

# Legal Aid of North Carolina, Inc.

## Administrative Office

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George R. Hausen, Jr., Esq.  
Executive Director

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January 3, 2017

### **VIA EMAIL**


The Honorable Representative Nelson Dollar,  
Senior Chair, House Appropriations Committee,  
The Honorable Senator Harry Brown, Co-Chair  
Senate Appropriations Committee

Dear Representative Dollar and Senator Brown:

In accordance with S.L. 2014-100, 18B 17, I submit the quarterly report for Legal Aid of North Carolina.

Please let me know if I can provide any additional information or answer any questions either about the report or about the work of our organization. My direct telephone line is (919) 856-2130. Thank you,

Sincerely,



George R. Hausen, Jr.  
Executive Director

Cc: The Honorable Representative Linda P. Johnson  
The Honorable Representative Donny Lambeth  
The Honorable Representative Chuck McGrady  
The Honorable Senator Stan Bingham  
The Honorable Senator Kathy Harrington  
The Honorable Senator Brent Jackson  
The Honorable Senator Buck Newton  
The Honorable Senator Shirley B. Randleman  
Ms. Kristine Leggett, Fiscal Research Division



LEGAL AID OF NORTH CAROLINA  
REPORT TO THE NORTH CAROLINA LEGISLATURE  
FOURTH QUARTER 2016  
DECEMBER 31, 2016

*Legal Aid of North Carolina (LANC) is a statewide, nonprofit/law firm that provides free legal services in civil matters to low-income people all one hundred counties in North Carolina, in order to ensure equal access to justice and to remove legal barriers to economic opportunity.*

#### GENERAL INFORMATION AND NEED

LANC serves households with legal issues in housing, public benefits, family integrity, consumer, employment, education, and community economic development. We also serve victims of domestic violence, seniors, and families facing foreclosure whose income qualifications are slightly different. Persons living in poverty not only lack a living wage, but many have health and literacy challenges that severely limit their economic opportunities. In turn, these factors affect the options available to them as they try to resolve legal problems, often without legal representation.

LANC serves all one hundred counties of the state. Our primary client base comprises the very poorest: generally households with incomes falling below 125% of the federal poverty guidelines (FPG); slightly more than \$29,000 per year for a household of four. Our general client base comes from the roughly 3.75 million people, approximately 39% of the state's general population, falling at or below 200% of the FPG.

The poverty population in North Carolina has increased in the last ten years. The latest census statistics indicate that the state's poverty rate is 16.4% and North Carolina now has over 1.6 million people living at or below the FPG. Over 2.2 million of the state's population lives on incomes at or below 125% of the FPG. These figures include over 15% of all seniors and 30% of all children. About 7% of families are considered in extreme poverty and have incomes below 50% of the FPG. Over 19.6% of households are food insecure. Over 1.16M households pay more than 30% of income on housing and just over 11,000 people are homeless; yet only 124,000 households receive federal rental assistance. Contrary to conventional wisdom, only 19,000 of these many poor households in our state receive TANF, which traditionally is "welfare." Over 100,000 individuals who worked fulltime remained in poverty. The majority of the households living in poverty are headed by females. The median gross annual income of LANC clients remains approximately \$12,000, significantly less than the living wage annual income of \$60,000 for a four-person household and the \$47,830 state median income. Poverty is not constrained by geography, and the poor live in both urban and rural areas. North Carolina is about 66.1 % urban and 33.9% rural. The major urban areas have experienced a 60% increase in population since 2000.

LANC makes every effort to provide the highest quality legal advice and representation to our clients. As a civil Legal services provider, we make every effort to ensure that our work ameliorates poverty and creates economic opportunity for those most in need.



## ORGANIZATION AND WORK

With our staff attorneys, along with paralegals and support staff, each year we provide direct legal assistance to approximately 25,000 households and legal education and outreach clinics information to an additional 25,000 households. LANC focuses its legal practice on critical basic needs: housing, consumer, public benefits, family, education, employment, health care, and elder law. LANC also employs statewide, special provider units that address specific issues: Advocates for Children's Services specializes in education issues and combating the School to Prison Pipeline. The Domestic Violence Prevention Initiative and Battered Immigrant Project focus on protecting victims of abuse and reducing the incidence of domestic violence. The Child's Advocate protects children and resolves complex, high-conflict custody matters. The Mortgage Foreclosure Project protects homes from abusive lending and loan servicing practices-the project is a multi-partner project with a thousand open cases on any given day. The Senior Law Project and its toll-free hotline focus on the needs of the 240,000 seniors in poverty in our state. The Fair Housing Project works across the state to educate renters, owners, and landlords in order to fight housing discrimination in all its forms.

LANC settles about 65% of its cases without litigation. When it goes to court however, it prevails over 90% of the time. When litigation is the best legal strategy for the client, LANC has a highly trained and experienced staff that is prepared to go to court to fight for its clients rights. LANC zealously litigates cases in every forum and at every level in the state and federal courts, including jury trials and through appeal in all jurisdictions. LANC's legal advocacy also includes community education and outreach, consultations, and negotiation before litigation. We employ an informative website that permits clients to gain knowledge about legal issues and to contact any office in the state for direct help or for local pro se information. We also employ social media tools such as Facebook, Twitter, and e-newsletters. Much of our Helpline, our call center, work involves specific legal advice to address important legal issues or some brief service before litigation is pursued. The Helpline receives 81,000 calls each year and helps thousands of clients navigate the court system and resolve legal problems.

LANC continually works to expand access to justice: LANC now has expanded its work with veterans. We have trained and certified approximately 30 staff advocates on veterans law. We have NC VetCorps attorneys and fellows from Americorps. We collaborate with, and take referrals from, Duke Law School's Veterans Project. We participate in numerous veterans "Standown" outreach events all over the state. LANC is part of the Veterans Pro Bono Network, which includes the North Carolina Bar Association and the state's law schools. We focus not only on veterans' benefits, but we strive to serve comprehensive legal needs, including issues affecting veterans' abilities to obtain employment and decent housing. In the past year, LANC directly served over 1,600 veterans as clients and over 2,100 households in which a veteran was a member. The second project is what we call "Second Chance" or, sometimes, "Re-entry." Re-entry advocacy helps clients to clean-up arrest, conviction, and discharge records so that they again can qualify for employment and decent housing. Removing barriers to employment helps reduce the rate of recidivism for those, mostly, young men who have earned an opportunity for a second chance. We closed nearly 1500 such cases in 2015. The third project of note is called "Lawyer on the Line (LOL)." The LANC Helpline, the name of our toll-free call center that receives 6700 calls per month. The Helpline provides first-rate legal advice or brief service in situations where the client needs actual legal assistance but may not need to go to court right away. Lawyer on the Line is the project that recruits lawyers from the private bar to provide free



consultations on poverty law issues to eligible clients. The average LOL case requires about two and one-half hours. LOL has recruited nearly one thousand lawyers and served over 3,000 clients.

Other noteworthy projects: Our Mortgage Foreclosure Project continues to save homes and the credit of thousands of families. Our collaborative, multi-agency project to become the most vigorous foreclosure defense projects in the country. We continue to shape and to expand our Medical-Legal Partnership Project. MLPs place lawyers in public health clinics to give medical staff the resources they need to change the social determinants of health. MLPs can reduce unnecessary returns to clinics and ERs, reduce community healthcare costs and actually improve community health. The initial efforts in Durham have enabled LANC to obtain funding for similar projects at UNC, in Winston-Salem, Charlotte, Greensboro, and Moore County.

In an effort to improve rural delivery and outreach, the State Bar and IOLTA fund Clifton W. Everett, Sr., Fellowships, which permits LANC to serve hundreds of rural clients who would otherwise not have access to legal representation. In 2014, our Everett fellows were placed together in Richmond County, one of the poorest in the state, as a pilot project. The results have been astonishing: In a county where we previously had little ability to serve, the IOLTA Fellows served nearly 300 households in two years. We have maintained our services to these rural areas with state funding.

#### EXPANDING ACCESS

Our many challenges at expanding Access to Justice took a dramatic turn on October 8<sup>th</sup> when Hurricane Matthew hit North Carolina full-force. Many new, unexpected, and unfamiliar legal issues for both individuals and businesses arose with the subsequent flooding and will remain salient in the aftermath: For individuals, registering and qualifying with FEMA, food stamp eligibility, unemployment compensation, landlord-tenant issues, property ownership and insurance denials often require legal expertise to navigate. Agribusinesses and small farms lost arable land, crops, and livestock. Small farms and small businesses are faced with decisions about insurance claims, recovery financing, and loans. Clients and communities served by our offices and staff in Pembroke, Wilson, Goldsboro, Greenville, Fayetteville, Wilmington, and Ahoskie have been impacted by the disaster.

In response, LANC sponsored a toll-free telephone hotline, designed and constructed a special disaster relief website, produced a dozen videos dealing with disaster legal issues and promulgated these on social media (Facebook, Twitter, and YouTube) in a concerted effort to provide as much get information to the public as possible. LANC sponsored, organized, and conducted a training session for nearly eighty attorneys who volunteered to assist with disaster legal services. LANC staff have been part of numerous outreach efforts including two major disaster events in Lumberton. We have assisted hundreds of victims since mid-October and have three events planned for January.

In addition to addressing the needs of disaster victims, LANC continued its efforts at restructuring its intake priorities, merging offices, and expanding its videoconferencing capabilities to faith-based groups and other nonprofit to more than seventy counties, while continuing to increase pro bono recruitment. With additional funding through the federal Victims Of Crime Act (VOCA) through the US Department of Justice, LANC will provide

expanded services to victims of domestic violence, human trafficking, and elder abuse. We continued our collaborative effort with Elon Law to seek funding for our partnership to expand our services in the Boone area. We will be continuing our statewide foreclosure work and expanding our veterans' work through the Finance Agency's SHFPP program.

During the Fourth Quarter, LANC attorneys opened nearly 4400 cases. LANC has opened nearly 22,000 cases since the beginning of 2016. Approximately 26% of these cases were opened to prevent homelessness; another 28% deal with domestic violence prevention and family law. The remaining caseload is distributed primarily between consumer protection, employment matters, and benefits. Attorneys from the private bar have contributed over 20,000 hours to our work this year.

# CASES

**Legal Aid of North Carolina, Inc.**

**Report to State Legislature (Section 18B.17, NC Budget 2014-15)**

**Cases in which Legal Aid has appeared as counsel, 10/1/2016 - 12/31/2016**

<u>File Number</u>	<u>Type of Case</u>	<u>Ongoing Status</u>
2003-0037711-N011	Wills/Estates	Pending
2008-0044416-N011	Private Landlord/Tenant	Closed
2009-0018372-N028	Mortgage Foreclosures (not Pred.Lend.	Pending
2009-0059501-N015	Other Housing	Pending
2009-0010407-N021	Mortgage Foreclosures (not Pred.Lend.	Pending
2010-0025539-N028	Mortgage Foreclosures (not Pred.Lend.	Pending
SM2010-0046784-N011	Mortgage Predatory Lending/Practices	Pending
2010-0007804-N022	Mortgage Foreclosures (not Pred.Lend.	Pending
2010-0027328-N011	Mortgage Foreclosures (not Pred.Lend.	Closed
SM2010-0047376-N011	Custody/Visitation	Closed
2010-0052878-N005	SSI	Closed
2011-0050239-N010	Mortgage Foreclosures (not Pred.Lend.	Pending
2011-0051374-N014	Mobile Homes	Closed
2011-0032057-N012	Mortgage Foreclosures (not Pred.Lend.	Pending
2011-0050937-N010	Mortgage Foreclosures (not Pred.Lend.	Pending
2012-N011-0041201	Custody/Visitation	Pending
2012-0009632-N022	SSDI	Pending
2012-0009657-N022	Mortgage Foreclosures (not Pred.Lend.	Pending
2011-0040807-N011	Mortgage Foreclosures (not Pred.Lend.	Pending
2012-0042741-N028	DV/Visa	Pending
2012-0043634-N028	DV/Visa	Pending
2012-0043635-N028	DV/Visa	Pending
2012-0045616-N028	Mobile Homes	Closed
2012-0000826-N026	Mortgage Foreclosures (not Pred.Lend.	Pending
2012-0048966-N011	Custody/Visitation	Pending
2012-0047129-N009	Mortgage Foreclosures (not Pred.Lend.	Pending
2012-0001357-N027	DV/Visa	Pending
CC2012-0042201-N028	Mortgage Foreclosures (not Pred.Lend.	Pending
2012-0055821-N005	SSI	Pending
2012-0046247-N028	Mortgage Foreclosures (not Pred.Lend.	Closed
CH2012-0048490-N020	Mortgage Foreclosures (not Pred.Lend.	Pending
2012-0053255-N014	Mobile Homes	Pending
2012-N028-0048688	Mortgage Foreclosures (not Pred.Lend.	Pending
2012-0010130-N022	Mortgage Foreclosures (not Pred.Lend.	Pending
2012-0046704-N028	Mortgage Foreclosures (not Pred.Lend.	Pending
2012-0050242-N028	DV/Visa	Pending
2012-0050221-N028	DV/Visa	Pending
2012-0053448-N014	Mobile Homes	Closed
2012-0051441-N009	Mortgage Foreclosures (not Pred.Lend.	Pending
2012-0053565-N014	Mobile Homes	Pending
2012-0045832-N028	DV/Visa	Pending
2012-0052230-N028	DV/Visa	Pending
2013-0052583-N028	Mortgage Foreclosures (not Pred.Lend.	Pending
2013-0052569-N028	Mortgage Foreclosures (not Pred.Lend.	Closed
2013-0049408-N011	Mortgage Foreclosures (not Pred.Lend.	Pending
2013-0010445-N022	Mortgage Foreclosures (not Pred.Lend.	Pending



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2013-0001494-N027	DV/Visa	Pending
2013-0000906-N026	Mortgage Foreclosures (not Pred.Lend.)	Closed
2013-0049540-N011	Custody/Visitation	Closed
CIU2013-0055319-N011	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0056842-N005	SSI	Pending
2013-0055207-N028	DV/Visa	Pending
2013-0055631-N028	DV/Visa	Pending
CIU2013-N011-0054756	Custody/Visitation	Closed
2013-0056108-N028	DV/Visa	Pending
2013-N028-0055734	Homeownership/Real Prop (not Forecl.)	Pending
2013-0058103-N028	DV/Visa	Pending
2013-0001643-N027	DV/Visa	Pending
2013-0052194-N010	Veterans Benefits	Pending
2013-0057594-N028	DV/Visa	Pending
2013-0058882-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-N028-0059340	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0059423-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0060235-N028	DV/Visa	Pending
2013-0010824-N022	Custody/Visitation	Pending
2013-0060789-N028	DV/Visa	Pending
2013-N028-0060662	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0060980-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0061109-N028	Mortgage Foreclosures (not Pred.Lend.)	Closed
2013-0061967-N028NB	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0001787-N027	DV/Visa	Pending
2013-0066215-N015	Public Housing	Closed
2013-0063043-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0063083-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0062754-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0063225-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0008902-11-N016	Domestic Abuse	Pending
2013-0064952-N028	Fed. Subsidized Housing Rights	Closed
2013-0050140-N011	Support	Pending
2013-0064757-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
CC2013-0065299-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2013-0065332-N028NB	Mortgage Foreclosures (not Pred.Lend.)	Pending
CH2013-0065980-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
CIU2014-0067039-N011	Mortgage Foreclosures (not Pred.Lend.)	Pending
2014-0001048-N026	Mortgage Foreclosures (not Pred.Lend.)	Pending
2014-0010549-N030	Mortgage Foreclosures (not Pred.Lend.)	Pending
2014-0050429-N011	Expungement	Pending
2014-0069820-N013	Mortgage Foreclosures (not Pred.Lend.)	Pending
2014-0069894-N028	Mortgage Foreclosures (not Pred.Lend.)	Closed
2014-0034724-N012	Homeownership/Real Prop (not Forecl.)	Pending
2014-0071420-N028	Mobile Homes	Pending
2014-N028-0071107	Mortgage Foreclosures (not Pred.Lend.)	Pending



**Legal Aid of North Carolina, Inc.**

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<u>File Number</u>	<u>Type of Case</u>	<u>Ongoing Status</u>
CIU2014-0071881-N011	Private Landlord/Tenant	Pending
2014-0011510-N022	Custody/Visitation	Closed
2014-0058818-N005	SSI	Pending
2014-0035184-N012	Private Landlord/Tenant	Pending
2014-0067056-N015	Public Housing	Closed
2014-0075877-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2014-0011762-N022	Custody/Visitation	Pending
G2014-0026169-N020	Custody/Visitation	Pending
2014-0011823-N022	Custody/Visitation	Pending
2014-0079759-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
G2014-0026316-N020	Custody/Visitation	Pending
2014-0011851-N022	Expungement	Pending
2015-0011908-N022	Domestic Abuse	Closed
G2015-0026401-N020	Custody/Visitation	Pending
2015-0059571-N005	SSI	Closed
2015-0040921-N009	SSI	Pending
2015-0059597-N005	Medicaid	Pending
CIU2015-0080766-N011	Private Landlord/Tenant	Pending
2014-0017682-N021	Expungement	Pending
2014-0017851-N021	Expungement	Pending
2014-0017653-N021	Expungement	Pending
2014-0017677-N021	Expungement	Pending
2015-0083576-N028	Domestic Abuse	Closed
2015-N028-0083624	Private Landlord/Tenant	Pending
2015-0012059-N022	Domestic Abuse	Closed
2015-0083895-N028	Mortgage Foreclosures (not Pred.Lend.)	Closed
2015-N009-0080869	Mortgage Foreclosures (not Pred.Lend.)	Pending
2015-0012918-N030	Mobile Homes	Pending
2015-0084838-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2015-0059983-N005	SSI	Pending
2015-0018361-N021	Private Landlord/Tenant	Pending
2015-0086107-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2015-0085983-N028	Mortgage Foreclosures (not Pred.Lend.)	Closed
2015-N028-0086036	Homeownership/Real Prop (not Forecl.)	Pending
2015-0060072-N005	SSDI	Pending
2015-0060115-N005	SSI	Pending
2015-N028-0085833	Mobile Homes	Pending
2015-0086996-N028	Domestic Abuse	Pending
2015-0086847-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2015-0086993-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
2015-0060151-N005	SSDI	Closed
2015-0012259-N022	Domestic Abuse	Closed
2015-0085960-N028	Mortgage Foreclosures (not Pred.Lend.)	Pending
G2015-0027123-N020	Homeownership/Real Prop (not Forecl.)	Pending
2015-0012369-N022	Domestic Abuse	Closed
2015-0012389-N022	Private Landlord/Tenant	Pending

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2015-0012390-N022	Private Landlord/Tenant	Pending
2015-0090495-N028	Mortgage Foreclosures (not Pred.Lend.	Closed
2015-0060498-N005	SSI	Closed
2015-0060542-N005	SSI	Pending
2015-0012432-N022	Custody/Visitation	Pending
G2015-0026999-N020	Mortgage Foreclosures (not Pred.Lend.	Pending
2013-0065394-N028	SSI	Pending
2015-0012457-N022	Domestic Abuse	Closed
CH2015-0027623-N020	Fed. Subsidized Housing Rights	Closed
2011-0054420-N005	Veterans Benefits	Closed
Total:	148	

# **SITE VISITS**



LEGAL AID OF NORTH CAROLINA  
2016 FOURTH QUARTER LEGISLATIVE REPORT  
SITE VISITS AND INVESTIGATIONS

<u>DATE</u>	<u>COUNTY</u>	<u>STAFF</u>	<u>ISSUE</u>
10/20/2016	Duplin	Randall	Foreclosure
12/01/2016	Pender	Randall, Garcia	Foreclosure
11/08/2016	Beaufort	Caddigan	Hazardous housing conditions
12/06/2016	Cumberland	Brown	Mold conditions
11/07/2016	Swain	Nestler	Lack of heat
11/22/2016	Pasquotank	Williams	Substandard federal housing conditions
10/17/2016	Guilford	McAuley	Hazardous housing conditions
10/21/2016	Catawba	Clarke	Housing discrimination
12/06/2016	Catawba	Clarke	Housing discrimination
12/08/2016	Wilson	Clark	Hazardous housing conditions
12/01/2016	Wilson	McIlwain	Hazardous housing conditions
12/02/2016	Wilson	McIlwain	Hazardous housing conditions
10/13/2016	Wilson	Keller	Hazardous housing conditions
10/05/2016	Forsyth	Baron	Hazardous housing conditions
10/14/2016	Forsyth	Baron	Substandard federal housing conditions
10/25/2016	Surry	Baron	Hazardous housing conditions
11/02/2016	Forsyth	Baron	Substandard federal housing conditions
11/02/2016	Forsyth	Baron	Substandard public housing conditions
11/04/2016	Forsyth	Baron	Hazardous housing conditions
11/18/2016	Forsyth	Baron	Substandard housing conditions
11/21/2016	Forsyth	Baron	Substandard public housing conditions
12/14/2016	Iredell	Baron	Hazardous housing conditions

10/24/2016	Granville	Wilcut	Substandard federal housing
11/24/2016	Granville	Wilcut	Substandard federal housing
12/09/2016	Durham	Wilcut	Hazardous housing conditions
12/20/2016	Vance	Wilcut	Hazardous housing conditions
10/25/2016	Vance	Gilbert	Substandard federal housing conditions