

Summer 2010



Points of Interest

POINTS OF INTEREST is the newsletter of the Tennessee Bar Foundation and IOLTA program (Interest On Lawyers' Trust Accounts)

Legal Aid of East Tennessee Helps the Helpless

by David Laprad, adapted with permission from the *Hamilton County Herald*



Editor's note: Legal Aid of East Tennessee (LAET) has a 40 year record of providing free legal assistance to low income individuals in civil matters. It serves 26 eastern counties that run from Chattanooga to Johnson City. Three separately-administered organizations offered services in these areas until 2002, when a merger created LAET. The predecessor entities were among the recipients of the first awards from the IOLTA program in 1988. In the ensuing 22 years, the prior group and the current amalgamation received \$2,300,000 in IOLTA grants for operating support to continue their important work.

Attorneys Russell Fowler and David Yoder have a lot of stories they could tell. None of them, however, involve big money verdicts or being promoted to partner at a prestigious firm. Fowler offers a choice sample:

"A lady who'd had a difficult birth called us from the hospital. It was only the third day of the month, but her landlord had locked her out of her apartment for unpaid rent. She was literally going to be on the street with a newborn. We dropped everything to deal with that."

Not to be outdone, Yoder tells a story of his own. "I remember a case involving an older gentleman who was entitled to a benefit, but because he couldn't prove that he had a residence, the provider of the benefit wasn't going to give it to him. So a staff attorney took the director of the agency on a ride and showed him the cardboard box under the bridge where the man was staying."

Are Fowler and Yoder exchanging volleys in a duel to tell the gloomiest story? No, they're both legal aid attorneys relating the kinds of cases they handle. Instead of becoming depressed, they find great joy in their work and the ways in which they're able to help people.

Fowler is the associate director for the southern region of Legal Aid of East Tennessee (LAET); Yoder is the executive

director of the whole shebang. Together, they oversee staff attorneys who provide a full range of civil legal assistance to individuals and families whose income falls at or below 125 percent of the federal poverty guidelines. Their services are free.

"We handle everything from domestic violence cases, to consumer problems, to difficulties obtaining public benefits..." Fowler says, his voice trailing off as though he could go on for several minutes.

LAET receives most of its funding through the federal Legal Services Corporation. Each year, the agency has to apply for the support and then follow strict rules regarding how to document their work and the manner in which they can use the money. "I spent less time keeping track of billable hours when I was a paid attorney," Fowler says, a wry smile crossing his face.

The agency also relies on a number of grants that allow its staff attorneys to do specialized work. An endowment from the U.S. Department of Housing and Urban Development funds work on housing-related matters, while a gift from the Benwood Foundation allows LAET to help people extend their unemployment benefits. "We also have a grant that allows us to focus on senior issues, such as predatory lending," Fowler says. "Predators often target senior citizens because they own their homes."

Article continues on back page.

TO: Tennessee Legal Community
FROM: Tennessee Bar Foundation
DATE: July 2010
RE: IOLTA Program Update

Rule Changes

The highly-anticipated changes to Rule 43 of the Rules of the Supreme Court and Rule 8, RPC 1.15, which made participation in the IOLTA program mandatory for lawyers holding eligible funds and added a comparability component to the interest rates paid on those accounts, were effective in January 2010. It is too early to determine all results, but the petitioners to the Court, the Tennessee Bar Foundation, Tennessee Bar Association, Tennessee Association for Justice and Tennessee Alliance for Legal Services, are pleased with the preliminary outcome:

- Approximately 200 banks (an increase of 30 or more) that do business in Tennessee now offer IOLTA accounts to their lawyer customers. These banks pay interest rates on IOLTA accounts that are at least comparable to those paid on other, similarly situated non-IOLTA bank accounts.
- Numerous new trust checking accounts have been enrolled in the program.
- Monthly IOLTA income more than doubled from September 2009 to June 2010, which is the hoped-for outcome of the program changes. However, at this time of historic low interest rates, with a federal funds target rate of 0–0.25%, a current month of doubled IOLTA income is only 26% of the amount earned during a single high interest rate month of 2007.

Even though actual dollar amounts are still relatively low, the IOLTA program is poised to reap greater benefits when interest rates rise. Higher income, in turn, will make possible increased support of law-related, public projects across the state. Since inception, grant awards total **\$16,889,887**. See the facing page for the list of 2010 IOLTA grant recipients.

Banking Partners

While the 25th anniversary of the Order that created the IOLTA program was marked last year and those responsible honored, the Tennessee financial community often doesn't get enough public recognition.

The IOLTA program is based on the support and cooperation of bankers — from the friendly staff who insure that remittance information and interest arrives at the Foundation on a monthly basis, to the officers who worked closely with the Foundation to implement last January's interest rate comparability rules, to the leaders of the Tennessee Bankers Association who helped the IOLTA program achieve its full potential — all are necessary components in the program's advancement.

The Foundation, its grantees and those they serve are grateful for the successful partnership between the legal and financial communities. Next time you see your banker, thank him or her for the bankers' role in the Tennessee IOLTA program.

Applications for next year's (2011) IOLTA grants will be available on the Foundation's website, www.tnbarfoundation.org, on Friday, August 13, 2010. The decision-making process will take place in the fall, for award announcements in December 2010. Organizations that provide either direct civil legal assistance to the indigent or that seek to improve the administration of justice may apply. Contact the Foundation for further information.

Tennessee IOLTA Grant Recipients & Awards 2010

(Arranged by location of recipient's main office. Many organizations serve a broader geographic area.)

- Athens, CASA Corridor of East Tennessee — **\$5,000**
- Athens, The H.O.P.E. Center, Inc. — **\$2,000**
- Bristol, Abuse Alternatives, Inc. — **\$1,000**
- Chattanooga, Community Reconciliation, Inc. — **\$5,000**
- Chattanooga, Southeast Tennessee Legal Services — **\$5,000**
- Columbia, CASA of Maury County, Inc. — **\$8,000**
- Columbia, Hope House — **\$8,000**
- Columbia, The Mediation Center — **\$2,000**
- Cookeville, Putnam County CASA — **\$3,000**
- Cookeville, Genesis House, Inc. — **\$8,000**
- Cookeville, Mediation Services of Putnam County — **\$8,000**
- Cookeville, Aging Services for the Upper
Cumberlands, Inc. — **\$10,000**
- Crossville, Avalon Center — **\$9,000**
- Crossville, VORP/Community Mediation Center, Inc. — **\$9,000**
- Dyersburg, Dyer-Lake CASA — **\$5,000**
- Franklin, Williamson County CASA, Inc. — **\$3,000**
- Gallatin, Sumner County CASA — **\$3,000**
- Gallatin, Sumner Mediation Services — **\$7,000**
- Hohenwald, Mid South Mediation Services — **\$7,500**
- Jacksboro, CASA of Campbell County, Inc. — **\$5,000**
- Jackson, Center for Court Involved Children, Inc. — **\$5,000**
- Jackson, West Tennessee Legal Services, Inc. — **\$45,188**
- Johnson City, CASA of Northeast Tennessee — **\$3,500**
- Kingsport, CASA for Kids, Inc. — **\$8,000**
- Kingston, CASA of the Ninth Judicial District — **\$5,000**
- Knoxville, Parent Place (Catholic Charities of East Tennessee, Inc.) — **\$9,000**
- Knoxville, YWCA Knoxville — **\$8,000**
- Knoxville, Immigrant Services (Catholic Charities of East Tennessee, Inc.) — **\$2,500**
- Knoxville, Safe Haven Center — **\$8,500**
- Knoxville, Legal Aid of East Tennessee — **\$132,598**
- Knoxville, Education Law Project/Knox County Public Defender Community Law Office — **\$10,000**
- Lebanon, 15th Judicial District Child Advocacy Center — **\$3,000**
- Lebanon, Wilson County CASA — **\$4,500**
- Lexington, CASA of Henderson County, Inc. — **\$5,000**
- Livingston, Exchange Club/Stephens Center for the Prevention of Child Abuse — **\$3,000**
- Madison, Morning Star Sanctuary — **\$7,000**
- Madisonville, CASA Monroe — **\$3,000**
- Madisonville, Monroe County Health Council — **\$2,500**
- McMinnville, FIC – New Beginnings — **\$4,000**
- Memphis, Exchange Club Family Center of the Mid-South, Inc. — **\$8,000**
- Memphis, CASA of Memphis and Shelby County, Inc. — **\$7,000**
- Memphis, YWCA of Greater Memphis — **\$10,000**
- Memphis, Memphis Area Legal Services, Inc. — **\$94,059**
- Memphis, Community Legal Center — **\$35,000**
- Morristown, CEASE Domestic Violence & Sexual Assault, Inc. — **\$5,000**
- Murfreesboro, CASA of Rutherford County — **\$6,000**
- Murfreesboro, Domestic Violence Program, Inc. — **\$14,000**
- Nashville, Exchange Club Family Center, Inc. — **\$8,000**
- Nashville, Tennessee Justice Center — **\$225,000**
- Nashville, Legal Aid Society of Middle Tennessee and the Cumberlands — **\$151,655**
- Nashville, Tennessee Coalition Against Domestic and Sexual Violence — **\$20,000**
- Nashville, Tennessee Justice for Our Neighbors — **\$7,500**
- Nashville, Dismas House of Nashville — **\$5,000**
- Oak Ridge, CASA of the Tennessee Heartland, Inc. — **\$9,000**
- Oak Ridge, Community Mediation Services — **\$4,000**
- Shelbyville, CASA of the Center for Family Development — **\$8,000**

Total: \$1,000,000



The Tennessee Bar Foundation publishes Points of Interest.

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Legal Aid of East Tennessee Helps the Helpless

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LAET also engages in fund-raising activities, with a significant number of annual contributions coming from the members of the various bar associations within its 26 county domain.

Money, however, is the least of the ways in which lawyers across southeast Tennessee help provide legal aid. According to Fowler, their most important contribution is manpower. "We have about 500 attorneys who volunteer their time and expertise. And they have options beyond handling individual cases; some of them choose to interview potential clients to see if their cases have merit while other lawyers choose to staff legal clinics once a month, where they can help a large number of people."

This group of pro bono enthusiasts, Fowler calls some of the best lawyers in the state. "We have a senior attorney who'd been retired for a number of years who came back to do pro bono work three days a week," he says. "He's having a blast, and his clients are getting one of the best litigators they could have."

Despite his help, and the pro bono efforts of hundreds of his colleagues, LAET is only able to scratch the surface of the legal need in southeast Tennessee. Yoder talks about the "justice gap," or the unmet need that exists for civil legal assistance among the low income population, saying studies suggest the nation's legal aid community has only enough resources to meet between five and 15 percent of the need. "There are over 325,000 eligible people in southeast Tennessee. Studies show they have over 450,000 legal problems a year," he says. "We can handle about 8,000 cases."

Nevertheless, Yoder and Fowler don't regret the path they've taken, even though they might earn more money elsewhere. Their work is anything but thankless. "Talk with a lot of lawyers in private practice and you'll find

that many of them are unhappy," Yoder says. "That's because they went to law school to make a difference, but that's not what they ended up doing. They have many perks, but, instead of making a difference, they're trying to earn enough money to pay their employees, keep their lights on and appear successful enough to draw in the next client. And some of them never hear a thank you."

"I chose a career in law because I wanted to make a difference. And in 35 years, I've never gone to bed at night wondering if that's what I'm doing."

Fowler agrees, saying he likes taking cases not for money but for the justice of it. "I get up excited every day because I'm going to be representing people who need my help. That's rewarding and it's great fun."

Yoder, who specializes in domestic violence and abuse issues, closes with a story about a woman who endured 15 years of beatings from her husband to keep her family together. Then came the day when her husband hit their teenage daughter. She told Yoder they had guns in their house, and that one of them was going to die the next time he struck their daughter.

"He hired a skilled lawyer, and we represented her. We fought battle after battle, but we got her a divorce, a permanent protective order and child support. Three months later, she came back and told me her kids were doing well in school and were no longer waking up at night screaming because they thought their dad was coming for them. When you know you can make that kind of difference..."

His voice trails off, as though he could go on for several minutes — or as though he's thinking about all of the untold stories among the hundreds of thousands of people who need help, but might not get it. ■

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