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Wage gap between state-funded attorneys, government peers is driving an employment crisis in New York's Civil Legal Services

Proposed "sweep" in the Executive Budget would put Civil Legal Services further at risk

The wage gap between civil legal service attorneys' salaries and their government peers is fueling a civil legal services crisis and driving the state's Access to Justice Gap, according to a [white paper released today](#) by the New York Legal Services Coalition (NYLSC). Additionally, a proposal in the Executive Budget to sweep funding from the Interest on Lawyers Account (IOLA) -- earmarked for civil legal aid -- to the General Fund would further harm low-income New Yorkers seeking justice. The IOLA funds are intended to assist in addressing the dual crises of an estimated \$ 1 billion civil justice gap and community wide salaries that are at least 30% below counterparts in similar public interest and public sector fields.

[Pay Parity: A Shared Vision to Achieve Pay Parity for All Attorneys Working to Close the Justice Gap](#)

"No Governor in IOLA's 40-year history has ever transferred the non-taxpayer money earned on attorney escrow accounts into the General Fund. IOLA urges Governor Hochul to rescind the proposed transfer in her 30-day amendments and avoid harming the provision of civil legal aid in New York," said **Christopher B. O'Malley, Executive Director of The Interest on Lawyer Account Fund of the State of New York**.

Senator Brad Hoylman-Sigal said, "The proposed \$100 million sweep from the IOLA fund would have a devastating impact on low-income New Yorkers who rely on civil legal services for eviction prevention and assistance with housing, healthcare and government benefits. If New York is to close the justice gap, we must ensure that we're properly funding the legal services organizations and programs that are dedicated to helping those in need. The State Legislature must firmly reject this sweep outright and in no uncertain terms."

"In order to close the Access to Justice gap, we must strengthen and grow the dedicated civil legal aid workforce that is providing direct representation and counsel to clients. This starts with achieving pay parity between the civil legal services and government positions," said **Tina Monshipour Foster, Executive Director, JustCause and Board President, NY Legal Services Coalition**. It is not only the just thing to do for these mission-driven professionals but will ultimately pave the way for broader access to justice initiatives across the state.

"Sweeping the IOLA funds into the General Fund would have a terrible impact on New York's civil legal aid community, and, more importantly, the people we serve. The New York Legal Services Coalition is calling on the governor to rescind this proposal in her 30-day budget amendments. We ask Governor Hochul, please don't undermine our community's plan to make progress in fixing these pernicious problems -- instead, work with us to close the justice gap," said **Kristin Brown, President and CEO of Empire Justice Center and co-vice President of the New York Legal Services Coalition**.

New York's Civil Legal Services Salaries Need to be Increased to be in line with other Government-funded Legal Services Salaries

NYLSC conducted a survey of its constituent members in 2023 and found that salaries are significantly lower when compared to Assistant Attorney Generals (AAG), in New York City and across the state, for starting salaries and after 10 years of service. AAG salaries were used as a basis for the comparison due to the similarities in qualifications and scope of work with civil legal aid attorney positions.

Unlike in criminal proceedings, New Yorkers do not have a statewide right to an attorney in civil matters, though civil matters are legal proceedings that impact their access to housing, health care, employment, education – considered the “Essentials of Life” by the Office of Court Administration. Help is provided in the form of the Civil Legal Services, which offer free legal assistance to low and middle-income people. The Access to Justice Gap -- the difference between the civil legal needs of low-income New Yorkers and the resources available to meet those needs – has been estimated by the Permanent Commission on Access to Justice in their [annual report to the Chief Judge](#) in November of 2023 as \$1 billion; however it was also documented that every \$1 spent on Civil Legal Services saves New York State \$5. IOLA reports that civil legal services providers save the state \$2.8 million dollars annually and create 8,000 jobs. Clearly investing in civil legal services programs is good business for New York State.

Both civil legal services salaries and government positions are funded by the state and have similar mission-driven work, yet there is a significant wage gap: Entry level pay in the civil legal services is 30% to 45% lower than their government counterparts, and those inequities grow as careers advance: at ten years of service, the gaps in pay between civil legal services attorneys and AAGs are as much as 75% in some areas of the state.

“The wage inequity between government positions and civil legal services positions is creating a staffing crisis for civil legal services organizations that are now struggling to attract and retain employees. This is particularly true in Western New York where we have a local law school and significant competition for legal talent. In addition, the salary gap has negatively impacted our Diversity, Equity & Inclusion efforts as our diverse staff regularly leave our agency for government jobs,” said **Karen Nicolson, CEO of the Center for Elder Law and Justice in Buffalo.**

Proposed Sweep in the Executive Budget Would Exacerbate the Problem

The report estimates that achieving pay parity will cost an additional \$170 million over the next 3 years, or \$57 million per year. The Interest on Lawyers Account (IOLA) is a critical source of infrastructure dollars for the Civil Legal Services community and is reliant on interest earnings that fluctuate. With the recent higher interest rates and subsequent increased interest earnings, IOLA has developed a plan to invest in civil legal services infrastructure to help address the Access to Justice Gap, beginning in the next round of grants– the Request for Proposals to be released in August 2024. Grantees would be able to use these additional funds to begin to increase salaries and move closer to pay equity. However, a proposal in the Executive Budget would sweep \$100 million from IOLA to the General Fund, potentially setting these efforts back years and setting a dangerous precedent.

“Governor Hochul’s proposal to siphon IOLA funding for critical civil legal services to the general fund would only exacerbate the harm to low-income New Yorkers who already face deep inequities in the justice system, and cost the state millions of dollars,” said **Adriene Holder, chief attorney of the Civil Practice at The Legal Aid Society.** “We urge Governor Hochul to rescind this proposal in her 30-day amendments and stand with New York’s civil legal services community and the communities we serve.”

“The Governor’s proposal to sweep \$100 million in IOLA funds into the general fund is misguided and undermines her stated commitment to expand access to justice for all New Yorkers,” said **Raun Rasmussen, Executive Director of Legal Services NYC.** “The IOLA Fund was created to provide lawyers with an ethical way to manage client escrow funds by supporting legal services to low-income New Yorkers. For forty years, it has accomplished that purpose. Reducing those funds, at a time when New York is falling far short of meeting the justice gap and when legal services providers are losing lawyers due to pay inequity, will be a giant step backward for those of us seeking justice for all.”

About the New York Legal Services Coalition

The New York Legal Services Coalition is a statewide association that represents the interests of civil legal services organizations and the communities they serve. Our members collectively provide services in the areas of family law, housing, immigration, and public benefits across all 62 counties of New York State.

