

What else can I do to increase equal access to justice?

Contribute to the **Justice Gap Fund**. This legislatively authorized fund supports legal services for low-income Californians. In contributing to the fund, you are showing your commitment—as part of the legal profession—to greater access to justice.

Creating a more accessible justice system is our shared responsibility. With so many vulnerable Californians unable to pay for legal help, it is critical that lawyers provide both pro bono and financial assistance. To contribute to the Justice Gap Fund, mark your annual member fee statement or go to www.calbar.org/justicegapfund.

Additional information about your IOLTA obligation is available at the State Bar website at: www.calbar.org/iolta

For further information, contact the **Legal Services Trust Fund Program** 415-538-2046 or iolta@calbar.ca.gov.

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Legal Services Trust Fund Program
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- **Your interest enables our most vulnerable Californians to obtain healthcare, fight homelessness, and prevent domestic violence.**
- **Your interest builds partnerships that strengthen our communities.**
- **Your interest ensures that access to justice, the cornerstone of our democracy, can become a reality in California.**

CAN WE PEAK YOUR INTEREST?



The State Bar of California

Understanding Interest on Lawyers' Trust Accounts (IOLTA)

What is the Legal Services Trust Fund Program?

It is a program that was created by statute in 1982 to help fund legal services for indigent Californians. When lawyers hold client funds that are nominal in amount or held too briefly to earn interest or dividends for the client, they are required to place those funds in an Interest on Lawyers' Trust Account (IOLTA).

Those pooled funds earn interest that is remitted to the State Bar's Legal Services Trust Fund Program, which distributes the funds through grants to approximately 100 nonprofit legal aid programs throughout California.

Since 1984, more than \$350 million in IOLTA grants have been distributed to legal services programs. In 2008, \$12.2 million in IOLTA grants enabled services to many thousands of indigent and low-income individuals, people with disabilities, and seniors.

Why was the Legal Services Trust Fund Program developed?

The Legislature created the program in order to help indigent and low-income Californians who are unable to access and maneuver their way through the civil justice system. The legislation, which passed with bipartisan support, was seen as an ingenious way to fund a needed service at no cost to the public.

Public defenders are appointed to assist individuals who are facing criminal charges. Unfortunately many impoverished Californians face critical civil matters without any legal help at all. Imagine standing before a judge and asking for custody of your child without any knowledge of your family law rights or understanding of how the court system works, and without an attorney to help you.

Through IOLTA-funded programs, individuals and families can receive legal aid with respect to housing, health care, education, disability rights, elder abuse, domestic violence, child abandonment, and many other critical issues. Resolving such problems promotes family stability and economic self-sufficiency.

"Equal justice under law is . . . perhaps the most inspiring ideal of our society. It is one of the ends for which our entire legal system exists . . . it is fundamental that justice should be the same, in substance and availability, without regard to economic status."

Lewis Powell, Jr., U.S. Supreme Court Justice

Creating Access to Justice

Who benefits and receives funds from the IOLTA program?

Everyone. Everyone is entitled to equal justice, whether or not they can afford to pay for it. IOLTA grants help fund non-profit legal services and attorney *pro bono* programs that provide critical legal aid.

When individuals need legal help to avoid eviction, prevent domestic violence, claim earned wages, keep children in school, obtain health benefits—or when communities need help with economic development—California’s nonprofit Legal Aid programs are there. These services minimize social displacement and promote financial stability and, in doing so, benefit not only low-income clients but society as a whole.

In these extraordinarily difficult times, Legal Aid advocates play a key role in stabilizing families and helping communities address the impact of the worst recession most of us have ever seen. While legal help is needed now more than ever in these troubled economic times, the safety net is shrinking as state and local government is forced to cut back services, and IOLTA revenue decreases because of declining interest rates.

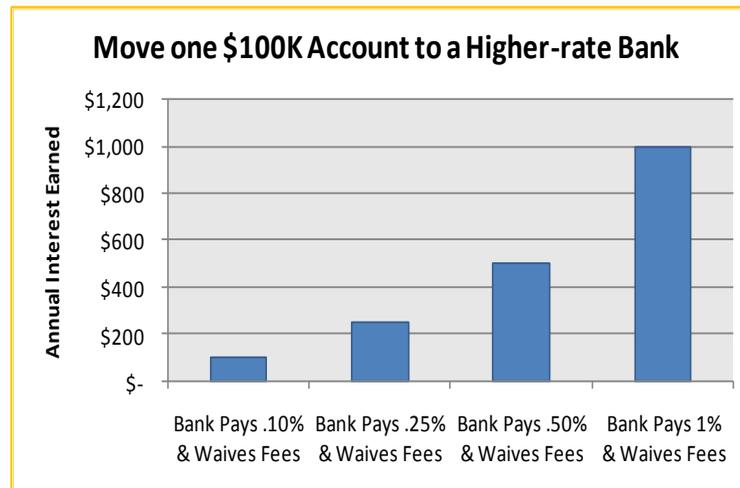
How can IOLTA funding be increased?

Attorneys and banks have the ability to make a substantial difference in the amount of funding generated by IOLTA interest. In 2007, legislators enacted AB 1723 to make sure IOLTA accounts are treated fairly: by law, banks must treat IOLTA accounts the same way that they treat similarly situated non-IOLTA accounts. In California, approximately 300 banks hold over 40,000 IOLTA accounts.

As you can see from the chart on the right, when banks choose to pay higher interest rates, they can make an enormous difference in IOLTA funding.

Attorneys who choose to bank at a financial institution that offers a higher rate of return provide much needed legal aid to people who otherwise would have nowhere to turn for help.

We appreciate the many banks that pay interest rates that are higher than that strictly mandated by law, or that waive fees—to the benefit of the IOLTA program. A few very special banks have opted to demonstrate their commitment to their communities by joining the ranks of Leadership Banks that “Peak their Interest” and currently pay at least 1% net yield on



IOLTA accounts or that make a million dollar annual difference in IOLTA revenue by paying a rate above their comparable rate.

The Legal Services Trust Fund Program thanks all eligible banks, but especially thanks all banks that opt to join

the ranks of “Leadership Banks.” We hope all attorneys will take a moment to ask their bank to join the banks that “Peak their Interest” or to thank their bank if it already is recognized as a Leadership Bank.

Legal aid is about making a difference in people’s lives. Here is one story:

Cathy is a mother of two and a domestic violence survivor. When she went to legal aid she had been suffering from three years of beatings from an abusive husband and felt frightened and overwhelmed. The legal aid advocates helped her find safe housing and develop a safety plan, arranged for evaluation for one of the children who showed signs of autism, and got support services for the family. Meanwhile, represented by the legal aid attorney, she won sole custody of her children, secured child and spousal support and obtained \$9,000 in housing funds. Cathy and her children have moved to permanent housing, the children are continuing with their counseling and treatment plans, and Cathy plans to return to school to become a pharmacist.

LEADERSHIP BANKS

The State Bar of California gratefully acknowledges the following Leadership Banks that support access to justice for all. As of October 1, 2010, these banks have agreed to “Peak their Interest” to fund vital legal aid to help individuals, families and communities.

- US Bank
- First Republic Bank
- First Commerce Bank
- Borel Private Bank & Trust
- Umpqua Bank
- Security Bank of California
- Center Bank
- Valley Business Bank
- Mission National Bank
- Santa Cruz County Bank
- Summit State Bank
- Bank of Sacramento
- PremierWest Bank
- Community Bank of San Joaquin
- Montecito Bank & Trust
- Bank of the Sierra
- Alta Alliance Bank
- Pan American Bank
- Americas United Bank
- Commercial Bank of California
- Bancorp Bank