

# **INTEREST ON LAWYER ACCOUNT**

## **MISSION**

The Interest on Lawyer Account (IOLA) was established in 1983 to finance civil legal services for the poor. Revenues are derived from the interest earned on small trust accounts which attorneys hold for their clients. Banks transfer the interest earned on these accounts to IOLA to fund grants to not-for-profit, tax-exempt entities providing civil legal services to the poor, elderly and disabled. Legislation enacted in 1988 made participation in IOLA mandatory for attorneys in private practice who hold nominal short-term escrow accounts for clients.

## **ORGANIZATION AND STAFFING**

A 15-member board of trustees appointed by the Governor administers IOLA. Board members serve without compensation. Day-to-day operations are handled by a workforce of seven located in New York City.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Executive Budget recommendations enable a grant level of up to \$15 million in each of calendar years 2000 and 2001, the specific amount being dependent upon actual revenue generated. Grant levels have been rising as a result of ongoing revenue maximization efforts including initiatives to reduce administrative costs at participating banks. Approximately \$3 million of the anticipated annual grants are contingent upon these initiatives to increase interest earnings.

## **PROGRAM HIGHLIGHTS**

At least 75 percent of the grant funds distributed by IOLA must be used to deliver civil legal services to the poor. The balance must be allocated to purposes related to the improvement of the administration of justice, including the provision of civil legal services to under served groups such as the elderly and disabled. In 2000, IOLA will award grants to an estimated 120 organizations.

<b>ALL FUNDS APPROPRIATIONS</b>				
<u>Category</u>	<u>Available 1999-00</u>	<u>Appropriations Recommended 2000-01</u>	<u>Change</u>	<u>Reappropriations Recommended 2000-01</u>
State Operations .....	\$1,119,900	\$1,158,000	+\$38,100	....
Aid To Localities .....	14,950,000	14,950,000	....	....
Capital Projects .....	....	....	....	....
Total .....	<u>\$16,069,900</u>	<u>\$16,108,000</u>	<u>+\$38,100</u>	<u>....</u>

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## **ALL FUND TYPES LEVELS OF EMPLOYMENT BY PROGRAM ANNUAL SALARIED POSITIONS**

2000-01 Recommended Average Fill Level

<u>Program</u>	<u>Available 1999-00</u>	<u>Personal Service (Regular)</u>	<u>Maintenance Undistributed</u>	<u>Total Recommended 2000-01</u>	<u>Change</u>
New York Interest on Lawyer Account Expendable Trust Funds .....	7	7	....	7	....
Total .....	7	7	....	7	....

## **STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS**

<u>Fund Type</u>	<u>Available 1999-00</u>	<u>Recommended 2000-01</u>	<u>Change</u>
Fiduciary Funds .....	\$1,119,900	\$1,158,000	+\$38,100
Total .....	\$1,119,900	\$1,158,000	+\$38,100

## **STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS**

<u>Program</u>	<u>Available 1999-00</u>	<u>Recommended 2000-01</u>	<u>Change</u>
New York Interest on Lawyer Account Expendable Trust Funds .....	\$1,119,900	\$1,158,000	+\$38,100
Total .....	\$1,119,900	\$1,158,000	+\$38,100

## **STATE OPERATIONS — OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2000-01 RECOMMENDED**

<u>Program</u>	<u>Total Amount</u>	<u>Change</u>	<u>Personal Service Amount</u>	<u>Change</u>
New York Interest on Lawyer Account .....	\$1,158,000	+\$38,100	\$484,600	+\$10,700
Total .....	\$1,158,000	+\$38,100	\$484,600	+\$10,700

<u>Program</u>	<u>Nonpersonal Service Amount</u>	<u>Change</u>
New York Interest on Lawyer Account .....	\$673,400	+\$27,400
Total .....	\$673,400	+\$27,400

## **AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS**

<u>Fund Type</u>	<u>Available 1999-00</u>	<u>Recommended 2000-01</u>	<u>Change</u>
Fiduciary Funds .....	\$14,950,000	\$14,950,000	....
Total .....	\$14,950,000	\$14,950,000	....

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**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS**

<u>Program</u>	<u>Available 1999-00</u>	<u>Recommended 2000-01</u>	<u>Change</u>
New York Interest on Lawyer Account			
Expendable Trust Funds .....	\$14,950,000	\$14,950,000	.....
Total .....	<u>\$14,950,000</u>	<u>\$14,950,000</u>	<u>.....</u>

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