

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 eight located in New York City.

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

Budget recommendations enable a grant level of \$15 million in each of calendar years 1999 and 2000 dependent upon revenue generating efforts. Grant levels continue to rise as a result of ongoing revenue maximization efforts including initiatives intended to reduce administrative costs at participating banks. Approximately \$4 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 1999, IOLA will award grants to an estimated 120 organizations.

<u>Category</u>	ALL FUNDS APPROPRIATIONS			
	<u>Available 1998-99</u>	<u>Appropriations Recommended 1999-00</u>	<u>Change</u>	<u>Reappropriations Recommended 1999-00</u>
State Operations	\$1,016,000	\$999,900	-\$16,100
Aid To Localities	14,950,000	14,950,000
Capital Projects
Total	\$15,966,000	\$15,949,900	-\$16,100

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ALL FUND TYPES LEVELS OF EMPLOYMENT BY PROGRAM ANNUAL SALARIED POSITIONS

Program	1999-00 Recommended Average Fill Level				Change
	Available 1998-99	Personal Service (Regular)	Maintenance Undistributed	Total Recommended 1999-00	
New York Interest on Lawyer Account					
Fiduciary Funds	9	8	8	-1
Total	9	8	8	-1

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS

Fund Type	Available 1998-99	Recommended 1999-00	Change
Fiduciary Funds	\$1,016,000	\$999,900	-\$16,100
Total	\$1,016,000	\$999,900	-\$16,100

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS

Program	Available 1998-99	Recommended 1999-00	Change
New York Interest on Lawyer Account			
Fiduciary Funds	\$1,016,000	\$999,900	-\$16,100
Total	\$1,016,000	\$999,900	-\$16,100

STATE OPERATIONS — OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 1999-00 RECOMMENDED

Program	Total		Personal Service	
	Amount	Change	Amount	Change
New York Interest on Lawyer Account				
Account	\$999,900	-\$16,100	\$473,900	-\$16,200
Total	\$999,900	-\$16,100	\$473,900	-\$16,200

Program	Nonpersonal Service Amount	Change
New York Interest on Lawyer Account		
Account	\$526,000	+ \$100
Total	\$526,000	+ \$100

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AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS

<u>Fund Type</u>	<u>Available 1998-99</u>	<u>Recommended 1999-00</u>	<u>Change</u>
Fiduciary Funds	\$14,950,000	\$14,950,000
Total	<u>\$14,950,000</u>	<u>\$14,950,000</u>	<u>. . . .</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS

<u>Program</u>	<u>Available 1998-99</u>	<u>Recommended 1999-00</u>	<u>Change</u>
New York Interest on Lawyer Account Fiduciary Funds	\$14,950,000	\$14,950,000
Total	<u>\$14,950,000</u>	<u>\$14,950,000</u>	<u>. . . .</u>