NEW YORK STATE OF OPPORTUNITY. | IOLA FUND

IOLA Fund of the State of New York

Annual Report

2025

ABOUT IOLA

In the context of an attorney-client relationship, attorneys may receive funds from a client, or by a third party on behalf of a client, to be held for a variety of purposes. Generally, an attorney chooses to deposit these funds into a bank account at a financial institution of the attorney's choosing. The account is known as an attorney's trust account. If the funds are large enough and are to be held long enough to earn net interest, the lawyer and client discuss where and how the funds should be held, with the client obtaining the benefit of any interest earned.

Sometimes, however, the funds are too small, or will be held too briefly, to generate interest in excess of the costs of opening and maintaining an account for the client's benefit. For many years, attorneys deposited such funds in non-interest-bearing checking accounts, separate from their operating accounts, but commingled with other, similar funds held in trust by the attorney. The aggregate balance of all the deposits in such trust accounts could be quite large. Effectively, these funds were free loans to the attorney's banking institution.

In 1983, after Congress authorized payment of interest on checking accounts, the New York State Bar Association became the principal legislative advocate of a change in the procedure for handling small client deposits in New York. That change was to create a new type of attorney trust account that would allow attorneys to pool small client deposits in one interest-bearing checking account. The interest income from accounts that previously benefited only the banking institutions would be harvested to provide funds for civil legal assistance to low-income New Yorkers. That was the beginning of the "Interest on Lawyer Account Fund of the State of New York," or the IOLA Fund (IOLA).

HOW IOLA HELPS NEW YORKERS

IOLA is a fiduciary fund in the custody of the State Comptroller. A board of trustees (the “Board”) administers the fund and is required to distribute grants to not-for-profit tax-exempt entities for the purpose of delivering civil legal services to the low-income New Yorkers living 125% below the federal poverty level.

In 2025, a family of four was considered living 125% below the federal poverty level if their annual income was approximately $40,000, and in 2024, an estimated 4.1 million New Yorkers lived 125% below the federal poverty line.* When faced with a civil legal issue, such as an unjust eviction or an employer committing wage theft, these individuals and families do not have money to spare on lawyers who could fight for their rights and protect their livelihoods.

IOLA funding enables our network of grantees to provide free, high quality civil legal services to these New Yorkers facing financial hardships. This legal assistance helps vulnerable populations avoid catastrophic outcomes that could threaten their homes, families, employment, or legal status.

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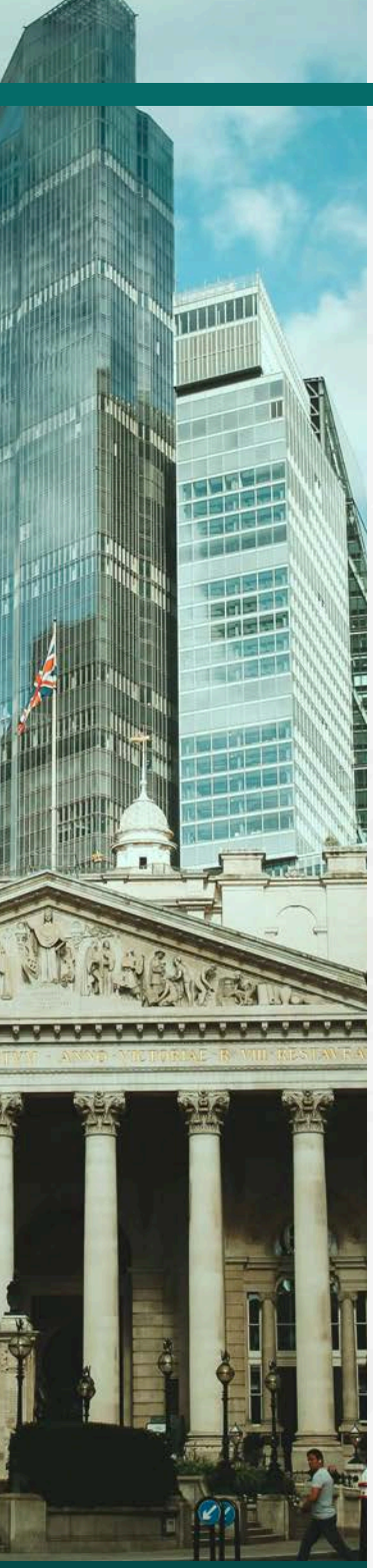
*These numbers come from U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, “2025 Poverty Guidelines,” and the U.S Census Bureau “Poverty in the United States: 2024,” U.S. Government Publishing Office, Washington, DC, September 2025



BANKING

IOLA also oversees the participation of financial institutions in the IOLA program, ensuring that their IOLA account products comply with applicable statutes and regulations.

The regulatory framework requires that the interest paid on IOLA account products not be less than the rate paid on comparable account products offered by the bank to its best customer. Comparable products include account products that bear interest and have check-writing capabilities (such as accounts for municipalities, businesses, personal and high wealth clients).

Alternatively, a participating bank may elect the Safe Harbor interest rate option, which is equal to 60% of the Federal Funds Target Rate or 1.00%, whichever is higher.

These requirements ensure maximum returns for the IOLA Fund, which enables generous grantmaking to New York State legal services organizations.

To see a list of participating banking institutions, please click here.

PLATINUM PARTNERS

Platinum Partner Banks pay the greater of 60% of the Federal Funds Target Rate or 1.00% or more
*Banks With an Asterisk Waive Fees to the IOLA program

1st Century Bank*
42 North Private Bank
Alma Bank*
Alpine National Bank*
Amalgamated Bank of New York*
Apple Bank for Savings
Arrow Bank, N.A.
Axos Bank*
Banco Popular*
Bank of America*
Bank of Hope*
Bank of New York Mellon
Bank United*
Berkshire Bank (Massachusetts)*
BMO Bank, N.A.*
Chemung Canal Trust Co.*
Citibank*
Citizens Bank, N.A.*
City National Bank/California
Cross County Savings Bank*
Eastbank
East West Bank*
Evans Bank, NA*
First Citizens Community Bank
First Horizon Bank*
Five Star Bank
Flagstar
Flushing Bank*
Genesee Co-op FCU*
Kearny Bank
Key Bank Services Corp.
Lyons National Bank
M&T Bank*
Metropolitan Commercial Bank*
Modern Bank*
National Bank of Coxsackie*
NBT Bank N.A.*
NewBank*
New York Community Bank
NexTier Bank, N.A.*
Newtek Bank*
Northeast Community Bank*
Northwest Savings Bank*
Pathfinder Bank
Piermont Bank*
Pioneer Savings Bank*
Provident Bank*
Royal Business Bank*
Safra National Bank of New York*
Saratoga National Bank and Trust Co.
Savannah Bank N.A.*
Spring Bank*
St. Lawrence Federal Credit Union
Valley National Bank
Webster Bank
Wells Fargo*
Woori America Bank*

As of 11/20/2025

Low-income Americans do not receive help for 92% of their civil legal problems*

In NYS, 4.1 million people are eligible for civil legal services

74% of low-income families experience 1 or more civil legal issue annually*

1 legal aid attorney for every 1,363 eligible clients*

GRANTMAKING

Since it was established in the 1980s, through the two-year $110 million grants issued for fiscal years 2024 and 2025, IOLA has awarded over $750 million to civil legal services non-profits throughout New York State.

IOLA grantees vary in size and focus, and provide a myriad of legal services: direct representation, advice and counsel, pro se assistance, legal education, and/or referrals to low-income or otherwise disadvantaged individuals living in the State. IOLA grantees also provide community and attorney trainings, engage in partnerships and community collaborations, and initiate impact cases that enhance the quality of life for all New Yorkers.

In fiscal year 2025, IOLA funded a network of 80 organizations that provide legal assistance to the citizens of New York's 62 counties. The network represents organizations with budgets ranging from $395,000 to $160 million; with 4 staff up to 698. They include legal projects housed in domestic violence prevention agencies, religious organizations, social service organizations, and bar associations. While IOLA does not fund every non-profit providing civil legal services in the State, the network represents the vast majority of providers and serves millions of New Yorkers annually. Find a list of current IOLA grantees here.

*These numbers come from Legal Services Corporation, “The Justice Gap: The Unmet Civil Legal Needs of Low-income Americans” 2022; the U.S Census Bureau, “Poverty in the United States: 2024,” U.S. Government Publishing Office, Washington, DC, September 2025; and data collected in IOLA’s FY25 Annual Grant Activity Report.

CIVIL LEGAL AID
FY2025 OVERVIEW

336,789 legal cases closed, with **691,846** people benefitted

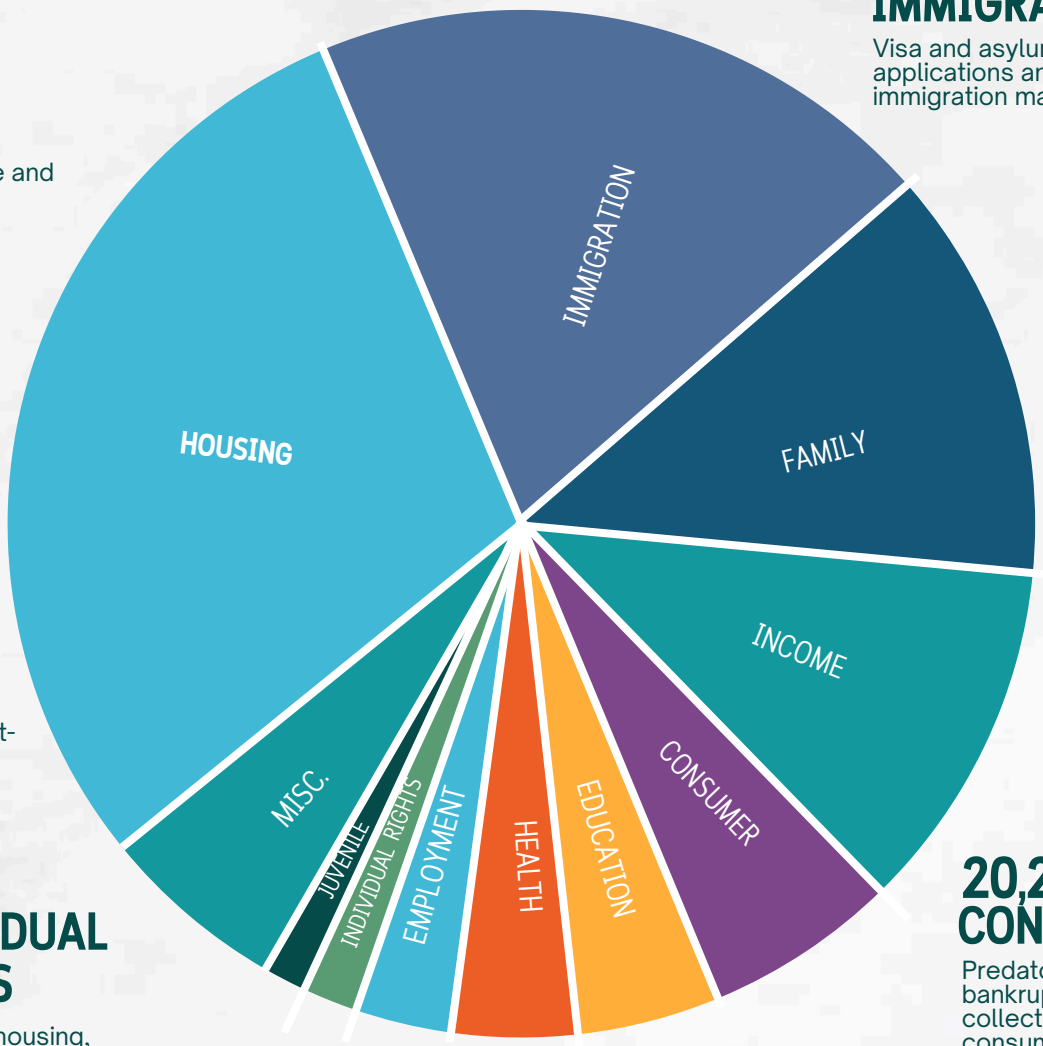
885,331 hours donated by **40,227** pro bono volunteers, valued at $310 million

148 million individuals received legal education in-person, online, and via other means

225,354 individuals received assistance to handle their legal issues *pro se*

4.3 million individuals prepared or accessed legal forms online

IN FY25, IOLA GRANTEES CLOSED 336,789 LEGAL CASES, BENEFITTING 691,846 PEOPLE



67,316 IMMIGRATION
Visa and asylum applications and other immigration matters

43,672 FAMILY
Family safety, custody, support, and guardianship

37,172 INCOME
SSI, SSD, SNAP, VA, Worker's Comp, and other benefits

20,266 CONSUMER
Predatory lending, bankruptcy, illegal debt collection, and consumer defense

14,967 EDUCATION
IEP/504 and school discipline cases

14,138 HEALTH
Medicare, Medicaid, Insurance, and other health-related matters

9,975 EMPLOYMENT
Wage claims, workplace safety, employment discrimination

5,972 INDIVIDUAL RIGHTS
Access to housing, employment, and public facilities for people with disabilities

4,235 JUVENILE
Various cases for at-risk and system-involved children

19,705 MISC.
Name changes, advanced planning, tax

99,371 HOUSING
Eviction defense and housing stability

ADVOCACY SPOTLIGHT

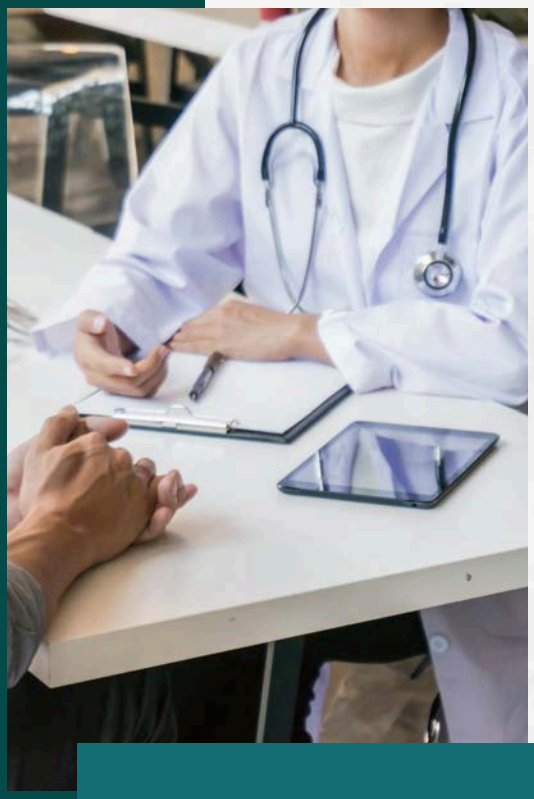
Sophie, a survivor of abuse, came to the **Legal Aid Bureau of Buffalo** at a pivotal moment in her life. Determined to protect herself and her child from further harm, she sought help in securing a divorce from her husband, who had been charged with crimes related to the exploitation of children. Her focus was clear: rebuild their lives in safety, free from the shadow of the past. During a meeting, Sophie shared that she no longer wanted her child to carry the last name of a man whose actions had caused so much pain.

For Sophie, this was more than a legal matter; it was a powerful act of reclaiming their future and breaking ties with a traumatic legacy. Changing her child's name was an essential part of protecting their dignity and restoring a sense of identity that was not defined by abuse.

The Legal Aid Bureau of Buffalo immediately recognized the significance of Sophie's request. Advocacy in moments like this means more than offering legal representation—it means listening, validating a survivor's voice, and taking swift action with compassion and resolve. Their attorneys represented her in both the divorce and the name change, ensuring each step was handled with the care and urgency it deserved.

Protecting survivors of domestic violence from further abuse

ADVOCACY SPOTLIGHT

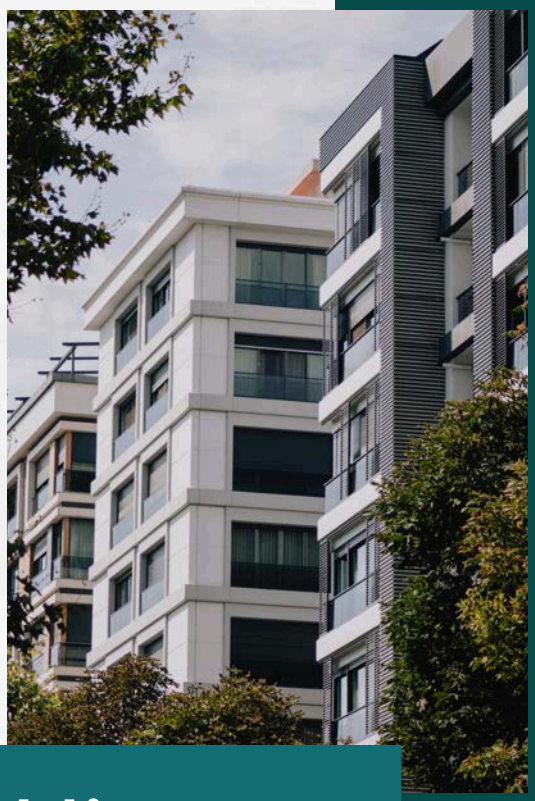


Securing legal status for immigrants facing deportation and detention

In July 2024, **New York Lawyers for the Public Interest's** Medical Provider Network (MPN) received an urgent referral from attorneys at a legal service provider on behalf of their client, Ms. H, who was facing imminent deportation after ICE detention in May 2024. Ms. H suffers from a traumatic brain injury sustained from long-term physical abuse and needed medical corroboration of her condition to support her application for relief from deportation.

NYLPI's Health Justice team connected Ms. H and her lawyer with a volunteer neurologist from their Medical Provider Network on an expedited basis. With legal counsel from NYLPI, the neurologist conducted a video evaluation of Ms. H, reviewed her medical records, and wrote a comprehensive report that contextualized Ms. H's behavior as a survivor of complex trauma. The immigration judge cited directly to the doctor's report in their oral decision, relying on it to find Ms. H credible and grant her case. As her attorney noted, "[the doctor's] report made a huge difference in the case," and helped Ms. H win relief from removal and release from detention. Ms. H was able to safely return to her community and resume her life in New York.

ADVOCACY SPOTLIGHT



The **New York Legal Assistance Group** represented a client who lived in a building owned by a landlord ranked as the #1 Worst Landlord on the Office of the Public Advocate's Landlord Watchlist. This client had a ceiling that collapsed in their bathroom and kitchen, rats throughout their apartment, and multiple fire and personal safety violations throughout the building's public areas.

The judge overseeing this case ordered the landlord to fix these safety violations. When the landlord still did not make the Court ordered repairs, NYLAG filed a contempt motion. The landlord refused to engage in repair work despite facing between $500,000 and $1.7 million dollars in civil penalties.

NYLAG reached a settlement with the landlord in which the client received a total of $50,000 in a rent abatement and direct cash compensation.

From intake to settlement, this work spanned ten months and required more than 50 hours of attorney time, including researching novel law and consulting with housing colleagues to finally obtain a just settlement for their client.

Fighting against negligent landlords to ensure safe living conditions for tenants

JUSTICE INFRASTRUCTURE PROJECT

In December 2023, IOLA launched the Justice Infrastructure Project ("Project"). Consistent with IOLA's mission, this Project seeks to ensure that every New Yorker with a legal problem has clear and timely access to high quality legal information, advice, and representation. To achieve this goal, the Project will consist of two functions:

(A) Support, Knowledge, and Information for Legal Services Organizations and

(B) Legal Information and Referral for the Public.

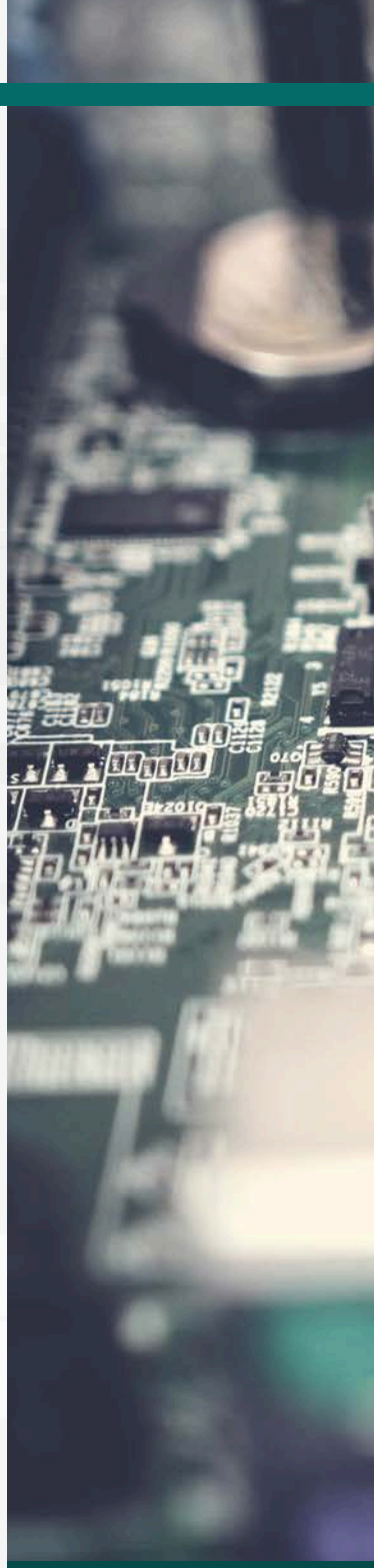
In fiscal year 2025, IOLA has worked with New York legal services organizations, community-based organizations, national experts, consultants and other stakeholders to further develop the Project's vision.

New York State Legal Intake Conference - In collaboration with IOLA grantee Legal Services of New York City, IOLA funded the first-ever intake conference for legal service providers in New York State. This conference provided grantees with an opportunity to discuss intake systems, share challenges, and explore ideas for the future.

New York Legal Services State Support Convening - IOLA convened an initial planning meeting in January 2025 to advance the development of a statewide support function in New York. The grantee community in attendance identified key priorities and actionable next steps to advance the Justice Infrastructure Project.

JUSTICE INFRASTRUCTURE PROJECT

Consulting Groups for the Development of a Statewide Support Function for Legal Services - From February to May 2025, IOLA convened consulting groups composed of grantee staff to advise on structure, goal, mission, funding sources, and other key components of a Statewide Support Function for Legal Services. The recommendations from these consulting groups were presented to the IOLA board and used to determine first steps in the creation of a Statewide Support Function.

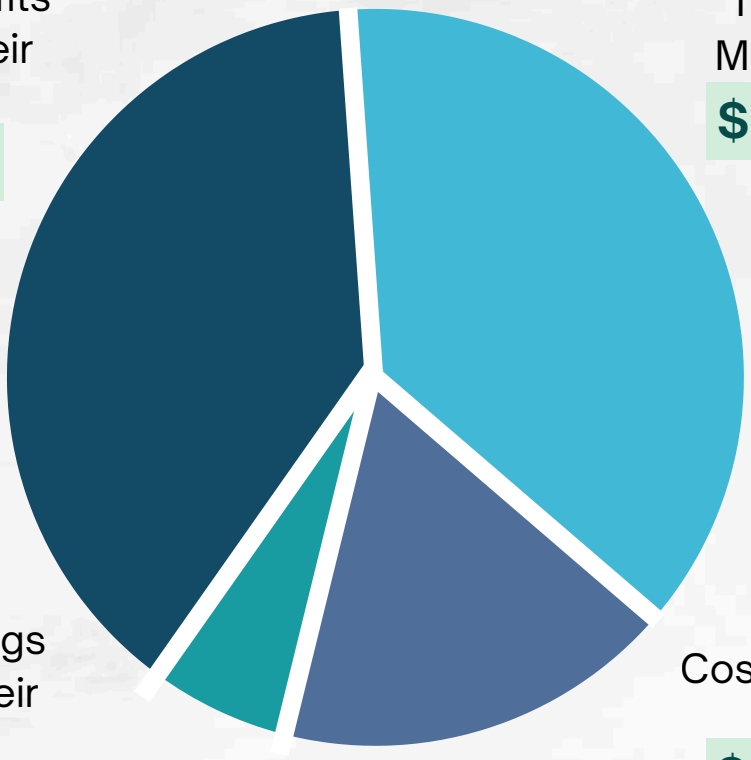


IN FY25, CIVIL LEGAL SERVICES IN NEW YORK STATE YIELDED

$5.47 BILLION IN BENEFITS AND SAVINGS

Direct Dollar Benefits to Clients and Their Families
$2.12 Billion

The Economic Multiplier Effect
$2.05 Billion



Direct Dollar Savings to Clients and Their Families
$328 Million

Cost Savings to the Community
$975 Million

The monetary value of the legal outcomes achieved for IOLA grantee clients is astounding. In the last NYS fiscal year, direct benefits and savings to New Yorkers topped $2.45 billion, while the avoidance of emergency shelter, foreclosures, and domestic violence-related costs saved communities across the State over $975 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 **$5.47 billion**.

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WITH GRATITUDE

IOLA acknowledges the contributions of departing Trustees Paula Galowitz, Edwin J. Lopez-Soto, and Kathryn Grant Madigan over their many years of service.

IOLA STAFF*

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Find a list of current IOLA grantees here.