

**TESTIMONY OF HUGH MACGILL, PRESIDENT,
CONNECTICUT BAR FOUNDATION
FEBRUARY 9, 2010**

My name is Hugh Macgill and I am the President of the Connecticut Bar Foundation, the non-profit agency designated by the judges of the superior court to administer the Interest on Lawyers' Trust Accounts (IOLTA), Judicial Branch Grants in Aid (JBGIA), Court Fees Grants in Aid (CFGIA) programs in Connecticut.

The Foundation requests that the committee increase funding for the Judicial Branch and add funding for legal aid in a separate line item. The cuts to the Judicial Branch OE proposed by the Governor would exacerbate the crisis in legal aid for low-income people in Connecticut.

- IOLTA. Funding for legal services from the IOLTA program has collapsed. IOLTA revenue decreased from \$20,764,522 in 2007 to \$8,254,577 in 2008, to \$4,085,088 in 2009. The factors that caused this catastrophic decrease are (1) the precipitous decline in bank interest rates, (2) the impact of the economic downturn on balances in lawyers' clients' accounts, and (3) the horrific fall of the real estate market in Connecticut. Unfortunately, many economists project a continuation of these factors for at least the next 12 months.
- JBGIA. Last year the Foundation received \$1,000,000 from the Judicial Branch for legal services. There has been no funding for the program since July 1, 2009.
- CFGIA. Funding from this program has ameliorated the shortfall to some degree, but the future revenue from these court fees is heavily dependent on foreclosures and may decrease if foreclosure rates decline.
- The need for basic civil legal aid for our most vulnerable residents during these bad economic times is increasing dramatically. Requests for help for tenants confronted with homelessness as a result of foreclosures, victims of domestic violence, children with special needs and health issues, senior citizens, and people with a variety of disabilities are among the issues that confront the low-income community every day, and the resources to help with these needs have been dramatically reduced, thus increasing the work load of numerous agencies of the state and local governments. A survey commissioned by the CBF and conducted by the University of Connecticut Center for Survey Research prior the economic downturn, indicated massive unmet need for legal services. As we enter 2010, the need is much greater.

We understand these are difficult economic times for Connecticut, but we believe that funding for legal aid is necessary to provide assistance to the increasing numbers of low-income people.

Thank you for your consideration.