fund, which is composed of three special funding sources:

- **Interest on Lawyer Trust Accounts (IOLTA) held by Maryland-licensed lawyers**
- **A surcharge on certain Circuit and District Court filing fees**
- **\$1,500,000 from the Abandoned Property Fund**

The MLSC Fund Appropriation is set in the State's budget each year based on projected revenues. The appropriation sets an upper limit on the amount that can be spent, but does not guarantee the Fund will receive the full amount. MLSC receives the amount actually collected in the Fund, up to the appropriation limit.

The FY17 MLSC Fund appropriation was set at \$16.5 million, but total revenues in the Fund slightly exceeded that amount.

Excess revenue of \$13,137 will be carried over to FY18.



Summarized Financial Information

Statement of Net Position

June 30, 2017

Assets

Cash and Cash Equivalents	\$3,533,655
Investments	6,678,714
Receivable, IOLTA Receipts	318,459
Due from State of Maryland	1,034,584
Prepaid Expenses	29,205
Capital Assets - Net of Accumulated Depreciation	46,707
Other Assets	92,808
Total Assets	11,734,132

Liabilities

Accounts Payable and Accrued Expenses	64,170
Due to State of Maryland	321,765
Deferred Rent	51,852
Other Liabilities	78,419
Total Liabilities	516,206

Net Position

Net Investment in Capital Assets	\$46,707
Unrestricted	8,127,016
Temporarily Restricted	3,044,203
Total Net Position	\$11,217,926

Statement of Activities

For the Year Ended June 30, 2017

Program Expenses - Legal Assistance \$19,886,076

General Revenues

State of Maryland Appropriations - Legal Assistance	16,500,000
Judicare Program	1,550,000
Contributions	13,680
Investment Income, Net	722,806
Other Revenues	33,320
Total General Revenues	18,819,806

Decrease in Net Position (1,066,270)
Net Position at Beginning of Year 12,284,196

Net Position at End of Year \$11,217,926

Note

The report is a summary of the financial statements incorporated in the annual audit report issued by Gross, Mendelsohn & Associates, P.A. for the year ended June 30, 2017. The complete financial statements and notes are available upon request from MLSC.



Standing: Sidney Butcher, Harriet Robinson, Violet Apple, Christina Garcia, Judge Mark Scurti, Natalie McSherry
Seated: Aileen Eskildsen, Corey Robey, Glenn Ivey, Susan Erlichman, Judge Martha Rasin

MLSC Board

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Susan M. Erlichman, Esq.

Secretary (*ex officio*)
Executive Director, Maryland Legal
Services Corporation

MLSC grantees are major partners working with government and other nonprofit providers

at the Prince George's County Family Justice Center, an initiative of the Circuit Court. At the Center, survivors of domestic violence, sexual assault, human trafficking and elder abuse can receive comprehensive services.

Catholic Charities of the Archdiocese of Washington Immigration Legal Services, House of Ruth Maryland, Maryland Crime Victims' Resource Center, Maryland Legal Aid, Sexual Assault Legal Institute and the Women's Law Center staff the Center to provide civil legal aid.

MLSC Staff

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Harriet Robinson

Deputy Director

Susan S. Lentz

Finance Manager

Deb Seltzer

Grants Manager

Kaa Andam

IOLTA Compliance Manager

Estella Duty

Office Assistant





Charles Towers, Suite 102
15 Charles Plaza
Baltimore, MD 21201

Funding Legal Assistance Serving the Ends of Justice

About MLSC

The Maryland Legal Services Corporation, established in 1982 by the Maryland General Assembly, is a nonprofit organization governed by a nine-member Board of Directors appointed by the Governor and confirmed by the Senate. MLSC distributes funds from the Interest on Lawyer Trust Accounts program and other sources to nonprofit organizations for the provision of civil legal services to low-income Marylanders. MLSC currently provides funding to 35 nonprofit grantees throughout Maryland to ensure that eligible clients in all areas of the state have access to legal assistance.

About IOLTA

Attorneys routinely receive client funds to be held in trust for future use. In the case of amounts that are small or to be held for a short time, attorneys must place these funds into Interest on Lawyer Trust Accounts (IOLTA). The generated interest is used by the Maryland Legal Services Corporation for grants to programs that provide civil legal services to low-income Marylanders.

410.576.9494
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www.mlsc.org