



January 4, 2002 ● Issue #34

Funding News

➤ **Ninth Circuit Rules in Favor of Washington State IOLTA Program** - On November 14, 2001, the United States Court of Appeals for the Ninth Circuit issued an *en banc* decision finding in favor of the Washington IOLTA program and rejecting claims that it violates the Fifth Amendment. The case, *Washington Legal Foundation vs. Legal Foundation of Washington*, involves a challenge to the application of the IOLTA program to Limited Practice Officers - individuals licensed by the Supreme Court of Washington to practice law for the limited purpose of real estate closings. The 7-4 decision held that the operation of Washington's IOLTA program was not a "taking" of client property, and even if it were, the just compensation due would be "nil". The Ninth Circuit remanded the case to the District Court for further proceedings on plaintiffs' First Amendment claim. For more information, contact Bev Groudine, Counsel, ABA Commission on IOLTA, at bgroudine@staff.abanet.org or 312/988-5771.

➤ **Parties Await Decision by Fifth Circuit on Petition for Rehearing *En Banc* in Texas IOLTA Case** - As reported previously, a three-judge panel of the United States Court of Appeals for the Fifth Circuit ruled on October 15, 2001, that the Texas IOLTA program violates the Fifth Amendment of the United States Constitution. On October 29, 2001, a petition for rehearing *en banc* was filed by the Texas IOLTA program and the Justices of the Supreme Court of Texas in the case, captioned *Washington Legal Foundation vs. Texas Equal Access to Justice Foundation*. As of press time, the Court had not rendered a decision on the petition. The Texas IOLTA program continues to operate, and the American Bar Association remains convinced that ultimately, the constitutionality of this vital resource for the provision of legal services to the poor will be upheld. For more information, contact Bev Groudine, Counsel, ABA Commission on IOLTA, at bgroudine@staff.abanet.org or 312/988-5771.

Pro Bono Developments

➤ **California Government Takes Steps to Encourage Pro Bono Participation** - The State of California recently enacted a bill requiring law firms that enter into contracts exceeding \$50,000 with the state for legal services to make a good faith effort to provide a minimum number of hours of pro bono services during the term of the contract. The minimum hours of pro bono service are equal to the lesser of 30 hours per firm attorney located in the state or 10 percent of the contract with the state. Failure to make a good faith effort to provide pro bono services may be cause for non-renewal of a state contract. The law will become operative on January 1, 2003. Additionally, the Governor of California encouraged lawyers to participate in pro bono by proclaiming the week of September 3, 2001, "California Pro Bono Week." For more information, contact Cheryl Zalenski, Assistant Counsel, ABA Center for Pro Bono, at zalenskc@staff.abanet.org or 312/988-5770.

➤ **Philadelphia "Road Shows" Promote Pro Bono Work** - This fall, Philadelphia public interest organizations staged Pro Bono Road Shows to promote pro bono service to Philadelphia law firms and to increase the number of lawyers participating in pro bono work. Once a firm agreed to host a Road Show, a variety of Philadelphia public interest agencies presented information about the

services offered by the organizations and their need for pro bono lawyers. As organizers sought to involve new associates, the Road Shows were intentionally timed to occur when new associates were on board. Since the program's inception, over 10 Philadelphia law firms have hosted Pro Bono Road Shows, and a number of these firms have reported a definitive increase in interest in pro bono work. For more information, contact Dina Merrell, Assistant Counsel, ABA Center for Pro Bono, at merrelld@staff.abanet.org or 312/988-5773.

Hot On the Web

📌 **Pro Bono Delivery and Support: A Directory of Statewide Models** - This publication provides a listing of statewide pro bono support, access to justice and direct pro bono delivery pro bono programs. It includes contact information, as well as descriptions of specific activities in each state that promote pro bono work on a statewide or regional basis. To view this directory, visit <http://www.abanet.org/legalservices/pbpages/statewide.html>

📌 **California Handbook for Disaster Legal Services** - This resource is a compilation of the collective experience and wisdom gained from those in the legal services community who have been actively involved in disaster response since the Loma Prieta earthquake in October 1989. It is a comprehensive guide that describes among other things: planning for a disaster, organizing a disaster response, working with FEMA, addressing ethical considerations, and more. To view this publication of the State Bar of California, Office of Legal Services, Foundation of the State Bar, go to <http://www.abanet.org/legalservices/pbpubs.html#cadisaster>



WASHINGTON UPDATE

On November 28, 2001, President Bush signed into law the FY02 appropriations bill for the Departments of Commerce, Justice, State, the Judiciary and Related Agencies ("CJS"). This bill, H.R. 2500 (P.L. 107-77) includes \$329.3 million for the Legal Services Corporation, the full amount requested by the President and the same amount LSC received in FY01. While LSC did not receive a funding increase for FY02, this year's appropriation process provided a significant victory: for the first time in six years, LSC's budget was approved without opposition.

The FY03 budget process will be underway in early February. For more information on what you can do to help increase LSC's funding for next year, visit the ABA Governmental Affairs Office website at <http://www.abanet.org/poladv> or contact Julie Strandlie, Director, ABA Grassroots Operations, at jstrandlie@staff.abanet.org or 202/662-1764.

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 bgroudine@staff.abanet.org.