



LEGISLATIVE BUDGET AND FINANCE COMMITTEE

EST. 1959

ACT 1 OF 2026: A PERFORMANCE AUDIT OF THE ACCESS TO JUSTICE ACCOUNT

Report Presentation by Stevi Sprenkle, Deputy Executive Director

June 10, 2026

Good morning, Madam Chair and members of the committee. I am pleased to present the results of the performance audit pursuant to Act 1 on the Access to Justice account. Act 1 directed the LBFC to conduct a performance audit of the Access to Justice account to examine the provision of civil legal aid services in Pennsylvania.

In *Gideon v. Wainwright* (1963), the US Supreme Court held that the Sixth Amendment right to counsel in criminal proceedings applies to state criminal proceedings, citing the Fourteenth Amendment; however, no comparable constitutional right to counsel exists in most civil cases, leaving some individuals with limited income without legal representation. In Pennsylvania, a patchwork of funding sources supports civil legal aid. One source is the Access to Justice account. Access to Justice revenue comes from a variety of fees or surcharges on certain cases and court filings.

Revenue for the Access to Justice account comes from four main sources: magisterial district courts, courts of common pleas, appeals courts, and county row offices. Of these

four streams, we observed that county row offices are particularly vulnerable to potential errors, fraud, abuse, and a lack of oversight because Pennsylvania lacks a unified civil case management system. In contrast, the Administrative Office of Pennsylvania Courts (AOPC) can access case information for the other three revenue sources via specific case management systems.

County row offices generate the largest share of Access to Justice revenue. Between fiscal years 2021-22 and 2023-24, this source accounted for as much as 68.8 percent and as little as 57.5 percent of total Access to Justice revenue. We found that the collection process for these funds remains outdated, relying on mailed remittances and paper checks – sometimes written out by hand. County row offices are supposed to remit Access to Justice revenue from cases and filings to the Department of Revenue (DOR) monthly.

As part of monthly remittances, DOR documents the revenue and the number of applicable filings; however, DOR had no reports showing the number of filings reported by each county. Ultimately, at our request, DOR built a custom report for us to review the number of filings reported. This data showed a 31.8 percent decrease in filings between calendar years 2021 and 2025.

We selected seven counties to document the process by which counties report Access to Justice fees to DOR. We observed underpayments and overpayments, reporting of fractions of filings (such as 12,272.77068), and instances in which county officials did not sign a certification that the information was correct. Additionally, some counties failed to record the temporary reduction of the overall Judicial Computer Program fee, within which Access to Justice is grouped, from \$40.25 to \$19.00 during 2022 and 2023.

Through our review of these seven counties, we found that remittance forms and paper checks often included handwritten information. The remittance forms and checks are mailed to DOR via the US Postal Service. Once DOR receives the remittances, the information is manually entered into DOR's systems. This seemed particularly antiquated, especially given that the commonwealth already has an online portal for tax collections, called the Pennsylvania Tax Hub (PATH), and counties already use this system for other purposes, such as the submission of inheritance taxes and realty transfer taxes. There are risks and inefficiencies associated with paper remittances and checks. The Internal Revenue Service has noted that "paper checks are 16 times more likely to be lost, stolen, altered, or delayed than electronic payments." The electronic submission of Access to Justice and Judicial Computer Program fees would strengthen internal controls over their collection and reporting.

DOR staff stated that they previously inquired of counties why the number of filings did not equal the correct remittance amount (the number of filings multiplied by the fees), and were told: "it had to do with patrials." To clarify the reasons, DOR staff suggested we ask each county individually. There was no clear reason why some counties reported fractions of filings, other than in some cases, filings related to protection from abuse orders resulted in partial payments, but this did not explain all instances in which the filings multiplied by the total fee did not equal the same amount that should have been remitted. Most counties said reconciliation never occurs during the collection process and that they rely on the Department of the Auditor General (DAG) audits for reconciliation.

DAG provides some oversight of the collection of Access to Justice revenue from county row offices; however, it may take three or more years for errors to be found and corrected. While DAG's audits provided us with reasonable assurance that compliance checks occur at the transaction level within individual judicial offices and county row offices, no entity performs a broad, macro-level analysis of these remittances, underscoring the need for further oversight. Additionally, due to changes to Pennsylvania's laws governing sealed cases, juvenile cases, and expungements since 2025, DAG's auditors cannot properly fulfill their mandated role in these county-level

audits as specified in the Fiscal Code.

Related to the collection of Access to Justice fees, we make the following recommendations:

1. The Department of Revenue should collect all county row office Access to Justice remittances via the Pennsylvania Tax Hub online portal.
2. The Department of Revenue should submit the number of filings associated with monthly remittances by county row office to the Administrative Office of Pennsylvania Courts.
3. The Administrative Office of Pennsylvania Courts should perform regular analysis of Access to Justice funding to more promptly identify shortfalls in fee collection and corresponding revenue that would merit further investigation, review, or referral to the Department of the Auditor General.
4. The General Assembly should consider whether the cost of implementing a statewide civil case management system would outweigh the risks associated with a decentralized system.
5. The General Assembly should consider amending the Clean Slate Law to address the Department of the Auditor General's limitations in reviewing data required to fulfill its Fiscal Code auditing mandate.

Since 2002, the Access to Justice account has distributed millions of dollars annually to support legal services for Pennsylvanians in need. Over our review period, Access to Justice funding made up 16.0 percent (FY 2024-25) to 29.1 percent (FY 2022-23) of total civil legal aid funding in Pennsylvania. Over this same period, the total Access to Justice cases handled per year ranged from a high of 18,214 in FY 2022-23 to a low of 9,886 in FY 2024-25.

Related to the distribution of Access to Justice revenue, we make the following recommendations:

1. The Pennsylvania Legal Aid Network should develop a method that tracks the number and reasons civil legal aid applicants are denied service to better assess statewide trends regarding service delivery. Such a tracking methodology should be designed to minimize disruption to how legal service providers provide services while still evaluating potential areas for additional or future services and funding.
2. Our limited analysis of PLAN's quality visit reports found that the organization effectively monitors LSP compliance with IOLTA/Access to Justice grant requirements during its review period. Building upon this success, we

recommend that PLAN make long-term compliance with IOLTA/Access to Justice grant requirements a formal focus of its future monitoring reports.

Act 1 directed LBFC to present options to improve civil legal aid funding. Funding sources in other states include legislative appropriations, court filing fees and fines, out-of-state attorneys' fee proceeds, lawsuit unclaimed or excess fund rules or statutes, annual bar dues and/or attorney registration fees, state Access to Justice commissions, IOTLA funds, fundraising, court funds, and abandoned property.

Historically, Access to Justice's largest share of county row office revenue came from Pennsylvania recorders of deeds; however, its revenue from recorders of deeds declined during our review period. According to recorders we spoke with, higher mortgage interest rates contributed to the decrease in filings, along with the timing of several specific court rulings. Lenders who utilize the Mortgage Electronic Registration Systems (MERS) registry can bypass filing certain transactions with counties, resulting in missed state and local revenue, including for Access to Justice. We estimate that this totaled over \$15 million in lost revenue for Access to Justice during our review period.

Act 1 also directed LBFC to estimate the potential increase in Access to Justice funds if the current surcharge exemption, as specified in Title 42 of the Pennsylvania

Consolidated Statutes, Section 3373.1, subsection B, were repealed. Between calendar years 2021 and 2024, traffic convictions and guilty pleas consistently exceeded 900,000 annually. As a result, we estimated that approximately \$7.5 million in additional Access to Justice revenue could have been collected during that time.

Related to other funding options, we make the following recommendation:

1. The General Assembly may wish to review current practices related to the recording of mortgage assignments and the sufficiency of certain court-related fees to determine whether existing laws continue to align with industry practices, program needs, and policy considerations.

I would like to thank IOLTA, PLAN, AOPC, DAG, DOR, and the row offices in the seven selected counties for providing us with information and data for this report. We especially appreciate their willingness to work with us on our expedited report timeline.

I would also like to express my sincere gratitude to our entire LBFC staff. Every staff member contributed to this report, making it a complete team effort. At this time, I would be happy to answer any questions you may have.