

**Legal Services Trust Fund Commission
Year-to-Date Summary of Accomplishments – December 1, 2007**

Background

Committee Name: Legal Services Trust Fund Commission	
Chair:	Diane Bras
State Bar Staff:	Stephanie Choy, Managing Director Legal Services Trust Fund Program
Date:	January 31, 2008
<p>Committee Background and Responsibilities: The Board of Governors created the Legal Services Trust Fund Commission in 1982 to administer a statutorily-created program that receives interest on attorney-client trust accounts and distributes it in grants to legal aid offices. The Commission's responsibilities were expanded in 1999 to include administration of the Equal Access Fund, a state appropriation that also provides grants for legal services to the poor.</p> <p>In 2007, the Commission provided oversight for the distribution of \$28.2 million in grants to 97 legal services programs statewide. Its activities and decisions have a significant, ongoing effect on the availability and effectiveness of legal services to the poor in California.</p>	

Activities and Accomplishments

In 2007, members of the Yield Increase Committee of the Commission worked diligently to pass AB 1723, which amended the IOLTA statute to allow "sweep accounts" and provide for a comparability standard was passed by the legislature and signed by the Governor. This revenue enhancement project potentially will double or triple IOLTA yield. The Commission drafted new State Bar Rules to implement comparability, for which public comment will end on December 31. Revisions to the rule of court were undertaken. The Commission is also overseeing the drafting of new guidelines for Financial Institutions and Attorneys.

AB 2301, which was enacted in 2006 authorizing voluntary contributions to the Justice Gap Fund was also implemented, and the Commission began its oversight of this Fund.

The Commission continued administering the Equal Access Fund, which amounted to over \$16 million dollars. Pursuant to the State Budget Act of 2007, ten percent of the Fund are designated for the Partnership Grants, joint projects of the courts and legal services

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programs to make legal assistance available to pro per litigants. The remaining ninety percent are distributed consistent with Sections 6216 through 6223 of the Business and Professions Code.

The Commission oversaw the completion of 72 fiscal and programmatic monitoring visits.

The Commission reviewed applications for funding and determined eligibility for grants, reviewed proposed budgets for compliance with statutory requirements, approved the distribution of funds subject to the direction of the Board of Governors and the approval of the Judicial Council as appropriate, and made decisions as needed about grants administration. While there have been a number of decisions that required the Commission to apply the statute and guidelines to issues presented by specific applicants and recipients, there has not been a need to develop any new policies.

Partnership Grants are specifically identified in the state budget language for the Equal Access Fund. Funds are allocated for grants to legal aid offices to administer courthouse-based and court-supported projects that provide services to unrepresented litigants. The Commission continued to refine the Request for Proposals for Partnership Grants and further clarified its expectations regarding these proposals. Partnership Grants recipients conducted focus group evaluations of their projects as required by the Commission and the Administrative Office of the Courts.

Performance Indicators

The Commission's performance compares to the predicted indicators as follows:

1. The Commission did complete the grant year administration of 219 grants (97 IOLTA, 97 EAF, 25 Partnership) compared with the predicted 100 IOLTA, 100 EAF and 20 Partnership. (101 applications were received but in the course of application review, applicants withdrew or were found to not have met the requirements for grant funds.)
2. The Commission did notify all applicants for IOLTA funding of a decision as to their eligibility for the 2007-2008 grant year by April 2007.
3. The Commission did review proposed budgets and distribute grant funds for IOLTA and EAF in a timely manner.
4. The Commission did oversee on-site monitoring of 72 visits of recipient programs, 36 program and fiscal visits for the current year and 36 fiscal visits to catch up for the previous year.

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State Bar Strategic Goals and Strategies Furthered by Activities

The work of the Legal Services Trust Fund Commission particularly furthers the following goals and strategies:

- **Goal 3. All people have access to high quality legal services regardless of financial or other circumstances.**

Strategy 3.7, Funding for Legal Services. Maintain and increase the availability of legal services for indigent persons statewide by effectively administering and distributing funding through the Interest on Lawyer Trust Accounts program and the Equal Access Fund.”

- **Goal 4. The State Bar fulfills its mission through effective and supportive relationships with all stakeholders.**

Strategy 4.2, Court/Bar Collaboration. The Commission’s very close working relationship with the Judicial Council improves access to the legal system for low-income Californians. The Commission is also engaged with a broad group of statewide as well as national organizations that share similar goals of improving access to legal services for all people.