

## Interest on Lawyer Account

### Mission

The Interest on Lawyer Account (IOLA) Fund was established in 1983 to finance civil indigent legal services. Revenues are derived from the interest earned on small trust accounts in which attorneys hold certain funds for their clients. Banks transfer the interest earned on these escrow accounts to the IOLA Fund to finance grants to not-for-profit, tax-exempt entities providing civil legal services to the indigent, elderly, disabled and others. Legislation enacted in 1988 made participation in IOLA mandatory for attorneys in private practice who hold nominal short term escrow accounts for clients. New 2007 regulations ensure that banking institutions pay a fair interest rate on IOLA escrow accounts; one that is not less than that paid on similar bank account types.

### Organization and Staffing

The IOLA Fund is administered by a Board of Trustees who are appointed by the Governor for three-year terms. One member of the board is appointed by the Governor to serve as Chair. The Board employs an Executive Director to serve as the chief administrative officer to supervise the implementation of regulations, coordinate the review of applications, and supervise additional staff.

### Budget Highlights

The FY 2020 Executive Budget recommends \$47 million All Funds, with a workforce of 9 FTEs, unchanged from FY 2019.

### Program Highlights

IOLA funds are distributed through two-year grants in two program areas:

- **Civil Legal Services (CLS) Grant** awards are made to qualified organizations that provide civil legal services in multiple substantive areas free of charge to low-income persons in a particular geographic service area. Awards in the CLS program are for general operating support for organizations providing direct civil legal assistance to the poor.
- **Administration of Justice (AOJ) Grant** awards are made to providers of legal services to underserved groups and other groups with special needs. In addition to legal services, this program supports training events, program innovations, alternative dispute resolution programs, volunteer lawyer programs and technology improvements that enhance legal service delivery.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available FY 2019	Appropriations Recommended FY 2020	Change From FY 2019	Reappropriations Recommended FY 2020
State Operations	2,039,000	2,039,000	0	0
Aid To Localities	45,000,000	45,000,000	0	0
<b>Total</b>	<b>47,039,000</b>	<b>47,039,000</b>	<b>0</b>	<b>0</b>

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

Program	FY 2019 Estimated FTEs 03/31/19	FY 2020 Estimated FTEs 03/31/20	FTE Change
New York Interest on Lawyer Account			
Special Revenue Funds - Other	9	9	0
<b>Total</b>	<b>9</b>	<b>9</b>	<b>0</b>

NYS DOB | FY2020 Executive Budget | Agency Appropriations  
**STATE OPERATIONS**  
**ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE**  
**APPROPRIATIONS**  
(dollars)

Fund Type	Available FY 2019	Recommended FY 2020	Change
Special Revenue Funds - Other	2,039,000	2,039,000	0
<b>Total</b>	<b>2,039,000</b>	<b>2,039,000</b>	<b>0</b>

**STATE OPERATIONS**  
**ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM**  
**APPROPRIATIONS**  
(dollars)

Program	Available FY 2019	Recommended FY 2020	Change
New York Interest on Lawyer Account			
Special Revenue Funds - Other	2,039,000	2,039,000	0
<b>Total</b>	<b>2,039,000</b>	<b>2,039,000</b>	<b>0</b>

**STATE OPERATIONS - OTHER THAN GENERAL FUND**  
**SUMMARY OF APPROPRIATIONS AND CHANGES**  
**FY 2020 RECOMMENDED**  
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
New York Interest on Lawyer Account	2,039,000	0	850,000	10,000
<b>Total</b>	<b>2,039,000</b>	<b>0</b>	<b>850,000</b>	<b>10,000</b>

Program	Nonpersonal Service	
	Amount	Change
New York Interest on Lawyer Account	1,189,000	(10,000)
<b>Total</b>	<b>1,189,000</b>	<b>(10,000)</b>

**AID TO LOCALITIES**  
**ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE**  
**APPROPRIATIONS**  
(dollars)

Fund Type	Available FY 2019	Recommended FY 2020	Change
Special Revenue Funds - Other	45,000,000	45,000,000	0
<b>Total</b>	<b>45,000,000</b>	<b>45,000,000</b>	<b>0</b>

NYS DOB | FY2020 Executive Budget | Agency Appropriations  
**AID TO LOCALITIES**  
**ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM**  
**APPROPRIATIONS**  
 (dollars)

Program	Available FY 2019	Recommended FY 2020	Change
New York Interest on Lawyer Account			
Special Revenue Funds - Other	45,000,000	45,000,000	0
<b>Total</b>	<b>45,000,000</b>	<b>45,000,000</b>	<b>0</b>

Note: Most recent estimates as of 1/15/2019