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Funding News

➤ **Full FDIC Insurance Coverage Continued for IOLTA Accounts** – On December 29, 2010, President Obama signed into law legislation (H.R. 6398) extending full FDIC insurance coverage for IOLTA accounts, regardless of amount, through December 31, 2012. IOLTA accounts had received full FDIC insurance coverage since November 2008, when the FDIC created the Transaction Account Guarantee (TAG) Program. However, when Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act in June 2010, it extended full FDIC coverage through December 31, 2012, but only to non-interest bearing accounts. If the corrective IOLTA legislation had not been enacted, the full insurance coverage for those accounts would have expired on December 31, 2010. The American Bar Association, state IOLTA programs, state bar associations, Access to Justice Commissions and many others lobbied intensively for passage of this legislation. For more information, contact Bev Groudine, Staff Counsel, ABA Commission on IOLTA, at Bev.Groudine@americanbar.org or 312/988-5771.

➤ **New Hampshire Supreme Court Adopts Mandatory IOLTA** – In an order dated December 29, 2010, the New Hampshire Supreme Court amended the state's trust accounts rule to require participation in IOLTA by all lawyers who hold client funds. The rule change becomes effective on March 1, 2011. At that time, there will be 44 mandatory U.S. IOLTA jurisdictions. For more information on conversion to mandatory IOLTA and other strategies for increasing IOLTA income, contact Bev Groudine, Staff Counsel, ABA Commission on IOLTA, at Bev.Groudine@americanbar.org or 312/988-5771.

➤ **Thirty Percent of Massachusetts Attorneys Are Helping Legal Aid through New Access to Justice Fee** – In September 2010, the Supreme Judicial Court of Massachusetts adopted a rule adding an opt-out provision for legal aid to the annual attorney registration fee statement. Roughly 30 percent of Massachusetts attorneys are choosing to pay the \$51 fee. Approximately \$350,000 was collected in the first three months, a rate that will total nearly \$1 million over twelve months if it continues. Proceeds are remitted by the Board of Bar Overseers to the IOLTA Committee for distribution to the Massachusetts Legal Assistance Corporation and the Massachusetts and Boston Bar Foundations for grants to provide civil legal assistance. Any attorney who does not wish to pay the voluntary fee can opt out. The new fee was proposed to the Court by the Massachusetts Access to Justice Commission. For more information, contact Jayne Tyrrell, Executive Director, Massachusetts IOLTA Committee, at jtyrrell@maiolta.org or 617/723-9093.

Pro Bono News

➤ **Cooley Law School and Detroit Bar Association Establish Pro Bono Mentorship Program** – The Thomas M. Cooley Law School and the Detroit Metropolitan Bar Association (DMBA) have created a joint program to expand free legal services in Detroit and Wayne County. The Cooley Law School-DMBA Pro Bono Mentorship Program will allow students from Cooley to collaborate with a mentoring attorney in providing free legal services in cases referred from local public interest organizations. The program will be administered by Cooley's Center for Ethics, Service, and Professionalism while DMBA attorney volunteers will supervise and provide guidance to the students. For further information contact Dionnie Wynter, Assistant

Director of Cooley's Center for Ethics, Service, and Professionalism (Auburn Hills) at wynterd@cooley.edu or 248/751-7800 x7742, or Dennis Donahue, Program Administrator, Access to Justice Initiatives, DMBA, at ddonahue@detroitlawyer.org or 313/961-6120 x210.

Hot On the Web

 **NALP Releases Report on Public Interest Employment Market in Post-Recession Era** - The National Association for Law Placement (NALP) released its first ever *Public Interest Employment Market Snapshot Report* in September 2010, based on an online survey of public interest employers. The report confirms the serious, negative impact of the recession on public interest hiring, particularly in all areas outside of federal employment. The report also includes public interest employers' hiring expectations for job seekers competing in today's market and identifies where future "growth areas" in public interest practice may appear. For further information, contact Steve Grumm, Director of Public Service Initiatives, NALP, at sgrumm@nalp.org or 202/835-1001.

 **Chicago Bar Foundation Releases Report on State of Pro Bono and Legal Aid in Cook County** - The Chicago Bar Foundation, in partnership with The Chicago Community Trust, recently released *Legal Aid in Cook County: A Report on Basic Trends in Need, Service and Funding*. The report provides an update from 2003 on the pro bono and legal aid system in the Chicago area. Among issues addressed in the report are the current demand for services, how services are being provided and sources of funding for those services. The report found that with increased funding for legal services, the system was able to significantly increase its capacity to serve the poor. However, this progress is tempered by the skyrocketing demand for service during this time. For further information, contact Bob Glaves, Executive Director, Chicago Bar Foundation, at bglaves@chicagobar.org or 312/554-1205.



Washington Update

Due to the failure of Congress to enact any FY2011 appropriations bills, the Legal Services Corporation, along with the entire federal government, has been operating under a Continuing Resolution that is set to expire on March 4, 2011. As a result, LSC is operating at its FY2010 funding level of \$420 million. The Obama Administration had previously requested \$435 million for LSC in FY2011 and the removal of the restrictions on both the use of non-LSC funds and the filing of class actions. For more information, contact Ann Carmichael, Legislative Counsel, ABA Governmental Affairs Office, at Ann.Carmichael@americanbar.org or 202/662-1767.

Mark your calendars now for 2011 ABA Day in Washington, which will take place from April 12th-14th. Plan to join bar leaders from across the country in educating Members of Congress about the need for increased funding for LSC. For more information contact Ken Goldsmith, Legislative Counsel & Director for State Legislation, ABA Governmental Affairs Office, at Ken.Goldsmith@americanbar.org or 202/662-1789.

WASHINGTON UPDATE

For more information about specific items, call the contact person listed for that item. To contribute items to future issues of LEGAL SERVICES NOW, or for general information about this bulletin, contact Bev Groudine at 312/988-5771, fax 312/988-5483 or e-mail Bev.Groudine@americanbar.org.