

Newly Released Poverty Figures Bring New Urgency For Adequate Funding For Texas Legal Aid System

By Texas Supreme Court Justice
Nathan L. Hecht

Recently released statistics by the U.S. Census Bureau confirm what many already suspected: the number of Americans struggling to survive and raise families with incomes below the poverty level continues to rise. According to the Census, 14.3 percent of Americans live in poverty. Texas' poverty rate is even higher, at 17.3 percent, and is the sixth-highest in the nation. Nearly 1.8 million Texas children—over 25 percent—live in poverty.

The recession has lasted longer than many experts had predicted, and poor Texans have been disproportionately affected. Many need help with basic civil legal issues impacting their very existence: foreclosures, employment disputes, domestic violence, and benefits to veterans and the elderly. Currently in Texas, there are 5.7 million people who qualify for legal aid.

Legal aid organizations help more than 100,000 low-income Texas families each year, yet there is only one legal aid lawyer for

every 10,838 Texans who qualify. Due to a lack of resources, only about 20-25 percent of the civil legal needs of low-income and poor Texans are being met.

Those of us who are involved in the legal system know first-hand how important these services are to so many vulnerable Texans who are struggling during these difficult times.

Unfortunately, a primary source of legal aid funding, Interest on Lawyers' Trust Accounts (IOLTA), has declined significantly during the recession as a result of historically low interest rates. IOLTA revenues have plummeted from \$20 million in 2007 to just over \$5 million in 2009, resulting in a crisis in legal aid funding for the state. In 2010, IOLTA revenues are projected to remain flat at just over \$5 million. The devastating effect of a nearly 73 percent drop in funding from IOLTA since 2007 continues to reduce critical resources for legal aid.

The Texas Legislature provided much-needed financial support last Session which helped keep

women and children safe from abuse and kept families in their homes. The funds temporarily bridged the gap created by the economic crisis, with measures to provide resources to legal aid, including an appropriation of \$20 million. Texas lawyers have also stepped up to support legal aid, through pro bono work and donations. Financial institutions, by participating in the Prime Partner Program and paying higher than required interest rates on IOLTA accounts, also play a critical role in supporting legal aid.

The upcoming Legislative Session will present many serious fiscal challenges, but access to justice should not be denied to our fellow Texans. The Texas Supreme Court, Texas Access to Justice Foundation and the Texas Access to Justice Commission urge the State of Texas to continue to provide funding for legal aid providers who are many times the only safety net for poor Texans struggling to survive these difficult times.