



## Montana Justice Foundation Newsletter

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### In This Issue

Feature Grantee: CCLC

New FDIC Rule

Fed Rate Cuts

Boone Karlberg

Lunch for Justice

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Dear Amy,

As the year quickly winds to a close, the board and staff of the Montana Justice Foundation (MJF) reflect on the many challenges and successes of 2008.

Like us, we know you care deeply that all Montanans have equal access to a fair and equitable justice system. Your commitment and support have furthered our mutual goal: to provide access to justice for Montana's low-income individuals and families in need of legal representation.

Last year, the MJF was able to increase its grantmaking capability by over 60%. In part, with the help of loyal supporters like you, we were able to provide over a dozen quality Montana non-profits with nearly \$750,000 in grants in 2008.

However, we face a challenge as we approach 2009. As you know, MJF relies on the Interest on Lawyers Trust Accounts (IOLTA) Program for a significant portion of its funding. As the economy has faltered in recent months, so too have the funds generated by IOLTAs.

IOLTA income is down by more than 50% from 2007 and, in the coming months, we will face even deeper cuts.

The MJF has been proactive in addressing this funding gap - tirelessly reaching out to financial institutions to improve interest rates on IOLTA. We have hosted luncheons and forums to spread the word about MJF's unique role in achieving access to justice in Montana.

Most importantly, with the help of generous attorneys, law firms, judges, and corporations from across the state, we have diversified our funding sources. In these hard financial times, MJF must rely on partnerships with the leaders most committed to our work to bridge the gap in IOLTA funds.

As the sole statewide funder of access to justice programs in Montana, the MJF plays a critical role in ensuring that the legal needs of all Montanans are met. But the real hero of the story is you.

Together, we can continue to assist law clinics, legal aid organizations, CASAs, community mediation centers, and domestic violence education and service providers in ensuring that all

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### **MJF Thanks**

the following

### **Leadership Banks**

for their support and  
commitment to making  
the IOLTA program a  
success in Montana:

### **PRIME PARTNERS**

Bank of Bozeman  
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Montanans - regardless of income - have equal access to the civil justice system.

The need for continued perseverance cannot be overstated. We thank you for your commitment and vision.

Happy Holidays!

*Amy Sings In The Timber*

### **MJF Feature Grantee: Cascade County Law Clinic**

Jane had recently escaped years in an abusive relationship that had left her nearly deaf in both ears and was trying to make a new life for herself. She was attending school to become a hair dresser and secured housing in a government assisted complex.



A friend introduced Jane to Jeff. Jeff knew sign language and offered to teach Jane. The two became friends and after awhile, she invited him over for dinner.

Once he had gained Jane's trust, Jeff stole a key to her home. He began selling drugs out of Jane's home when she was at school. Jane's neighbor reported this suspicious behavior to the authorities.

Jane was facing eviction. With no money to hire an attorney, she called the Cascade County Law Clinic (CCLC) for help. The CCLC located a volunteer attorney to assist her.

With the help of the CCLC and a local attorney, Jane was able to keep her home and finish school.

The Cascade County Law Clinic (CCLC), located in Great Falls, is made up of three sections: the Self-Help Law Center; the Pro Bono Law Clinic; and the Guardianship Counsel.

The Pro Bono Law Clinic helps low income individuals retain attorneys for family law, tenant-landlord issues and orders of protection for little to no cost to the individual. The CCLC provides legal assistance to low-income residents of Cascade County by facilitating case assignments to local volunteer attorneys.

MJF funding supports CCLC staff and provides clinic resources for program management.

Quick Links...

[Our Website](#)

[More About Us](#)

## New FDIC Rule Creates Unlimited Protection for IOLTA Accounts

The Federal Deposit Insurance Corporation (FDIC) announced on November 21, 2008, that effective immediately client funds deposited in IOLTA accounts at participating financial intuitions are eligible for unlimited deposit insurance coverage as part of the Temporary Liquidity Guarantee Program (TLGP). All funds in an IOLTA account, regardless of size, will now be insured in full by the FDIC and backed by the full faith and credit of the United States Government, as part of the Temporary Account Guarantee (TAG) provisions of the TLGP. Financial institutions opting out of the TAG coverage must display a notification to customers. The additional coverage is in effect until December 31, 2009, unless extended. Full text of the final Rule can be found at:

<http://www.fdic.gov/news/board/08BODtlgp.PDF>

The FDIC has posted the list of financial institutions that have opted out of the Transaction Account Guarantee Program of the TLGP. Please see the link below:

<http://www.fdic.gov/regulations/resources/TLGP/optout.html>

## DEEP CUTS IMPAIR LEGAL AID

Legal aid programs throughout the country are facing budget cuts of up to 50% - the Montana Justice Foundation (MJF) is no exception.

With the economy in recession, people are being laid off from work, evictions and foreclosures are on the rise and many low-income families have little to no access to health care. It is plain to see that the need for legal aid programs is stronger than ever.

IOLTA (Interest on Lawyer Trust Accounts) programs are the main source of funding for many legal aid programs throughout the country. Under IOLTA programs, interest on short-term lawyer trust accounts is granted to legal aid programs and access to justice initiatives.

The primary reason for the legal aid cuts is the plummeting federal interest rate. With the federal funds rate falling from 5% last year to 1% currently - and the volume of lawyer caseloads down - legal aid programs throughout the country have been decimated. The federal funds rate is expected to continue to sink through 2009, with some economists predicting a possible 0% floor.

Already, MJF IOLTA revenue is down more than \$120,000 from last year at this time and will likely realize a projected cut of more than \$400,000 overall in fiscal year 2009.

Like legal aid programs throughout the country, the MJF is redoubling its efforts to reduce the gap created by diminished IOLTA funds by

asking local law firms, corporations, and individuals to boost support.

If the funds can't be replaced, legal aid programs in Montana will have to lay off attorneys and staffers in the coming year and likely will have to start turning away a greater number of otherwise qualified clients - some organizations may even be forced to close their doors.

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### **OUTSTANDING DONOR: Boone Karlberg P.C.**

The MJF board and staff would like to recognize Missoula law firm, Boone Karlberg P.C. for its special contribution. Boone Karlberg has been a long-time supporter of the MJF and this fall the firm once again demonstrated its commitment to the access to justice cause by making a \$5,000 charitable contribution intended to offset falling IOLTA interest rates. Managing partner, Thomas H. Boone serves as an emeritus director to the MJF. Thank you for your support!

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### **LUNCH FOR JUSTICE**



On November 13th, 2008, more than 100 attorneys, judges, and other community leaders from the Billings area gathered at the Billings Petroleum Club for the Montana Justice Foundation's (MJF) first-ever Lunch for Justice Event.

Since 1986, the MJF has received funds from Interest on Lawyers Trust Accounts (IOLTA) program. IOLTA funds have benefited MJF greatly, but falling interest rates have led to decreasing revenue.

In order to ensure a robust and diversified funding base adequate to sustain the MJF's steady commitment to access to justice, the MJF has been expanding its outreach to the Montana legal community for support.

As Montana's largest city, and home to more than 500 attorneys, the

MJF selected Billings as the site to launch its first Lunch for Justice, a special event spotlighting annual giving.

A group of local MJF supporters invited their peers to learn more about the MJF and have the opportunity to contribute to the access to justice cause in Montana.

Yellowstone Bar Association President, John Crist served as Master of Ceremonies. The event featured a short video about the MJF and presentations by keynote, MT Supreme Court Justice James Regnier, (Ret.), Eastern MT CASA/GAL Executive Director, Cherie LeBlanc, and Montana Legal Services (MLSA) attorney, Maria Beltrand.

The event was a great success - raising more than \$40,000 in annual pledges and providing valuable information about the MJF, its grantee organizations, and the important work being done in Montana to provide legal aid to the poor and secure access to justice for all.

The MJF will host a series of Lunch for Justice Events throughout Montana in 2009.

Thank you for being a partner in the access to justice cause!