



# American College of Trial Lawyers

FOR IMMEDIATE RELEASE

## **Statement of the Downstate New York Committee of the American College of Trial Lawyers Regarding Governor Kathy Hochul’s Proposed Attempt to Divert \$55 Million from the IOLA Fund of New York State**

NEW YORK, NEW YORK (April 24, 2024) – The Downstate New York Committee of the American College of Trial Lawyers (ACTL) joins numerous bar associations and the IOLA Board in announcing its opposition to New York Governor Kathy Hochul’s unprecedented proposal in the most recent round of state budget discussions to divert \$55 million from the Interest on Lawyer Account (IOLA) Fund of New York State. IOLA was created in 1983 as a dedicated fund designed to provide financial support to civil legal service organizations. The program requires NY attorneys to deposit funds received from clients either in interest bearing accounts for the benefit of the clients or in interest bearing IOLA accounts, pursuant to NY Judiciary Law § 497. The interest on IOLA accounts is pooled and provides money for grants made by the Board of Trustees of the IOLA Fund to non-profit civil legal services providers across New York State. IOLA currently supports 81 non-profit legal organizations in every region of New York State to serve low-income New Yorkers. Every state in the United States, along with the District of Columbia and the Virgin Islands operates a similar program.<sup>1</sup>

The Mission Statement of the American College of Trial Lawyers (ACTL) states our strong support for “. . . access to justice, and fair and just representation of all parties to legal proceedings.” ACTL Fellows include prosecutors, defense counsel, civil practitioners, and members of the judiciary. Governor Hochul’s plan to sweep \$55 million from the IOLA Fund will put numerous IOLA grantees’ programs at risk and sets a dangerous precedent for the future of the IOLA Fund. While the causes to which the funds are being diverted (Homeowner Protection Program and the Emergency Rental Assistance Program) are worthy, they were previously independently funded. There is no justification to now fund those causes out the IOLA Fund to the detriment of the important services provided by organizations the Fund supports. This unprecedented proposal would put further stress on programs working to provide legal services to New Yorkers in need. We urge Governor Hochul to reverse course and remove any plan to divert money from the IOLA Fund.

### **About the American College of Trial Lawyers**

The American College of Trial Lawyers is composed of preeminent members of the trial bar from the United States and Canada and is recognized as the leading trial lawyer’s organization in both countries. Founded in 1950, the College is an invitation only fellowship. The College thoroughly investigates each nominee for admission and selects only those who have demonstrated the very highest standards of trial advocacy, ethical conduct, integrity, professionalism, and collegiality. The College is dedicated to maintaining and seeking to improve the standards of trial practice, professionalism, ethics, and the administration of justice through education and public statements on important legal issues relating to its mission. The College strongly supports the independence of the judiciary, trial by jury, respect for the

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<sup>1</sup> See <https://www.iola.org/about-iola>.



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rule of law, access to justice, and fair and just representation of all parties to legal proceedings. For more information about the College, visit its website at [www.actl.com](http://www.actl.com).

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