



**TO: MEMBERS OF THE JUDICIARY COMMITTEE**  
**FROM: CONNECTICUT BAR FOUNDATION**  
**DATE: APRIL 9, 2007**

**RE: OPPOSITION TO SENATE JOINT RESOLUTION NO. 32 –  
RESOLUTION PROPOSING AN AMENDMENT TO THE STATE  
CONSTITUTION CONCERNING THE PRACTICES AND  
PROCEDURES OF THE COURTS.**

The Connecticut Bar Foundation respectfully opposes Senate Joint Resolution No. 32, which would require the practices and procedures of the courts to be established by statute.

- The Connecticut Bar Foundation, established in 1952, is a non-profit organization which develops and administers programs to enhance understanding and improvement of the law and legal institutions, provides grants for legal research, and sponsors educational symposia. The Foundation administers the Interest on Lawyers' Trust Accounts (IOLTA) program which provides funds for the delivery of legal services for the poor and for law school scholarships based on financial need for Connecticut students attending schools in the state.
- The Interest on Lawyers' Trust Accounts program was established by the Legislature in 1984 to assist in the delivery of legal services to the poor. General Statutes 51-81c (a) states: "The interest earned on such accounts shall be paid to an organization qualified under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, which shall be designated to administer the program by the judges of the Superior Court pursuant to subsection (b) of this section." General Statutes 51-81c (b) states: "The judges of the Superior Court shall adopt rules to implement the program for the use of interest earned on lawyers' clients' funds accounts, provided nothing in this section shall grant to the judges of the Superior Court or any other judicial authority any legislative, regulatory or rule-making authority over banks, insurance companies or other financial institutions."

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- The Connecticut Bar Foundation was designated by the judges of the Superior Court in 1985 to administer the program. In 1989, IOLTA became a mandatory program and was amended to include law school scholarships based on financial need to students attending law schools in Connecticut. The statute was amended in 2005 to include funds from all entities "...having accounts established to receive loan proceeds from a mortgage lender" (Interest on Trust Accounts - IOTA).
- Since the IOLTA/IOTA program began, the Foundation has distributed \$118,618,641 pursuant to the Statute -- \$114,982,702 for legal services for the poor and \$3,635,939 for scholarships. The Foundation granted an additional \$11,746,913 for 2007.

We believe that the success of the IOLTA program in Connecticut is due in large part to the work of the judges of the Superior Court to ensure that licensed attorneys uphold the highest ethical standards. The judges have implemented the provisions of General Statutes 51-81c of the Connecticut General Statutes in a manner that protects the interests of lawyers' clients. We are pleased that the judges' rule-making process is now open to the public. Through their rule-making authority, the judges have provided needed funds to improve access to justice for thousands of low income residents in Connecticut. The interrelationship of the statutory authority of the legislature and the rule-making authority of the judges works very well for the IOLTA program in Connecticut.

The Connecticut Bar Foundation respectfully requests the Judiciary Committee to reject Senate Joint Resolution No. 32. We thank you for your consideration of our position.