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February 13, 2024

Hon. Kathy Hochul Governor State of New York NYS Capitol Building Albany, NY 12224

Dear Governor Hochul,

I write to share my strong opposition to transferring \$100 million from the Interest on Lawyer Account (IOLA) Fund to the State General Fund in the FY25 budget. The decision will have an outsized negative impact on New York City residents living below the poverty line who rely on legal services organizations in their most vulnerable moments.

Civil legal service providers are already underfunded and experiencing record demand. In FY23, IOLA grantees closed over 307,000 cases benefitting more than 639,000 New Yorkers, the vast majority of whom faced challenges involving food, shelter, jobs, access to health care and education.

Further, according to the 2023 IOLA annual report, direct benefits and savings to New Yorkers topped \$1.8 billion, while the avoidance of emergency shelter and domestic violence related costs saved communities across the state over \$485 million. When combined with the "Economic Multiplier Effect," or the economic stimulus of federal funds brought into the state from elsewhere, the total economic benefit of the work accomplished by IOLA-funded grantees was over \$3.55 billion.

Non-taxpayer dollars derived from interest on attorney escrow accounts must remain earmarked exclusively to support civil legal services.

Thank you for your attention to this issue.

Sincerely,

Council Member Gale A. Brewer