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Funding News

➤ **Legal Aid Programs in at least 11 States Obtain State Legislative Funding Increases in 2013** - As state budgets have become more stable, bench, bar and legal aid leaders have stepped up their efforts to educate legislators to the importance of access to justice for all, thereby increasing their state legislative funding or at least regaining some of the funds that were lost during the very difficult financial years. To date, 11 states – Colorado, Iowa, Maryland, Massachusetts, Minnesota, New Hampshire, New Mexico, New York, Vermont, Virginia and West Virginia – have reported increases ranging from eight to 60 percent in appropriations or court fees and fines. A full report on the 2013 legislative sessions will appear in the next issue of *Legal Services Now*. For more information, contact Meredith McBurney, Resource Development Consultant, ABA Resource Center for ATJ Initiatives, at meredithmcburney@msn.com or 303/329-8091.

➤ **IOLTA Income and Grants Continue to Decline** - Data collected by the ABA Commission on IOLTA reveals that in 2012, national IOLTA income was \$82.5 million. That figure represents an 11% decline from the previous year. Unfortunately, national IOLTA income has not been that low since the late 1980's. This decline in income is due to the continuing historically low interest rates and lower principal balances in IOLTA accounts. In 2012, national IOLTA grants totaled \$92.4 million, with \$86.4 million funding the provision of legal services to the poor. Total IOLTA grants declined by 25% between 2011 and 2012 largely due to declining IOLTA income, as well as because many IOLTA programs had exhausted their reserves, which were used to help keep grants a bit more stable during the previous four years. For more information, contact Bev Groudine, Counsel, ABA Commission on IOLTA, at bev.groudine@americanbar.org or 312/988-5771.

➤ **Legal Aid Programs in North Carolina and Pennsylvania will Benefit from Major *Cy Pres* Awards** - The North Carolina IOLTA program and the Indigent Person's Attorney Fund are splitting a \$1 million *cy pres* award arising from a class action against payday lenders. These were funds remaining after over \$28 million was paid to class members. In Pennsylvania, Chief Justice Ronald Castille announced a *cy pres* award of \$4.1 million from a case against a car manufacturer for a defective braking system, which will be split between the Pennsylvania IOLTA program and Community Legal Services of Philadelphia. North Carolina and Pennsylvania are two of 12 states that have court rules authorizing the payment of class action residual funds in state cases to access to justice entities. For more information about *cy pres* rules benefiting access to justice organizations, contact Meredith McBurney, Resource Development Consultant, ABA Resource Center for ATJ Initiatives, at meredithmcburney@msn.com or 303/329-8091.

Pro Bono Developments

➤ **Conference of Chief Justices Adopts Resolution in Support of Pro Bono Service in Law Schools** - On July 31, 2013, the Conference of Chief Justices adopted a resolution in support of encouraging pro bono service in law schools. It encourages the chief justice of each state to discuss with the law school deans a proposal that students perform pro bono service prior to law school graduation as a condition of admittance to the state's bar. The resolution notes that the provision of pro bono services is a form of experiential learning. For more information, contact Pam Casey, Principal Court Research Consultant, at pcasey@ncsc.org or 757/259-1841.

📌 **Connecticut Releases Annual Report on Pro Bono** - The Connecticut Judicial Branch's Pro Bono Committee released its annual report in August. The report addresses progress in areas such as engaging more in-house counsel, law student pro bono, and developments in voluntary pro bono reporting. It also outlines the areas of work for the next phase: recognition, rules, continuing work with in-house counsel and law schools, and a follow-up summit. For additional information, contact Krista Hess, Superior Court Operations, at Krista.Hess@jud.ct.gov or 860/263-2734, ext. 3043, or the Honorable William H. Bright, Chair of the Pro Bono Committee, at William.bright@jud.ct.gov or 860/896-4930.

📌 **New York Chief Judge Establishes Committee to Examine In-House Counsel's Impact on Access to Justice** - In July, New York Chief Judge Jonathan Lippman announced the formation of the Advisory Committee on Pro Bono Service by In-House Counsel to examine the potential impact that in-house counsel in New York can have in narrowing the state's access to justice gap. This statewide committee additionally will examine ways in which in-house counsel can provide legal services and consider revisions to the current practice rules to facilitate their pro bono participation. For more information, contact David Bookstaver, New York State Unified Court System Communications Director, at 212/428-2500.



Washington Update

Since the last edition of *Legal Services Now*, the Senate Appropriations Committee marked up the FY 2014 Commerce, Justice, Science and Related Agencies bill on July 18, 2013. It included \$430 million for the Legal Services Corporation, the number requested by President Obama, and represented a \$90 million increase over LSC's FY2013 funding level. The bill passed on a vote of 24-9.

In stark contrast, the House Appropriations Committee marked up the CJS bill the previous day and provided only \$300 million for LSC. During the course of the three hour session, both subcommittee chairman Frank Wolf (R-VA) and ranking member Chaka Fattah (D-PA) stated their desire to provide more funding for LSC.

As of today's date, neither bill has been acted upon by the full Senate or House. Given the current situation in Congress, it remains to be seen when a FY2014 budget will be adopted. For more information, contact Ann Carmichael, Legislative Counsel, ABA Governmental Affairs Office, at Ann.Carmichael@americanbar.org or 202/662-1767.

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 email Bev.Groudine@americanbar.org.