Interest on Lawyer Account Fund of the State of New York

Funding civil legal assistance for low-income New Yorkers since 1984

Remarks of Christine M. Fecko, Executive Director, IOLA Fund of the State of NY

Presented at a Virtual Public Hearing Convened by the New York State Bar Association on the Topic of the *Social, Practical and Legal Challenges In Current Immigration Law and Enforcement*

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New York State Bar President Kathleen Sweet; Karin Anderson Ponzer, Chair of the State Bar Committee on Immigration Representation and Coordinator of the State Bar's Immigration Working Group, Members of the Immigration Representation Committee and Immigration Working Group; and all leaders of the State Bar, good afternoon and thank you for the opportunity to testify today.

I'm Christine Fecko, Executive Director of the Interest on Lawyer Account Fund of the State of New York, commonly known as IOLA or the IOLA Fund. I am also a member of the State Bar's President's Committee on Access to Justice, the State Bar's Committee on Legal Aid, and the New York State Permanent Commission on Access to Justice.

IOLA is a public fiduciary fund dedicated to supporting civil legal aid organizations across New York, which we do primarily through general operating grants. IOLA currently supports 87 nonprofit civil legal aid providers. In FY25, the IOLA Fund distributed over $60 million in general operating support, which is expected to grow to over $77 million in FY26 and $95 million in FY27. The New York legal services sector employs over 5,700 people and coordinates over 40,000 pro bono volunteers. In FY25 alone, IOLA-funded programs

served over 1.1 million New Yorkers and closed over 330,000 cases from housing and family safety to immigration, consumer protection, and public benefits.

Today, I want to focus on immigration legal services, an area where the stakes are especially high, and the risks are growing.

I intend to speak on three points:

- First, I want to describe and provide data on immigration legal services in NY;
- Second, I want to share some data and observations about the impact of federal funding cuts and restrictions on immigration legal services in New York; and
- Third, I want to lift up the efforts of front-line immigration advocates.

First, allow me to describe the immigration legal services landscape. In FY25, fifty-four IOLA grantee organizations provided immigration legal services and, in total, closed over 67,000 immigration cases, benefiting nearly 140,000 individuals.

The data we've collected from FY25 shows the breadth of legal needs facing immigrant communities. Let me break down the 67,000 case number.

This work included over 2,500 immigrants obtaining citizenship. In more than 9,000 cases, IOLA grantees secured an adjustment of status or nonimmigrant status, which includes asylee and refugee cases, cases under the Special Immigrant Juvenile program, cases under VAWA, DACA, and TPS, cases obtaining T and U visas for trafficking and crime victims, and others. In nearly 7,000 cases, employment authorization was secured without

other relief. Pausing here, I'd like to note that services I've just described – which amounts to just over 18,000 cases – resulted in clients having the ability to work legally in New York.

Coming back to the total work from FY25, there were also nearly 1,300 cases where IOLA grantees successfully cancelled a removal, administratively closed an EOIR proceeding, or secured a release from detention by Immigration and Customs Enforcement, or ICE. Notably, the release from ICE detention is often for survivors of domestic violence or individuals with medical vulnerabilities.

IOLA grantees also completed 1,500 full immigration screenings which determined that the client did not have any available immigration relief – a conclusion offered by reputable legal services attorneys that likely prevented desperate clients from paying fraudsters that prey on vulnerable communities.

Finally, because IOLA grantees do not have the necessary staffing to provide full representation to all of the clients who make it to their doors, in over 46,000 cases, they provided extended advocacy, brief advice, and other services – which is especially important for those with no immediate relief or other options.

The consequences of this work are not just legal; they are economic. IOLA annually conducts an economic impact analysis of the cost savings and financial benefits of civil legal services in New York State, relying on data reported by IOLA grantees and relevant research to calculate the monetary value of legal outcomes achieved each year. According to IOLA's FY25 economic impact report, immigration legal services in New York State generated over $900 million in financial benefits, virtually all of which is due to clients

receiving increased wages from attaining citizenship and work authorization – from those 18,000 cases I mentioned earlier. Being able to work legally means higher wages for clients and their families, often allowing them to lift themselves out of poverty and pursue the American Dream. Higher wages also mean higher tax collections for the State of New York and more money being spent in local communities on food, housing, clothing, and school supplies. For these reasons, the outcomes from the effort of the civil legal aid community are not just legal victories; they are lifelines for families, workers, and communities.

And these lifelines are under threat, which brings me to point number two: federal funding cuts and restrictions will have a profound impact on legal services delivery in New York.

In FY25, IOLA grantees received $137 million in federal support, including $34 million from the Legal Services Corporation (LSC), now slated for total elimination in the President's Executive Budget. Twenty legal aid organizations in New York rely on federal funding for more than 20% of their budgets. Providers in Western New York and New York City are at particular risk from the loss of federal funding. Western New York has a high concentration of federal funding with five large nonprofit providers receiving up to 27% of their funding from federal sources. In New York City, 27 providers face uncertainty due to federal threats tied to sanctuary city status, which could eliminate all federal dollars.

With respect to immigration legal services, federal funding supports a wide range of services, including:

- Know-Your-Rights trainings and community education
- Representation in deportation proceedings

- Adjustment of status (family-based, asylum, refugee, SIJS, VAWA)
- Work authorization and employment-based relief
- Defense against ICE detention and removal
- Litigation against unlawful detentions and retaliation

Cuts from the U.S. Departments of Justice (DOJ), Health and Human Services (HHS), and Housing and Urban Development (HUD) are already impacting refugee resettlement, domestic violence advocacy, and asylum defense.

News of federal funding cuts is hazy and complicated by competing court injunctions and appeals. IOLA's understanding of the data, however, leads us to estimate that, of the $137 million, up to $80 million in funding to New York civil legal services nonprofits – at least $20 million of which supports immigration legal services – is at significant risk of loss, leaving tens of thousands without representation. The timing of these cuts is unclear. Some cuts have already happened, some are pending challenges in court, others are likely to come in the FY26 federal budget, and others may be felt in future years.

IOLA has committed over $560 million in general operating support over the next five years, but more is needed to address the large and growing demand and we cannot replace the scale or stability of the federal investment. IOLA strongly supports guaranteed legal counsel for immigrants facing deportation and expanded statewide immigration defense infrastructure.

In addition to reduced funding, recent months have seen sweeping changes in federal immigration policy, including intensified enforcement in public spaces and the termination of

programs that provided lawful status and work authorization. Moreover, grantees report that restrictive federal immigration policies have eroded their pro bono partnerships and reduced the capacity of clinic models to serve as many clients as before. These shifts reverberate across civic, religious, and health care organizations, raising urgent questions for state and local officials, employers, and the attorneys who advise them.

Finally, point 3, I want to lift up and thank the front-line legal staff. The work I've described reflects not just legal complexity, but human urgency. As I'm sure you will hear more about later today, legal service providers are literally on the front line. IOLA grantees accompany clients to court, ICE check-ins, and detention hearings—often putting themselves at risk of arrest or physical harm—in an effort to prevent wrongful detention. They are bearing witness to the trauma experienced by clients ripped away from their children, detained without cause, and deported in the middle of legal proceedings. These scenes – the videos of families separated in real time that the public sees on the news and in social media – they haunt the attorneys and advocates that make up the nonprofit sector.

And yet, these providers persist. IOLA's grantees have moved community sessions and Know-Your-Rights trainings online to protect client privacy. They are bringing class action and other impact litigation to challenge illegal and unconstitutional conduct—Latino Justice was just in the news this week with a huge victory, holding Suffolk County accountable for its wrongful detention and medical neglect of immigrants in its custody. Every day, in small and large ways, IOLA grantees continue to show up, hold space, and fight back.

I want to thank everyone doing this work. IOLA is committed to supporting not only the legal outcomes but the emotional resilience of the sector. The speakers who follow me

today reflect the breadth of response required. They lead with evidence, equity, and resolve and are among the best of New York's legal profession.

I urge the State Bar to support expanded state funding for immigration-related legal services, the integration of legal aid into public safety and justice planning, and the promotion of interagency coordination.

Civil legal services are a vital safeguard to the integrity of our justice system and the well-being of immigrant families. IOLA stands ready to partner in building an evidence-based response to the legal, social, and economic challenges posed by current immigration enforcement.

Thank you for your time and for your ongoing commitment to justice for all New Yorkers.