

September 23, 2014 • Issue #93

Funding News

➤ **Connecticut and Montana Join 15 Other States with *Cy Pres* Rules to Benefit Legal Aid** - The Connecticut and Montana Supreme Courts have amended their *cy pres* rules to authorize or require that some portion of class action residuals be used to fund access to civil legal aid. The Connecticut rule amends Sec. 9-9 of the Connecticut Superior Court Rules to provide that in any order, judgment or approved settlement where no recipient for residual funds has been designated, the residual funds shall be disbursed to the IOLTA program to be used to support civil legal aid programs. The Montana rule, which amends Rule 23 of the Montana Rules of Civil Procedure, requires that, in cases where the claims process is exhausted and residuals remain, not less than 50% of the residual funds will be disbursed to an access to justice organization. For more information about the Connecticut rule, contact Steve Eppler-Epstein, Executive Director, Connecticut Legal Services, at seppler-epstein@connlegalservices.org or 860/344-0447, ext. 109. For more information about the Montana rule, contact Amy Sings in the Timber, Executive Director, Montana Justice Foundation, at asings@mtjustice.org or 406/239-5848.

➤ **Colorado Supreme Court Adopts IOLTA Revisions to Increase Revenue** - On June 17, 2014, the Colorado Supreme Court entered an order adopting IOLTA rate comparability, effective immediately. Colorado becomes the 34th U. S. jurisdiction to adopt rate comparability. This 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 more information about this IOLTA revenue enhancement strategy and others, contact Bev Groudine, Counsel, ABA Commission on IOLTA, at Bev.Groudine@americanbar.org or 312/988-5771.

➤ **Indiana Supreme Court Approves Attorney Registration Fee Increase to Benefit IOLTA Grantees** - On June 30, 2014, the Indiana Supreme Court approved an attorney registration fee increase of \$35, \$16 of which will be allocated to help replace IOLTA funds lost due to recent low interest rates. This is temporary funding that is expected to generate \$325,000 annually. The additional fee goes into effect as of the fall 2014 payments. There are now seven states - Illinois, Indiana, Minnesota, Missouri, Pennsylvania, Texas and Wisconsin - in which a portion of the attorney registration fee paid by individual attorneys to practice law helps to fund civil legal aid. For more information about the recent Indiana increase, contact Chuck Dunlap, Executive Director, Indiana Bar Foundation, at cdunlap@inbf.org or 317/269-7861.

Pro Bono Developments

➤ **United States District Court for the District of Rhode Island Adopts Plan for Pro Bono Representation in Civil Cases** - The U.S. District Court for the District of Rhode Island has adopted a pro bono plan that establishes an assigned-counsel project to serve unrepresented litigants of limited financial means. Attorneys willing to accept appointment to represent individuals or entities of limited financial means are asked to submit an application to the Clerk of Court to become members of the court's Civil *Pro Bono* Panel. Panel attorneys must be in good standing with the bar of the court, and those with less than five years of civil litigation experience or who are otherwise inexperienced are required to work with a mentor attorney. For further information, contact Michael Simoncelli, Local Rules Review Committee Reporter, at ProBono@rid.uscourts.gov or 401/752-7221.

👉 **DC Court of Appeals Amends Rule to Permit Pro Bono Service by In-House Counsel** - On July 16, 2014, the District of Columbia Court of Appeals issued an order amending the Rules of the District of Columbia Court of Appeals (D.C. App. Rule 49). The amendment will allow internal counsel who are not members of the D.C. Bar to provide pro bono legal services in the District, as long as they meet a number of requirements. Under the new rule, an internal counsel who is not a member of the D.C. Bar may provide pro bono legal services assigned or referred by an organization that provides legal services to the public without fee. The attorney must be supervised by an active member of the D.C. Bar, must be a member in good standing of the highest court of a state or territory, must not be disbarred or suspended for disciplinary reasons, and must not have resigned with charges pending in any jurisdiction or court. The amended rule became effective on September 1, 2014. For more information, contact Julio Castillo, Clerk of the DC Court of Appeals, at JCastillo@dcappeals.gov or 202/879-2700.

👉 **ABA Adopts Resolution Encouraging Rules to Facilitate In-House Counsel Pro Bono Service** - At the ABA Annual Meeting in August, the House of Delegates adopted a resolution urging states to adopt rules permitting and encouraging in-house counsel already authorized to engage in the practice of law, while in the exclusive employment of an organization in a jurisdiction in which they are not licensed, to provide pro bono legal services. Currently, 31 U.S. jurisdictions provide for the provision of pro bono legal services by in-house counsel not licensed in the jurisdiction; the goal of the resolution is adoption of such provisions in the remaining ones. For additional information, contact Cheryl Zalenski, Director, ABA Center for Pro Bono, at Cheryl.Zalenski@americanbar.org or 312/988-5770.



WASHINGTON UPDATE

Washington Update

Before adjourning earlier this month, Congress passed and the President signed a continuing resolution (CR) that will keep the government funded at essentially the current levels through December 11, 2014. As a result, LSC will continue to receive close to \$365 million in funding. Once the Members return after the November elections, they will have to act to keep the government funded past December 11th, which most likely will be another continuing resolution, but amounts and length of the CR are unknown at this time.

Previously, the U.S. House of Representatives approved legislation that provides \$350 million for the Legal Services Corporation (LSC) in FY2015. The Commerce, Justice, Science & Related Agencies (CJS) FY2015 Appropriations bill decreased current funding by \$15 million but is \$50 million more than the House voted to allocate to LSC last year. In June, the Senate Appropriations Committee marked up the FY2015 CJS Appropriations bill at \$400 million, which is \$35 million higher than the current appropriation. The full Senate has not yet taken action on the bill. For additional information regarding the FY15 allocation for LSC, contact Ann Carmichael, Legislative Counsel, ABA Governmental Affairs Office, at Ann.Carmichael@americanbar.org or 202/662-1767.

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 312-932-6425 or email Bev.Groudine@americanbar.org.