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ACCESS TO JUSTICE TASK FORCE REPORT TO STATE BAR OF ARIZONA BOARD OF GOVERNORS OCTOBER 17, 2003

Thousands of Arizonans go without legal representation in civil matters each year. In 2002, Ernest Calderón, President of the State Bar of Arizona (State Bar), created the Access to Justice Task Force to address the need for greater access to justice in Arizona for its low- and moderate- income households. This report summarizes the findings of the Access to Justice Task Force and recommends steps for the State Bar to take to increase the delivery of legal services to a largely forgotten and underserved percentage of Arizona's population.

I. Creation of the Task Force, Its Mission & Goals.

The recently revised preamble to the Rules of Professional Conduct recognizes the important role that Arizona lawyers provide in assuring that access to justice is available to all Arizonans. It provides that:

A lawyer should be mindful of deficiencies in the administration of justice and of the fact that the poor, and sometimes persons who are not poor, cannot afford adequate legal assistance. Therefore, all lawyers should devote professional time and resources and use civic influence to ensure equal access to our system of justice for all those who because of economic or social barriers cannot afford or secure adequate legal counsel¹.

The State Bar of Arizona Access to Justice Task Force seeks to build on this important responsibility of Arizona lawyers. The mission of the Access to Justice Task Force is to identify the civil legal needs of Arizona residents and recommend a system of providing access to justice for all of them. The Task Force set forth three goals: (1) complete a statewide assessment of the civil legal needs of Arizona residents and of legal services currently provided in Arizona; (2) make recommendations for improving access to justice for Arizona residents; and (3) identify means of funding any system or program identified to improve access to justice for Arizona residents.

The Task Force chose to target individuals whose household income falls below 200 percent of the federal poverty guidelines. This group includes individuals eligible for free legal services provided by funding from the Legal Services Corporation (LSC) (below 125 percent) and those individuals generally referred to as having "moderate

¹ Effective December 1, 2003.

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incomes” (125-200 percent).² See Appendix A. This second group of individuals generally makes too much money to qualify for free legal services but not enough to afford an attorney on their own.

The Task Force was careful not to duplicate the efforts of other organizations in Arizona committed to improving access to justice. These include Arizona’s LSC-funded providers (Community Legal Services, DNA-Peoples Legal Services, Southern Arizona Legal Aid), the Statewide Legal Services Steering Committee, the Arizona Foundation for Legal Services & Education (AZFLSE), the State Bar’s Legal Services Committee, the Equal Justice Campaign, and the University of Arizona and Arizona State University Colleges of Law. Rather, the Task Force set out to bring together representatives from these groups in an attempt to focus the issues for the Board of Governors.

The Task Force met on eight occasions between October 2002 and September 2003. The Task Force heard presentations from Arizona’s LSC-funded providers, both law schools, the Maricopa County Bar Association Lawyer Referral Program, the Maricopa County Superior Court Self Help Service Center, and received a report from Task Force member Joe Creamer and Kelly Carmody from AZFLSE regarding the other low cost and pro bono programs in Arizona. The Task Force spent several hours assessing the current state of access to justice in Arizona and deciding how the State Bar could best address the need for greater access to legal services by the poor and near poor, in addition to discussing the funding issues that must be addressed when analyzing these issues. In determining its funding recommendations, the Task Force heard a presentation by Meredith McBurney, the Director of the American Bar Association’s Project to Expand Resources for Legal Services, and studied proposals from the AZFLSE.

II. Task Force Members.

The Task Force members comprise a diverse group representing all areas of the profession in addition to groups primarily concerned with access to justice issues. Many of the Task Force members have spent years devoted to improving access to justice. The chair of the Task Force, Joseph Kanefield, is an Assistant Attorney General who serves on the State Bar’s Board of Governors as a representative from Maricopa County. The Task Force’s vice-chair, Steve Sherick, is a sole practitioner who serves as a representative on the Board of Governors from Pima County. The Task Force members are:

Joseph Kanefield (Chair), Arizona Attorney General’s Office
Steve Sherick (Vice-Chair), Sherick Law Firm
Scott Bales, Lewis & Roca
Thomas J. Berning, Southern Arizona Legal Aid
Justice Rebecca Berch, Arizona Supreme Court

² The Legal Services Corporation published its revised Poverty Guidelines on February 7, 2003. 45 CFR 1611. For example, a four-member family with annual income of \$23,000 in Arizona would be at 125 percent of the current Poverty Guidelines. That same family with income of \$36,800, would be at 200 percent of the current Poverty Guidelines. See Appendix A.

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Debbie Hill, Osborn Maledon, P.A.
Emily Johnston, State Bar of Arizona Board of Governors, Public Member
Lillian Johnson, Community Legal Services
Paul Julien, Judicial Education Officer, Arizona Supreme Court
Joe Kreamer, Hopkins & Kreamer
Dean Toni Massaro, University of Arizona College of Law
DeShon Pullen, Pullen Law Group
José de Jesus Rivera, Haralson Miller Pitts & McAnally
David Rosenbaum, Osborn Maledon, P.A.
Dean Patricia White, Arizona State University College of Law

III. Identifying the Need for Legal Services in Arizona.

Many in our society suffer injustice and are unable to gain access to a lawyer for critical civil legal assistance. The need for legal services is overwhelming. In 1994, the American Bar Association conducted a comprehensive survey of the unmet legal needs of low- and moderate- income households in the United States.³ The study was based on more than 3,000 interviews conducted during 1993. Approximately half of all low- and moderate- income households surveyed faced some situation that raised a legal issue during 1992. The legal needs mentioned most often included personal finance, consumer, housing, real property, employment, estate planning, family and domestic matters.

For both low- and moderate- income households the most frequent response when facing a situation having legal implications was to attempt to deal with the matter on their own. The next most frequent approach by low-income households was to take no action at all, while moderate-income households turned to the civil justice system. More than 60 percent of these households on average do not find their way to the civil justice system. The predominant reasons that low-income households did not seek legal assistance were a sense: (1) that legal services would not help and (2) that representation would cost too much. In addition, many low- and moderate- income households commented that they did not seek legal assistance because they did not know how to find a lawyer.

The ABA study concluded that approximately 80 percent of poor Americans do not have the advantage of an attorney when they are faced with a serious situation where a lawyer's advice and assistance would make a difference. Numerous states, professional associations, and academics have conducted similar surveys within the last decade to assess the number and kind of legal needs that exist among low- and moderate- income communities, the extent to which these legal needs remain without redress, and the manner in which these needs are met. These studies have consistently shown that between 70 and 90 percent of this population cannot obtain legal services to resolve the most pressing legal problems, even when services provided through existing public and

³ American Bar Association, *Findings of the Comprehensive Legal Needs Study Conducted by the Institute for Survey Research at Temple University for the Consortium of Legal Services and the Public* (1994).

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private funding sources are taken into account.⁴ Left unresolved, these cases can cost society far more than the expense of providing legal services to address them.

Based on the experience of its members, the Task Force determined that the percentage of individuals with unmet legal needs in Arizona is at least as large as the percentages nationwide, but that many of the issues that arise in Arizona are unique given its size and diversity. The Task Force unanimously decided not to conduct an additional survey or study on the legal needs of the poor and near poor in Arizona.

In 1999, over 44 million Americans lived in households with incomes below 125 percent of the poverty level. Thus, almost one out of every five Americans is eligible for free assistance from programs funded by LSC.⁵ The percentage in Arizona is similar.

The 2000 U.S. Census found there are more than 937,500 individuals in Arizona—19 percent of the population—who have incomes below 125 percent of the federal poverty guidelines. This means they are financially eligible for legal services from one of Arizona's three LSC-funded providers. In addition, more than 743,000 individuals have incomes between 125 and 200 percent of federal poverty guidelines. Together, almost 1.7 million individuals or 33 percent of Arizonans have incomes below 200 percent of poverty.

The legal services providers in Arizona lack the resources to provide every eligible client who comes through the door with much needed legal aid. Community Legal Services (CLS), one of Arizona's LSC-funded programs, receives over 1,000 calls per week in its Phoenix office alone. For every eligible person assisted, three eligible persons are turned away by CLS because of lack of resources.⁶ The Statewide Elder Hotline run by Southern Arizona Legal Aid receives over 48 calls per week. The numbers of individuals needing legal assistance are high in the rural areas of Arizona also—and offices have been closed due to lack of funding. The legal services offices in Miami and Apache Junction were closed at the end of 2002.

IV. Funding Has Not Kept Pace with Demand

Despite increases in the number of people with incomes under the poverty line, revenue for civil legal aid has not kept pace with these increases or with inflation. The 2003 federal appropriation for the Legal Services Corporation—the primary funding for free civil legal aid—is only 5.6 percent more than the 1981 appropriation—22 years ago.

⁴ Brief of Amici Curiae AARP, et al. at 8-9, *Washington Legal Foundation v. Legal Foundation of Washington*, No. 01-1325 (United States Supreme Court, 2003).

⁵ The financial eligibility for free legal assistance funded by the Legal Services Corporation is generally 125 percent. Legal Services Corporation Report to Congress, April 30, 2000, p. 8, n. 10.

⁶ According to the latest Massachusetts Legal Needs Survey, the demand for legal aid in that State has more than doubled over the past decade. More than half of the 2,000 low-income people surveyed said they could not get help when facing a legal problem. Researchers also found that since 1993 the need for free legal assistance has increased by 67 percent. "We turn away at least one out of every two [clients] who call," said Nancy King, executive director of South Middlesex Legal Services. Rhonda Stewart, *Survey Says Need For Legal Aid Vastly Increased in Last Decade*, The Boston Globe, August 14, 2003.

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The LSC appropriation amounts to a distribution at the woefully low level of \$8.50 per poor person. Plus, no substantial increases in LSC funding are anticipated in the future.

In addition, the Interest On Lawyers Trust Accounts (IOLTA) program, another primary source of revenue for civil legal aid and pro bono programs in Arizona, has declined dramatically in recent years as a result of reduced interest rates paid by banks. See Appendix B. The IOLTA revenue peaked in 1990 at \$2.24 million, and the IOLTA grants peaked in 1991 at \$1.76 million. The IOLTA revenue projected in 2003 is \$1.17 million and the grants are only \$680,000.

Although the Arizona legal services organizations have undertaken measures to diversify and increase their funding, Arizona lags far behind in the amount of non-LSC funding received by these organizations. The average amount of non-LSC dollars per poor person in the United States is \$18.26. A few states are much higher than the average, so the median amount is \$12.87. Arizona, unfortunately, is 67 percent of the median at only \$8.69 non-LSC dollars per poor person.

As a result of the combination of these factors, the failure to provide needed legal services to the poor and near poor in Arizona has risen to crisis level. In addition to the more common unmet needs of the poor and near poor discussed above, Arizona faces special challenges relating to its Native American population, a substantial increase in the number of immigrants, and its large elderly population. Not only is access to justice being greatly curtailed in Arizona by a lack of resources, lawyers are the ones bearing the blame. The general perception among the public is that lawyers are expensive and inaccessible. This in turn has created animosity among our citizens and our Legislature towards the profession. Moreover, many citizens who cannot obtain counsel engage in inadequate self-help or seek the assistance of incompetent non-lawyers who make their situation worse. The access to justice problem will not be solved until these individuals are able to obtain the legal services they need.

V. The Current Legal Assistance Delivery System

Arizona's system for the delivery of civil legal services is generally comprised of three LSC-funded organizations and a group of smaller, specialized civil legal aid programs. The three LSC-funded programs are Community Legal Services (CLS), which provides services in the five western and central counties of Arizona; Southern Arizona Legal Aid (SALA), which provides services in the nine southern and eastern counties of the state; and DNA-People's Legal Services (DNA), which provides services on the Navajo Nation and in Coconino County (as well as in portions of New Mexico and Utah).

These three programs provide legal assistance in four primary areas: family law, consumer, housing and public benefits. The majority of cases involve assistance to victims of domestic violence. The attorneys and paralegals work to assist the victims of domestic violence in becoming safe and self-sufficient. Legal assistance is one of the best ways to ensure safety for victims. Each of these organizations has a Volunteer Lawyers Program, through which volunteer attorneys provide pro bono assistance to LSC-eligible clients. This has become a critical component of the delivery system.

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Although the LSC-funded programs provide the majority of civil legal aid to the poor, many other organizations also provide legal services or otherwise impact the delivery system. For example, the William E. Morris Institute for Justice provides legislative and administrative advocacy services for low-income people and takes the lead on class actions and other impact litigation.

Several smaller specialty legal services programs provide legal assistance to groups such as the elderly, the disabled, immigrants, or victims of domestic violence. These programs include four immigration programs: Florence Immigrant & Refugee Rights Project, Asylum Program of Southern Arizona, Catholic Social Services of Phoenix, Friendly House; and four other specialized programs that serve special constituencies: Save the Family (families in transitional housing), Advocates for the Disabled (Social Security benefits), Arizona Senior Citizens Law Project (low income seniors), and Never Again Foundation (civil actions on behalf of domestic violence victims).

Law students at the University of Arizona and Arizona State University Colleges of Law provide limited legal assistance through the Volunteer Lawyer Program, clinics, and other programs run and sponsored by the students⁷.

The Maricopa County Superior Court employs a self-help service that provides forms and some limited guidance for pro per individuals.

For moderate-income individuals, the Maricopa County Bar Association has a lawyer referral service, which allows clients to at least initially contact an attorney at a reduced rate. From 1995 through 2000, the State Bar Young Lawyers Division operated the Arizona Modest Means Project, a clinic that provided limited legal assistance to those individuals whose income fell between 125 and 200 percent of the poverty guidelines. Volunteer lawyers, paralegals, and law students staffed between two and four clinics a month in Phoenix and Tucson. In early 2001, the Project drastically cut back the number of clinics to only two a year, citing inadequate staffing and volunteer support.

VI. Need for Action by the State Bar of Arizona.

The State Bar was established, *inter alia*, “to advance the administration of justice according to law,” and “to foster and maintain on the part of those engaged in the practice of law high ideals of integrity, learning, competence and public service.”⁸ It is incumbent upon the State Bar and its members to step up to the front line of the uphill and under-

⁷ For example, a group of ambitious students at the University of Arizona College of Law have drafted the Community Legal Access BarAlt Proposal, whose purpose is to establish a one-year apprentice program for recent law graduates to provide affordable legal representation to Arizona’s lower middle-income population. Those who successfully complete the program would be excused from taking the Arizona Bar Exam.

⁸ Rule 31(a)(1), Ariz. R. Sup. Ct.; *see also* Rule 39, Ariz. R. Sup. Ct. (“individuals admitted to the practice of law in Arizona have a responsibility to provide competent legal services for all purposes, including those unable to pay for such services.”)

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publicized struggle to achieve equal access to justice for the hundreds of thousands of Arizonans too poor to afford legal representation.⁹

The United States Supreme Court has emphasized the importance of providing legal representation to the poor. See *Gideon v. Wainwright*, 372 U.S. 335, 344-45 (1963) (“The right to be heard would be, in many cases, of little avail if it did not comprehend the right to be heard by counsel.”)(quoting *Powell v. Alabama*, 287 U.S. 45, 68-69 (1932)). The State Bar of Arizona has an important interest in ensuring representation for the poor even in circumstances in which it is not constitutionally required. See *Lassiter v. Dep’t of Social Services*, 452 U.S. 18, 33 (1980)(holding that appointment of counsel for indigent parents is not constitutionally required in every parental status proceeding, but recognizing that “[a] wise public policy . . . may require that higher standards be adopted than those minimally tolerable under the Constitution”). There is little dispute that the impartial administration of justice by our Nation’s courts is best served when litigants have access to counsel. See *Legal Services Corp. v. Velazquez*, 531 U.S. 533, 545 (2001) (The primary mission of the judiciary is interpretation of the law and Constitution, and “[a]n informed, independent judiciary presumes an informed, independent bar.”).

The State Bar of Arizona is in the best position to help improve access to justice for low and moderate income households and therefore accomplish its purpose of advancing the administration of justice. Any such efforts are clearly germane to its purpose, and therefore spending its funds to advance the administration of justice is appropriate.¹⁰

VII. Task Force Recommendations.¹¹

There is a long way to go before the legal needs of the disadvantaged are met in Arizona. The Task Force has determined that the State Bar of Arizona can take a giant step toward improving access to justice by considering three major recommendations.

1. **Support the Proposition that the Legal Services Providers in Arizona Need Additional Funding to Adequately Meet the Need for Legal Assistance to the Poor**

The Task Force’s findings clearly establish that the legal needs of the poor in Arizona are not being met under the current system. Although the LSC-funded civil legal assistance programs and many of the smaller programs have done an excellent job of increasing and diversifying their funding, they need significantly more resources. The

⁹ Rule 42, Ariz. R. Sup. Ct. (E.R. 6.1) encourages every lawyer in Arizona to perform at least 50 hours of pro bono representation each year and to provide financial support to legal aid organizations.

¹⁰ *Keller v. State Bar of California*, 496 U.S. 1, 12-14 (1990) (holding that the government’s interest in fairly distributing the costs of regulating the legal profession and improving the quality of legal services justify funding activities germane to these goals through mandatory bar dues); *The Florida Bar re Frankel*, 581 So.2d 1294, 1296 (Fla. 1991) (increasing the availability of legal services to society is a clearly justified activity by a mandatory bar).

¹¹ Justice Berch did not vote on the Task Force’s recommendations.

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system currently has more than \$12 million in resources, but as has been noted, this amount is severely inadequate and results in 80 to 90 percent of low-income individuals not receiving the legal assistance they need.

If the concept of “equal justice for all” is to be a reality in Arizona, funding must be increased to the legal aid providers in Arizona. The Task Force recommends that the Board of Governors vote to support the proposition that the legal services providers in Arizona need additional funding to adequately meet the current and future need.

2. **Increase Resources for the Existing Delivery System that Provides Free Legal Assistance to the Poor**

The Task Force recognizes that the existing delivery system of legal assistance to the poor is in dire need of more funding. The Task Force therefore recommends that the State Bar of Arizona evaluate the following funding proposals and work to implement increased funding for legal aid by supporting a combination of one or more these proposals.

- (A) **Surcharge on civil filing fees.** Many other States impose a surcharge on civil filing fees to raise revenue for the purpose of funding legal aid programs.¹² A \$10 surcharge on filing fees for civil cases in superior court could raise \$450,000 or more each year depending on the number of fee waivers that occur. Any such surcharge would have to be passed by the Legislature or through a citizen’s initiative.
- (B) **Surcharge on Civil and Criminal Fines.** A surcharge on civil and criminal fines is imposed only on those who violate the law and would generate a large amount of funding for those in need of legal services. The ten percent surcharge for the Citizens Clean Elections Fund, for example, raised approximately \$6 million in 2002. The current surcharges on civil and criminal fines total approximately 75%. These surcharges are not subject to the Arizona Constitution’s requirement of a 2/3 vote for any tax increase. Similar to the surcharge on filing fees, any such surcharge would have to be passed by the Legislature or through a citizen’s initiative.¹³

¹² More than 20 states impose filing fee surcharges to fund legal services work. Margaret Graham, *Aiding Legal Aid*, ABA Journal, June 2002, at 28. Kentucky’s state legislature recently voted to double the state’s current filing fee surcharge to fund legal aid. The measure is projected to increase funding from this source from \$1.3 million to approximately \$2.6 million annually. Missouri also recently enacted a new filing fee surcharge that is expected to generate \$1.7 million annually.

¹³ The Board of Governors has opposed all legislation seeking to impose a sales tax on legal services in the past. Efforts to tax services will likely continue considering the State’s budget crisis and the revenues that would be generated by such a tax. According to a recent Joint Legislative Budget Committee report, it is estimated that \$88,917,000 would be raised if a sales tax of 5% was imposed on gross income from legal services. That amount would be \$70,000,000 if the first \$20,000 that a client paid was exempt. If a similar bill, referendum or initiative is introduced in the future, and has the votes to become law, the Board should consider supporting an amendment that would place all or part of such revenue into a special fund to be used to address access to justice issues, including legal aid.

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- (C) **Enhanced Dues Opt-Out Program.** It is incumbent on lawyers to help remedy the injustice suffered by so many of our citizens who are unable to obtain access to our civil justice system. If the Board votes to support a surcharge on filing fees and fines, it should also consider supporting a concurrent membership dues increase that would be earmarked for legal aid.¹⁴ The members, however, should be allowed to opt out of the dues increase in exchange for committing to 50 hours of pro bono work in accordance with E.R. 6.1. *See* footnote 8.
- (D) **Surcharge on Document Preparation Fees.** On the recommendation of the Board of Governors, the Arizona Supreme Court recently began licensing Certified Legal Document Preparers. *See* Arizona Code of Judicial Administration, Part 7, Ch. 2, § 7-208. A surcharge imposed on the licensing fees paid by these individuals could be used to fund legal aid. This surcharge should be concurrent with any recommended dues increase to members of the State Bar. If possible, an opt-out program similar to the one recommended for State Bar members who engage in pro bono work should also be offered to the Certified Legal Document Preparers.
- (E) **Pro Hac Vice Fees:** The State Bar administers the pro hac vice program established by the Arizona Supreme Court. *See* Rule 33(c)(3), Ariz. R. Sup. Ct. Those appearing pro hac vice are required to pay a nonrefundable application fee equal to 85% of the current dues paid by active members of the State Bar of Arizona. The Board should consider allocating a portion of the pro hac vice fees to fund legal aid. The Mississippi Supreme Court recently implemented a similar program that raises funds for legal aid from fees levied on out-of-state attorneys who practice in Mississippi.
- (F) **Large Settlements.** The Task Force recommends that the Board ask the Attorney General's Office and other private litigants who enter into large settlements to consider having a portion of the settlement proceeds go to fund legal aid. Groups such as the Arizona Trial Lawyers Association could also be approached with this recommendation.

In addition to these recommended funding sources, the Board should continue to work and support the AZFLSE in its efforts to increase funding for access to justice. The Board should also express its support for the efforts made by the Arizona State University and University of Arizona Colleges of Law in providing legal services to the poor and near poor. The Board should also consider exploring other fund raising options, such as

¹⁴ The Illinois Supreme Court raised attorney licensing fees on January 1, 2003 by \$49, with \$42 of the increase going to the Lawyers Trust Fund of Illinois, which funds legal aid. In addition, the Texas Legislature has approved a bill to increase bar dues by \$65, to be split between civil legal aid and innovative indigent defense projects. The measure is expected to generate more than \$1.7 million annually for civil legal aid.

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punitive damage awards. Finally, the Board should support other private fundraising efforts, and consider exploring non-traditional methods of funding such as wine auctions, estate-planning drives, art leasing/auctions, and federal grants.

3. Sponsor a Clearinghouse and Reduced Fee Panel for Arizonans with Moderate Incomes

The Task Force recommends that the State Bar improve access to justice for Arizonans with moderate incomes (between 125 and 200 percent of poverty) by creating an access to justice clearinghouse and panel of lawyers who will work for qualified participants at a reduced fee. An individual in need of legal services could contact the State Bar by using a toll-free number or log on to the State Bar's web site. This service could also be integrated into the new statewide website, AZLawHelp.org that is sponsored by the legal aid organizations and is designed to help low-income individuals in Arizona find legal assistance.

If the person phones in, a State Bar screener would first determine financial eligibility. An individual who has income of less than 125 percent of the poverty level would be referred to the appropriate free legal services program. An individual who has income between 125 and 200 percent of poverty would be eligible for the Bar's Reduced Fee Panel. The screener would enter the individual's relevant information into the web-based database, including the legal area of need (e.g., landlord/tenant), and location. Individuals could also perform the same function by using the web site.

The screener or the individual in need of legal assistance would then review a list of attorneys willing to provide assistance. The assistance would not be free but rather provided at a greatly reduced fee, such as \$30.00 per hour.

To assure that every attorney has an equal opportunity to participate in the program, the computer would randomly generate the names of three to five attorneys. The attorneys, of course, would be matched with a potential client only if the attorney has indicated a willingness to provide services in the particular area of need.

The Board should first consider approving this recommendation in concept and then exploring how much it would cost to implement. The costs would include building the database and website and staff time to maintain the web site, phone number and attorney list.

If the Board approves this recommendation Participating attorneys might provide another source of funding. They could be charged a nominal annual fee to be listed, or they could be asked to pay the program for the first hour of services provided, as is done in the Maricopa County Bar Association's Lawyer Referral Program. This program, however, would be different from that program because the lawyers would have to charge a reduced fee for all of the services provided rather than just the initial hour.

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VIII. Conclusion.

The legal needs of the poor in Arizona are not being met under the current system and need to be addressed by the State Bar of Arizona. Like many of its sister States, Arizona should take affirmative steps to address this growing problem by increasing the funding to the legal aid providers in Arizona. In addition, steps can be taken to address the civil legal needs of Arizonans with moderate incomes through State Bar sponsorship of a clearinghouse and reduced fee panel to help those obtain a lawyer when they are confronted with a legal issue. By taking these steps, many people in Arizona will be able to obtain the assistance of a lawyer who are not able to under the current system. This will in turn help our judges do their jobs and increase the image of the profession in the eyes of the public.

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Appendix A

2003 Federal Poverty Guidelines

Size of Family	125 percent of federal poverty guidelines	200 percent of federal poverty guidelines
1	\$11,225	\$17,960
2	\$15,150	\$24,240
3	\$19,075	\$30,520
4	\$23,000	\$36,800
5	\$26,925	\$43,080
6	\$30,850	\$49,360
7	\$34,775	\$55,640
8	\$38,700	\$61,920

- **125 percent:** For family units with more than 8 members, add \$3,925 for each additional member.
- **200 percent:** For family units with more than 8 members, add \$6,280 for each additional member.

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APPENDIX B

IOLTA REVENUE & GRANT HISTORY IN ARIZONA COMPARED TO POVERTY POPULATION & INFLATION

Year	IOLTA Revenue	IOLTA Revenue in Constant 1985 Dollars	IOLTA Grants	Poverty Population	Grant Dollars Per Poor Person
1985	\$985,341	\$985,341	\$120,087	345,000	\$0.35
1986	\$1,528,531	\$1,497,960	\$479,684	484,000	\$0.99
1987	\$1,727,297	\$1,640,932	\$856,410	444,000	\$1.93
1988	\$1,736,482	\$1,580,199	\$1,006,000	491,000	\$2.05
1989	\$1,952,431	\$1,698,615	\$1,405,000	502,000	\$2.80
1990	\$2,238,837	\$1,835,846	\$1,524,000	484,000	\$3.15
1991	\$2,229,261	\$1,761,116	\$1,763,000	532,000	\$3.31
1992	\$1,342,009	\$1,033,347	\$1,396,000	607,000	\$2.30
1993	\$1,044,296	\$783,222	\$670,000	615,000	\$1.09
1994	\$1,159,356	\$846,330	\$670,000	673,000	\$1.00
1995	\$1,320,033	\$937,223	\$750,000	700,000	\$1.07
1996	\$1,391,380	\$946,138	\$816,500	980,000	\$0.83
1997	\$1,508,607	\$995,681	\$874,000	797,000	\$1.10
1998	\$1,530,045	\$994,529	\$966,500	812,000	\$1.19
1999	\$1,280,671	\$806,823	\$978,500	579,000	\$1.69
2000	\$1,617,652	\$970,591	\$788,000	590,000	\$1.34
2001	\$1,463,193	\$834,020	\$948,500	778,000	\$1.22
2002	\$1,263,044		\$948,500		
2003	\$1,169,000 projected		\$680,000		