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Testimony Before the New York State Senate Standing Committees on
Crime Victims, Crime and Correction, Judiciary,
Codes, and Veterans and Military Affairs

Hearing on
IOLA and the Future of Civil Legal Services in New York State

December 9, 2009

I am Ann Lesk, President of the New York County Lawyers' Association (NYCLA), a 10,000-member bar association that for more than 100 years, has as part of its fundamental mission, a commitment to access to justice for all New Yorkers without regard to their resources.

I thank you for the invitation extended to NYCLA to address the crisis in funding for civil legal services in New York. A major contributor to this crisis is the fact that the Interest on Lawyer Account Fund of the State of New York (IOLA) has suffered a precipitous decrease as a result of the decline in the housing market and the sharp drop in interest rates. In December 2008, IOLA made grants totaling

more than \$31 million. For the next period, April 2010 through December 2010, I understand that less than one-quarter of this amount is expected to be available.

For more than two decades, IOLA has been a major source of funding for civil legal services in this State. Each year, staffed legal services programs provide vital legal services for tens of thousands of poorer New Yorkers facing legal problems involving housing, benefits, family relationships and other serious issues. IOLA funding has historically provided the legal services programs throughout the State with significant resources to tackle these fundamental legal problems facing their needy clients. For over 19 years, IOLA funding has provided NYCLA with resources to support its *pro bono* programs.

The drastic drop in funds available through IOLA comes at a time when the clients of the legal services programs face increased unemployment, increased foreclosure filings, increased bankruptcy filings, increased evictions and increased homelessness. I do not have access to statewide figures for the increase in demand for civil legal services, but one can get an idea from looking at NYCLA's experience with its *pro bono* programs. The number of persons we see in NYCLA's *pro bono* legal counseling clinic, which provides legal information and assistance in areas such as family, landlord/tenant, consumer bankruptcy and

employment law, has increased by more than 30 percent in the last year. At the same time, we have observed that the users of the legal counseling clinic now frequently seek advice on two or three issues, where in the past they generally presented only one issue.

We join with the legal services community and our sister bar associations in urging the Legislature to provide an emergency infusion of funds to IOLA in order to at least maintain funding for programs that are currently supported by IOLA grants. We note that Chief Judge Lippman has requested that the Legislature provide an allocation to the Judiciary Budget to supplement the drastically reduced IOLA revenues. It is our understanding that these funds would then flow to IOLA for its grant-making purposes. We strongly support Chief Judge Lippman's request.