

*December 16, 2009 – Buffalo, NY*



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**THE LEAGUE  
OF WOMEN VOTERS**  
*of New York State*

**TESTIMONY ON IOLA AND**

**THE FUTURE OF CIVIL LEGAL SERVICES IN NEW YORK STATE  
SENATE STANDING COMMITTEE ON CRIME VICTIMS, CRIME AND CORRECTION  
SENATE STANDING COMMITTEE JUDICIARY  
SENATE STANDING COMMITTEE ON CODES  
SENATE STANDING COMMITTEE VETERANS AND MILITARY AFFAIRS**

**WEDNESDAY, DECEMBER 16, 2009  
UNIVERSITY AT BUFFALO LAW SCHOOL,**

**JOHN LORD O'BRIAN HALL, LETRO COURTROOM; 6:00P.M.**

Good evening, members of the Senate Committees and the public. I am Lenore Banks, Judicial Specialist for the League of Women Voters of New York State. Thank you for the opportunity to comment on IOLA and the Future of Civil Legal Services in New York State.

The League of Women Voters of New York State is a nonpartisan political membership organization that encourages informed and active participation in government, works to increase understanding of major public policy issues, and influences public policy through education and advocacy. The League has over fifty local Leagues statewide. It is celebrating its ninetieth anniversary and its current membership includes both men and women.

*December 16, 2009 – Buffalo, NY*

For three decades the League has actively engaged in support of the state's role in the funding of civil legal services for the most vulnerable of our population. We supported the establishment of IOLA in 1983, supported mandatory participation in 1988, and advocated for establishment of the Disabled Advocacy Program, and the Homeless Intervention Program. I have served on the board of Neighborhood Legal Services here in Erie County for a dozen years in the 1980s and 1990s so I am speaking from firsthand experience.

We in the League appreciate the efforts of the Senate, the Assembly and the Office of Court Administration to fill the gap left in IOLA funding due to this economic crisis. However, New York State legal service providers desperately need consistent and secure funding to effectively and efficiently meet the needs of the poor. We have become convinced of the need for a permanent funding source or sources.

## **THE NEED FOR SERVICES**

More than a decade ago, in May 1998, the *Legal Services Report to the Chief Judge* stated: "In recent times, only a fraction of the legal needs of the poor have been met, and the resources available to meet these needs have shrunk while the number of persons in need has grown." That was over a decade ago and today the funding situation is even worse. With interest rates at an historic low, it is estimated that funds generated through IOLA, the primary state level funding source will decrease 47 to 75 percent. The IOLA funds are drying up just when the needs of the poor for legal services are increasing. They need legal assistance to access their Unemployment Insurance Benefits, to stave off an eviction or foreclosure, to secure desperately needed Food Stamps, Public Assistance,

*December 16, 2009 – Buffalo, NY*

and Medicaid- not to mention the need for assistance with a whole range of family problems, including domestic violence, child custody, visitation, and support.

## **LEGAL SERVICE BENEFITS THE RECIPIENTS AND THE STATE**

What we found is these services work as a stabilizing force for the benefit of families and for the benefit of the state. The intervention of legal services helps to ensure that families receive the economic, medical, housing, educational, and social support benefits to which they are entitled, thereby minimizing physical and social upheaval and physical and psychological violence. By working with local social services offices, legal services can ensure that rent payments flow appropriately to landlords, avoiding evictions and costly shelter stays. By representing those who have been inappropriately denied or terminated from federal disability benefits, legal services is able to provide financial stability to low income families while at the same time helping to avoid unnecessary state welfare costs. By helping young mothers to secure the child support to which their children are entitled, legal services is able to provide some measure of economic security and again to help the family avoid the need for public assistance.

According to Anne Erickson, President and CEO of Empire Justice Center, "Civil legal services are incredibly effective at working with families to keep them in their homes by avoiding eviction or foreclosure--many of whom would have had nowhere to turn but a local homeless shelter.....Another way in which civil legal service programs provide substantial and immediate savings to state and local government is by working with families to stabilize their circumstances....for every child a legal

*December 16, 2009 – Buffalo, NY*

services program is able to help keep out the (foster) care system government will save an average of \$18,200 at bare minimum."

How have other states responded to the IOLA crisis?

Modern Courts and the Empire Justice Center are pursuing analyses of other states' efforts to address the underfunding of civil legal services in times of economic downturn. We look forward to their continuing research for applicability to New York State.

The common elements we discerned in the analyses of Pennsylvania, Ohio, Michigan and California (Modern Courts/ Testimony, DEC. 9, 2009) were the establishment of a permanent funding source based on increases in court fees or court fee surcharges to generate additional revenue. The problem here is to carefully select those fees which do not adversely impact on poor people's access to the courts in the drive to provide representation. We must avoid curtailing access to the court while funding increased access to representation.

We do appreciate the current efforts of the Senate and Assembly to provide civil legal services with money from the general fund and the Office of Court Administration's efforts to get \$15 million in the next budget. However, yearly battles over the budget do not provide the level of stability that a permanent funding source would provide.