



Judicial Council of California

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May 16, 2007

Hon. Dave Jones, Chair
Assembly Judiciary Committee
State Capitol, Room 3146
Sacramento, California 95814

Subject: AB 1723 (Committee on Judiciary), as amended May 2, 2007 - Support

Dear Assembly Member Jones:

The Judicial Council supports AB 1723, which requires banks that hold interest on lawyer trust accounts (IOLTA) to allow those accounts to participate in higher-paying investment products, or receive an interest rate that is comparable to the rates paid by those investment products.

The council supports AB 1723 because it will promote meaningful access to the courts by expanding the available pool of legal services for the poor. The council has been a strong advocate for enhanced legal services funding, most notably through its support for the creation of the Equal Access Fund (EAF), as well as ongoing efforts to secure additional funding for the EAF from the General Fund and through civil filing fees. Many Californians cannot afford legal representation and are unable to obtain appropriate relief because existing legal services resources are not adequate to meet the demand for those services. The council has taken steps improve the availability of resources for self-represented litigants to proceed on their own, but there are many litigants whose cases are too complex for self-representation to be effective.

AB 1723 is estimated to more than double the amount of funding available for these programs from IOLTA at no cost to the state General Fund. If AB 1723 is enacted, California will join

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eleven other states which have already adopted IOLTA comparability legislation, rules, or policies. Expanding the reach of legal services for the poor will not only benefit those who are able to obtain legal assistance, but will also benefit the courts by alleviating some of the burdens imposed by litigants who are currently forced to represent themselves. Courts work most effectively and efficiently when both parties to a case have competent representation. AB 1723 will be of significant value in providing representation to a larger share of California's poor who need legal assistance.

For these reasons, the Judicial Council supports AB 1723.

Sincerely,

Tracy Kenny
Attorney

TK/yt

cc: State Bar of California

Mr. Eric Csizmar, Deputy Legislative Affairs Secretary, Office of the Governor

Mr. Brent Jamison, Acting Director of Legislation, Governor's Office of Planning and Research