



**STATE OF CONNECTICUT
JUDICIAL BRANCH**

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**Testimony of the Honorable Patrick L. Carroll III
Judiciary Committee Public Hearing
March 10, 2014**

S.B. 31, An Act Concerning Continued Delivery of Legal Services to the Poor

Senator Coleman, Representative Fox, Senator Kissel, Representative Rebimbas and members of the Judiciary Committee, thank you for the opportunity to submit written testimony, on behalf of the Judicial Branch, in support of **S.B. 31, *AAC Continued Delivery of Legal Services to the Poor***.

The Judicial Branch supports this proposal, which will help ensure that organizations providing legal services for indigent persons continue to be funded. Currently, three funding streams support legal services to the poor in Connecticut: Interest on Lawyers Trust Accounts (IOLTA), general fund appropriations and a portion of court fees. For a significant period of time, IOLTA was the single source of financial support for legal services, until the national credit crisis, lower interest rates, and changes in real estate practices dramatically reduced the amount generated. The Connecticut General Assembly replaced a portion of the lost funds by establishing a dedicated line item in the Judicial Branch operating budget for legal services. That line item is funded at \$1,660,000 for FY14 and FY15. Additionally, in 2009, and again in 2012, the Legislature increased certain court fees and directed that a portion of the revenues realized from those increases be used to fund legal services organizations.

Governor's Bill 31, *An Act Concerning Continued Delivery of Legal Services to the Poor*, increases the funding administered through the Connecticut Bar Foundation for legal service organizations and decreases the funding available to the Judicial Branch for the Data Processing Revolving Fund. Currently, 100% of the fee increases specified in P.A. 09-152 are directed to the Connecticut Bar Foundation. P.A. 12-89 further increased fees, and required that every

quarter, seventy percent (70%) of the amount of the fee increase be directed to the Connecticut Bar Foundation for legal services, and thirty percent (30%) to the Judicial Branch for its Data Processing Revolving Fund. The Data Processing Revolving Fund provides funding for important information system improvement projects such as E-filing, For the Record (FTR) digital records, electronic Courtroom Sound System Upgrades, System upgrades for the Civil, Criminal Motor Vehicle and Family systems, and other initiatives.

This bill changes the split between the Connecticut Bar Foundation and the Judicial Branch Data Processing Fund for excess fees generated under P.A. 12-89 from 70%/30% to 95%/5%. The impact of this proposed change is noted below.

P.A. 09-152 will generate an estimated \$7,672,040 in FY 14, all of which will be directed to the Connecticut Bar Foundation to fund legal service organizations. P.A. 12-89 will generate an estimated \$6,675,320 in FY 14. Under the current 70%/30% split, \$4,672,724 would go to the Bar Foundation and \$2,002,596 would go to the Judicial Branch Data Processing Fund. Should this bill pass, those amounts will be as follows: \$6,341,554 will go to the Bar Foundation, and \$333,766 to the Judicial Branch Data Processing Fund.

Despite the fact that the Judicial Branch will lose revenue under this proposal, we urge the Committee to act favorably on it. This is because we recognize the importance of a reliable funding stream for organizations that provide legal services for the indigent.