

## President's Message

### Banks and the Legal Community: A Unique Partnership

By Judge (Ret.) John C. Davidson, 2024-25 LBF President

For many of us in the legal community, IOLTA is a familiar acronym that stands for Interest on Lawyers Trust Accounts. For those who are unfamiliar with it, here's how it works.

Lawyers routinely receive client funds that are held in trust accounts for future use. When the amount is substantial or intended to be held for an extended period, these funds are placed in interest-bearing accounts to benefit the client. When it is not feasible for client funds to earn income individually, they are deposited into a pooled account known as an IOLTA Account. On Jan. 14, 1985, the Louisiana Supreme Court (LASC), by a unanimous decision, approved and ordered a voluntary IOLTA program. On Dec. 13, 1990, the Court converted the voluntary program to a mandatory one, effective Jan. 1, 1991. The Louisiana Bar Foundation (LBF) administers the IOLTA Program on behalf of the LASC.

Access to an attorney is not a fundamental right in civil matters. The funds generated by the IOLTA program help overcome the barriers to civil legal representation. On behalf of the LBF, and me personally, I would like to thank the LASC for its unwavering commitment to providing access to civil legal aid for everyone, including those who lack the means to hire an attorney. Our Justices lead by example

in supporting the work necessary to meet the civil legal needs of our underserved people.

The LASC order provides that all attorneys in the IOLTA program must place all client's deposits that are "nominal in amount or to be held for a short period of time" in the interest-earning IOLTA account. The interest generated from these trust accounts is directed to the LBF. The LBF then awards grants to qualifying organizations, including legal service corporations, pro bono programs, battered women shelters, and numerous other community organizations that provide civil legal aid to Louisiana's low-income citizens.

The LBF IOLTA Program is a unique and innovative way to increase access to justice for individuals and families living in poverty. Without imposing taxes on the public or incurring costs for lawyers or their clients, the interest earned on specific funds in lawyers' trust accounts is used to fund civil legal aid and support improvements in the justice system. Since the attorney may not ethically receive the interest, and since neither the attorney nor the bank can practically allocate to multiple clients small amounts of interest, the interest is paid by the financial institution to the LBF.



Judge (Ret.) John C. Davidson

This unique partnership between the banking and legal communities enhances our ability to meet the growing need for free civil legal aid to the poor.

The LBF Grants Committee reviews and evaluates grant applications then makes recommendations to the LBF Board of Directors. Grant applications for 501c3 organizations that lead community-driven efforts to help families facing non-criminal, civil legal challenges opened Oct. 1 and will close on Dec. 2, 2024. Applications ARE on our website, [www.raisingthebar.org](http://www.raisingthebar.org). Moreover, there is still time for you to join the LBF and participate on the Grants Committee and be at the table when the grant decisions are made.

Some financial institutions go above and beyond the minimum requirements of the program by choosing to pay 60% of the federal funds rate on all IOLTA accounts. We refer to them as our Prime Partner financial institutions. They are committed to the success of the IOLTA Program. Our statewide Prime Partner banks are Chase, First Horizon, Hancock Whitney and Regions. A list of local Prime Partner banks is on the LBF website, [www.raisingthebar.org](http://www.raisingthebar.org).

Visit our website at [www.raisingthebar.org](http://www.raisingthebar.org) or contact us at (504)561-1046 if you are interested in finding out how you can support our mission.

## LBF Sets Application Deadlines for 2025-26 Grants and Programs

The Louisiana Bar Foundation (LBF) has set application deadlines for 2025-26 Annual/Sustaining Grants, the Loan Repayment Assistance Program and the Kids' Chance Scholarship Program.

Annual/Sustaining Grant applications will be accepted from Oct. 1 through Dec. 2, 2024. Grants are available to 501(c)(3) organizations that lead community-driven efforts to help families facing non-criminal, civil legal challenges. Access the grant portal at: <https://webportalapp.com/sp/login/lbfgrants>. Applications also will be avail-

able online at: [www.raisingthebar.org](http://www.raisingthebar.org).

Applications for 2025-26 Loan Repayment Assistance (LRAP) Program funding will be available online from Dec. 2, 2024, through Feb. 14, 2025. LRAP provides forgivable loans of up to \$5,000 per year to attorneys working in a public interest position. For more information on LRAP, email Renee LeBoeuf at [renee@raisingthebar.org](mailto:renee@raisingthebar.org) or go online: <https://raisingthebar.org/loan-repayment-assistance-program/>.

Applications for the 2025-26 academic

year for the LBF Kids' Chance Scholarship Program will be accepted online from Dec. 2, 2024, through Feb. 14, 2025. Kids' Chance Scholarships are for dependents of Louisiana workers who have been killed or permanently and totally disabled in an accident compensable under a state or federal Workers' Compensation Act or law. For more information on Kids' Chance, email Renee LeBoeuf at [renee@raisingthebar.org](mailto:renee@raisingthebar.org) or go online: <https://raisingthebar.org/kids-chance-scholarship-program/>.