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Funding News

➤ **Texas Advocates Win Major Legislative Funding Victories** – The Texas legislature, responding to the serious funding crisis resulting from the recent decline in IOLTA revenue, has approved three measures that will essentially make up for the entire IOLTA loss for the next two years. The state budget includes \$20 million in one-time funding for legal services. A filing fee increase for certain types of cases and civil fines from deceptive trade practices cases received by the attorney general's office will provide another \$6.7 million over the same two year time period. The leadership of the Access to Justice Commission and the Texas Supreme Court made these victories possible. For more information, contact Randy Chapman, Executive Director, Texas Legal Services Center, at rchapman@tlsc.org or 512/477-6000.

➤ **More State Legislative Funding News** – Although the ultimate results in terms of state funding this year are going to be mixed, with a number of states losing at least some of their funding for civil legal services, advocates in three states recently obtained significant increases. Programs in Connecticut will receive approximately \$7.7 million from new filing fees. In Oregon, the state appropriation for legal services was increased by \$1 million, and a bill was passed that requires abandoned property in lawyers' trust accounts be sent to the Oregon State Bar for distribution to legal aid. Legal Aid programs in Wisconsin obtained funding of \$4.6 million for the 2009-11 biennium, more than double the previous biennium, from new fees. For more information, contact Meredith McBurney, Resource Development Consultant, ABA Resource Center for Access to Justice Initiatives, at meredithmcburney@msn.com or 303/329-8091.

➤ **Tennessee and Wisconsin Adopt IOLTA Revisions to Increase Revenue** – On July 1, 2009, the Wisconsin Supreme Court entered an order that becomes effective on January 1, 2010, approving revisions to the state's IOLTA rule to include rate comparability. On July 8, 2009, the Tennessee Supreme Court entered an order effective immediately, adopting mandatory IOLTA and IOLTA rate comparability. Tennessee lawyers, however, have until January 1, 2010, to comply with that order. Tennessee becomes the 40th state to require that all practicing lawyers participate in IOLTA, and with the addition of Wisconsin and Tennessee, there will be 26 states that have adopted rate comparability. That revenue enhancement strategy requires that lawyers place their IOLTA accounts only in a financial institution that pays those accounts the highest interest rate or dividend generally available at the institution to other customers when IOLTA accounts meet the same minimum balance or other qualifications. For additional information about these IOLTA revenue enhancement strategies and others, contact Bev Groudine, Counsel, ABA Commission on IOLTA, at bgroudine@staff.abanet.org or 312/988-5771.

Pro Bono News

➤ **Tennessee Government and Court Employees Permitted to Engage in Pro Bono Activity** – Tennessee Supreme Court Rule 5 now permits judicial research assistants to provide pro bono legal services within certain parameters, such as occurring only outside hours of employment, not involving court appearances, and avoiding matters that may present a conflict of interest. Public Chapter No.7, House Bill 416 amends three statutes to permit government attorneys' voluntary provision of pro bono legal services through an organized, state-funded program of pro bono legal services that provides professional liability insurance. For additional information, contact Rebecca Rhodes, Access to Justice Coordinator, Administrative Office of the Courts, at rebecca.rhodes@tncourts.gov or 615/741-2687.

➤ **Massachusetts United States District Court Adopts Pro Bono Plan** – The U.S. District Court for the District of Massachusetts recently adopted a “Plan for the Appointment of Counsel for Indigent Parties in Certain Civil Cases.” The Plan describes when an indigent *pro se* litigant in a civil case may qualify for the appointment of pro bono counsel, identifies how the assignments are made, sets forth the responsibilities of those law firms that currently are participating in the Plan, and refers appointed counsel to the Court’s “Guidelines Governing the Reimbursement in Expenses in Pro Bono Cases.” To learn more, contact either Sarah Thornton, Clerk of Court, U.S. District Court for the District of Massachusetts at USDC-BostonInfo@mad.uscourts.gov or 617/748-4020, or Jeanette McGlamery, Pro Bono Coordinator, U.S. District Court for the District of Massachusetts, at Jeanette_McGlamery@mad.uscourts.gov or 617/748-9559.

Washington Update



Before adjourning for the July 4th recess, the House of Representatives passed H.R. 2847, the Commerce, Justice, Science appropriations bill. It includes a \$50 million increase for the Legal Services Corporation, providing \$440 million for FY 2010. The bill also lifts the restriction on receipt of statutorily-authorized attorneys’ fee. During floor consideration, Rep. Jeb Hensarling (R-TX) offered an amendment to eliminate LSC; that amendment was overwhelmingly defeated 105-323.

The Senate Appropriations Committee reported out its version of H.R. 2847, providing only \$400 million in funding, but lifting the restriction on use of non-LSC funds. The full Senate will consider the bill after the recess.

The Obama Administration had requested \$435 million and asked Congress to lift the restrictions on the use of non-LSC funds, receipt of attorneys’ fees and filing class actions. The ABA actively worked with both the House and Senate Appropriations Subcommittees to obtain at least \$435 million and lift these restrictions.

S. 718, Senator Harkin’s bill to reauthorize LSC, continues to gain co-sponsors. A companion measure has not yet been introduced in the House.

For more information, contact Julie M. Strandlie, Director, Grassroots Operations/Legislative Counsel, at jstrandlie@staff.abanet.org or 202/662-1764, or log on to the ABA LSC priority webpage at: http://www.abanet.org/poladv/priorities/legal_services/



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.