

April 13, 2021

Hon. Nancy Skinner
Chair, Senate Budget and Fiscal Review Committee
State Capitol, Room 5094
Sacramento, CA 95814

Hon. Phil Ting
Chair, Assembly Budget Committee
State Capitol, Room 6026
Sacramento, CA 94249

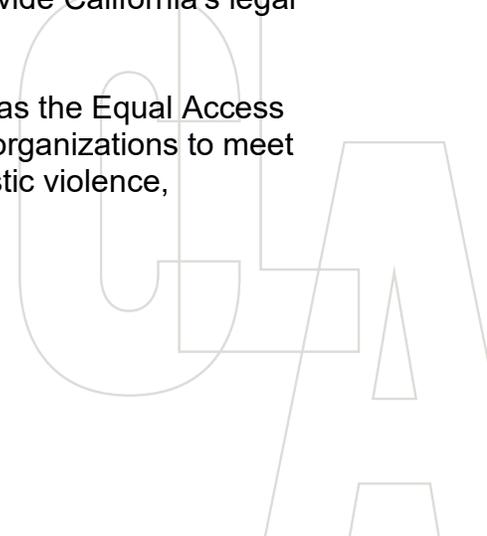
Re: Funding for Legal Services – Equal Access Fund

Dear Senator Skinner and Assemblymember Ting:

We are writing on behalf of the California Lawyers Association (CLA) in support of critical funding for legal aid organizations to provide direct services to low-income Californians. The primary source of funding for these legal services is Interest on Lawyers' Trust Accounts (IOLTA). Under the IOLTA program, the State Bar of California distributes funds to legal aid organizations. This amount has declined precipitously because of the lowering of interest rates. In 2019, the IOLTA revenue that the State Bar received to distribute to legal services was around \$46 million. In 2020, this amount dropped to \$26 million, and in 2021 it is projected to fall to \$20 million.

A decrease in IOLTA funding will result in a dramatic reduction in funding for legal aid at precisely the time when it is most needed to serve California's most vulnerable population. While legal aid nonprofits in California receive funding from other sources, IOLTA is the bedrock of funding for over 100 nonprofits that comprise California's legal safety net. These legal aid organizations assist hundreds of thousands of low-income seniors, veterans, and people with disabilities each year in critical areas such as housing, employment, health, and family law. Any decrease in IOLTA funding means a decrease in the capacity and resources available to those who provide California's legal safety net.

Without a supplemental influx of funding from other sources, such as the Equal Access Fund, there will be a significant reduction in the ability of legal aid organizations to meet the growing demand for legal services to address evictions, domestic violence,



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consumer debt, public benefits denials, and other issues. CLA strongly supports the budget request for \$20 million for the Equal Access Fund to assist in serving these needs.

We appreciate your consideration of this budget request.

Sincerely,



Ona Alston Dosunmu
C.E.O. & Executive Director



Emilio Varanini
President