



Penina Kessler Lieber

PBA Secretary Penina Lieber on ABA's IOLTA Commission

By Amy Kenn

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PBA Secretary Penina Kessler Lieber has been appointed to a one-year term on the American Bar Association Commission on Interest on Lawyers' Trust Accounts (IOLTA).

The commission, consisting of nine members from across the country, is appointed by the ABA president. It supports the operation of IOLTA programs throughout the United States and Canada and oversees the IOLTA Clearinghouse, which provides information and technical assistance on IOLTA program design and operation.

Lieber, who practices nonprofit and tax-exempt law in the Pittsburgh office of Obermayer Rebmann Maxwell & Hippel L.L.P., is also chair of the Pennsylvania IOLTA Board. She is the only state IOLTA chair serving on the ABA commission.

Lieber says she's "thrilled" to be serving on both IOLTA bodies: "It's something that touched my heartstrings, and I wanted to do it."

Access to justice is vital for low-income citizens who might not otherwise be able to afford legal representation. IOLTA programs help bridge the gap, providing critical funding to civil legal aid organizations. IOLTA funding comes from various

sources, including interest collected on lawyers' interest-bearing trust accounts.

IOLTA programs exist in all 50 states, Washington, D.C., the Virgin Islands and in the Canadian provinces. However, not every state requires lawyers to participate in IOLTA, which Lieber notes is "a big issue in the national IOLTA picture."

"We would like to see more states make IOLTA mandatory," she says.

According to Lieber, a major issue facing the ABA commission is how to address decreasing IOLTA funding. Faced with state and local budget cuts to legal aid services and with declining bank interest rates, Lieber said IOLTA programs are facing huge challenges.

"We just have to keep finding alternative sources [of funding]. ... The poverty level has really jumped, and this is one of the really important things that we are doing. We're on the front lines of helping people in this economy," she says.

According to Lieber, the ABA commission is encouraging the implementation of interest rate comparability rules to increase IOLTA revenues.

"We want banks to pay interest to us as they do to their other best customers. Many of them have gone along with that, but, frankly, we're not all the way home yet," she says. Thirty-two states currently have interest rate comparability rules.

In addition, Lieber said the commission is keeping its eye on the distribution of class action residual funds. Many states allow those remaining funds to be allocated to IOLTA for distribution to civil legal aid. The Pennsylvania IOLTA Board has asked the state Supreme Court to consider a rule change that would permit it.

According to Lieber, the ABA commission is also working to improve the grant-making capacity of IOLTA. "You have to have a more standardized approach, and we're trying to provide technical assistance to the various state boards so the grantees are comfortable in the process."

On the ABA commission, Lieber replaced Judge Maureen P. Kelly, who was appointed a magistrate judge on the U.S. District Court for the Western District of Pennsylvania.

In addition to her PBA and IOLTA duties, Lieber is secretary of the Pennsylvania Bar Institute and a trustee of the Pennsylvania Bar Foundation. She was recently elected to membership in The American Law Institute and has served on the Disciplinary Board of the Supreme Court of Pennsylvania. ♦

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