



Supreme Court of Illinois

Joseph R. Tybor
Director of Communications

222 North LaSalle Street, 13th Floor
Chicago, Illinois 60601
Telephone (312) 793-2323
Mobile (312) 636-0479
Fax (312) 793-0871

June 5, 2012

ILLINOIS SUPREME COURT INCREASES REGISTRATION FEES FOR ATTORNEYS TO HELP FUND LEGAL SERVICES FOR POOR

The Illinois Supreme Court announced Tuesday an increase in the annual registration fee for attorneys practicing in Illinois to fund an important goal — providing legal services in non-criminal cases to those below or near the poverty line.

The Supreme Court also announced that retired judges who wish to remain active on the state roll of attorneys will no longer be exempt from paying the attorney license registration fee.

Under amended Supreme Court rules, the annual registration fee will increase from \$289 to \$342—an increase of 14½ cents per day. The entire \$53 increase will be remitted to the Lawyers Trust Fund, which contributes to agencies in Illinois that provide legal services to the poor.

“Since its inception, the Lawyers Trust Fund has been integral in providing access to our system of justice to those who can least afford it,” said Chief Justice Thomas L. Kilbride. “It is a very important goal and even more so in these economic times. It demonstrates a clear commitment by the full Court to continue to encourage attorneys in Illinois to assume responsibility for those unable to afford legal services.”

Even with the increase in fees, Illinois will rank in the bottom half of the states and the District of Columbia in the amount it assesses in licensing fees and dues. Connecticut is the highest with a total fee of \$675 annually; Indiana and Maryland are the lowest with an annual fee of \$145.

The Lawyers Trust Fund of Illinois (LTF) receives its revenue from two sources: a portion of the licensing fee and the interest on pooled funds that attorneys are required to hold for clients while matters are pending. Under the rules changes, the amount remitted to the LTF will increase from \$42 to \$95.

The increase is necessary to offset the dramatic decline in interest rates that banks have been paying on the pooled trust funds. Because of the continuing weak economy, that interest rate averaged about one-half of one percent in 2011, and is even lower now.

As recently as 2008, LTF received more than \$17 million in interest from the trust accounts. This year, it is estimated LTF will receive \$2.7 million in interest from the trust accounts.

MORE

Supreme Court Increases Registration Fees to Help Fund Legal Services Add One

The increase in the licensing fee will add an estimated \$3.5 million to LTF revenues, said Ruth Ann Schmitt, executive director of LTF.

“It’s fortunate for all the citizens of Illinois that their Supreme Court recognizes the importance of access to the courts, especially for the growing numbers of those hardest hit in this difficult economy,” said Ms. Schmitt. “With the continued weakness in the economy, the average interest rate banks are giving on pooled trust accounts is now under two-tenths of one percent.

“Cuts at the federal and state levels are taking more than an additional \$2 million away from legal aid programs in the state,” she said. “Before the Supreme Court’s action, we were planning to reduce grants by 40 percent over the next three years beginning with a \$1 million cut to grants in July.”

Helen E. Ogar, president of the Lawyers Trust Fund, also cited the need for the increase noted by the Supreme Court.

“We are grateful that the Supreme Court recognizes that 3½ years of ultra-low interest rates mean there are simply fewer dollars to support legal aid in Illinois,” Ms. Ogar said. “The Court’s action will ensure that Illinois continues to have a strong legal aid system to help maintain access to the justice system, especially for those hardest hit by the economy.”

The LTF is a non-profit foundation. It was established by the Chicago and Illinois State Bar Associations in 1983 and designated by the Supreme Court to administer the funds received from the interest on lawyer pooled client accounts, known as IOLTA.

Since 1983, LTF has made more than \$105 million in grants to non-profit legal aid organizations in Illinois. In the current year, LTF will distribute \$7.7 million in grants to 29 legal aid organizations with offices in 18 counties throughout the state. In 2010, these organizations provided services in more than 175,000 cases.

LTF grants have made up 19 percent of the budget of Prairie State Legal services and 23 percent of the budget of the Land of Lincoln Legal Assistance Foundation, two major downstate legal aid programs in Illinois. It provides 32 percent of the budget of Chicago Volunteer Legal Services, the largest pro bono program in Illinois.

With the downturn in the economy continuing, Ms. Schmitt notes a sustained increase in the demand for legal services provided by these agencies. According to 2011 statistics, she said more than 2.8 million Illinoisans live at or below 150 percent of the poverty level—the income eligibility threshold for legal aid.

Chief Justice Kilbride, who serves as the Supreme Court liaison to the LTF, has long been an advocate of greater access to justice. In 2001, the Supreme Court, at his suggestion, formed a Special Committee to study and make recommendations on how to encourage every practicing attorney in the state to render some form of free legal work to those who cannot afford to pay for legal services. As a result, the volume of pro bono work must be reported by each Illinois attorney upon the annual renewal of attorney registration.

MORE

Supreme Court Increases Registration Fees to Help Fund Legal Services Add Two

He also knows firsthand the need for and difficulty in providing legal aid. His first job as an attorney was with Prairie State Legal Services.

Justice Rita B. Garman also served in providing legal services to the poor during her legal career.

The Supreme Court announced the changes for attorneys and retired judges by amending Supreme Court Rule 756.

--30—

**(FOR MORE INFORMATION, CONTACT: Joseph Tybor, director of communications to the
Illinois Supreme Court, at 312.793.2323)**