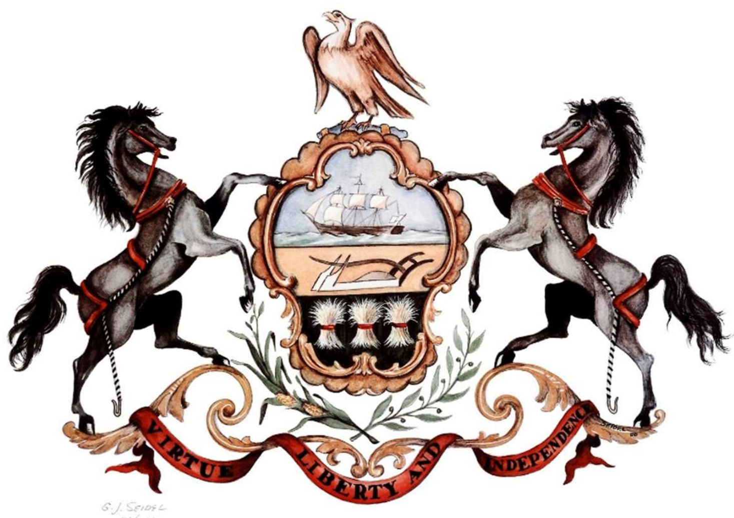
Legislative Budget and Finance Committee

A JOINT COMMITTEE OF THE PENNSYLVANIA GENERAL ASSEMBLY

Act 1 of 2026: A Performance Audit of the Access to Justice Account

June 2026



Christopher R. Latta, Executive Director
Stevi Sprenkle, Deputy Executive Director

Phone: 717.783.1600 Email: lbfcinfo@palbfc.gov Or find us here:

Web: https://www.palbfc.gov Facebook: PA Legislative Budget and Finance Committee X: https://x.com/pa_lbfc

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For the tenth straight year, the National Legislative Program Evaluation Society (NLPES) awarded the Legislative Budget and Finance Committee a Certificate of Impact. The Certificate of Impact is presented to legislative offices that produce evaluations or audit reports that resulted in documented public policy changes, program improvements, dollar savings, or other public impacts.

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REPORT SUMMARY

Study Objectives

Our objectives for the study were the following:

1. *To describe the current civil legal aid system in Pennsylvania, granted under the Access to Justice fund.*
2. *To examine how Access to Justice funds were awarded and the extent of the oversight over the distribution and use of the funds.*
3. *To determine the number of cases and the rate of collection of fees and surcharges, and the program's compliance with the law and state Supreme Court rules.*
4. *To identify opportunities to strengthen funding for civil legal aid services in Pennsylvania.*

Overview

The Supreme Court's decision in *Gideon v. Wainwright* (1963) affirmed the Sixth Amendment right to counsel in criminal proceedings, but no comparable constitutional right exists in most civil cases, leaving individuals with limited income without legal representation. In Pennsylvania, a patchwork of sources provides funding for civil legal aid. One source is the Access to Justice (ATJ) Account. ATJ revenue comes from a variety of fees and surcharges on certain cases and court filings.

Act 1 of 2026 (Act1) directed the Legislative Budget and Finance Committee (LBFC) to conduct a performance audit of the ATJ account to examine the provision of civil legal aid services in Pennsylvania.

The governor signed House Bill 331 (HB 311) into law as Act 1 on February 4, 2026, and the LBFC officers adopted it as a staff project on February 25, 2026. The objectives of our audit are delineated in the text box to the left. Our findings and conclusions are summarized on pages S-1 through S-6.

Our report is organized as follows:

Section I	**Objectives, Scope, and Methodology**
Section II	**Background Information**
Section III	**Collection of Access to Justice Fees**
Section IV	**Distribution of Access to Justice Funds**
Section V	**Opportunities to Improve Civil Legal Aid Funding**

Section III
Collection of Access to Justice Fees

Revenue for the ATJ account comes from four main sources: (1) magisterial district courts (MDC), (2) courts of common pleas (COCP), (3) appeals courts (Commonwealth Court, Superior Court, and Supreme Court), and (4) county row offices (CRO). Of these sources, we observed that CROs are particularly vulnerable to errors, fraud, abuse, and a general lack of oversight because there is no unified civil case management system in Pennsylvania. The Administrative Office of Pennsylvania Courts (AOPC) has access to the case information for the other three revenue sources (MDC, appeals courts, and COCP) via specific case management systems.

Revenue Source	2021-22	2022-23	2023-24	2024-25
County Row Offices	68.8%	60.8%	57.5%	58.3%
Magisterial District Courts	27.9	35.2	38.1	37.6
Courts of Common Pleas	3.1	3.8	4.2	3.9
Appeals	0.2	0.2	0.2	0.2

Figure 1: Share of Access to Justice Funding by Revenue Source
FYs 2021-22 to 2024-25

Most of ATJ's revenue comes from CROs; during our review period, it ranged from a high of 68.8 percent in fiscal year (FY) 2021-22 to a low of 57.5 percent in FY 2023-24. Overall, we found that ATJ revenue collection from CROs is conducted through an antiquated process of mailed remittances and paper checks. CROs are supposed to remit ATJ revenue from cases and filings to the Department of Revenue (DOR) on a monthly basis.

As part of the monthly remittances, DOR documents revenue amounts 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. This data showed a 31.8 percent decrease in filings between calendar year (CY) 2021 and 2025.

The Department of the Auditor General (DAG) provided some oversight of ATJ revenue collection from CROs; however, it is possible for three or more years to pass before errors are found. Additionally, due to changes to Pennsylvania's laws governing sealed and juvenile cases and expungements since 2025, DAG's auditors could not fulfill their mandated role as outlined in the Fiscal Code.

In this section, we found:

1. Access to Justice revenue from county row offices is collected via an antiquated process of mailed remittances and paper checks.

2. There is little to no oversight of the collection of Access to Justice funds related to county row offices' filings to ensure that the amount collected statewide reconciles with the total number of applicable filings.

3. The Department of the Auditor General's county court and row office audits provide reasonable assurance that individual offices are remitting proper amounts or have identified instances in which fraud, abuse, or errors have occurred.

4. The Clean Slate Act had an unintended consequence of preventing the Department of the Auditor General's auditors from conducting compliance audits of state funds as required under the Fiscal Code.

Section IV
Distribution of Access to Justice Funds

Since 2002, the ATJ account has distributed millions annually to support legal services for Pennsylvanians in need of them. During our review period, ATJ funding made up 16.0 percent (FY 2024-2025) to 29.1 percent (FY 2022-23) of total civil legal aid funding. During this same period, the total ATJ 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.

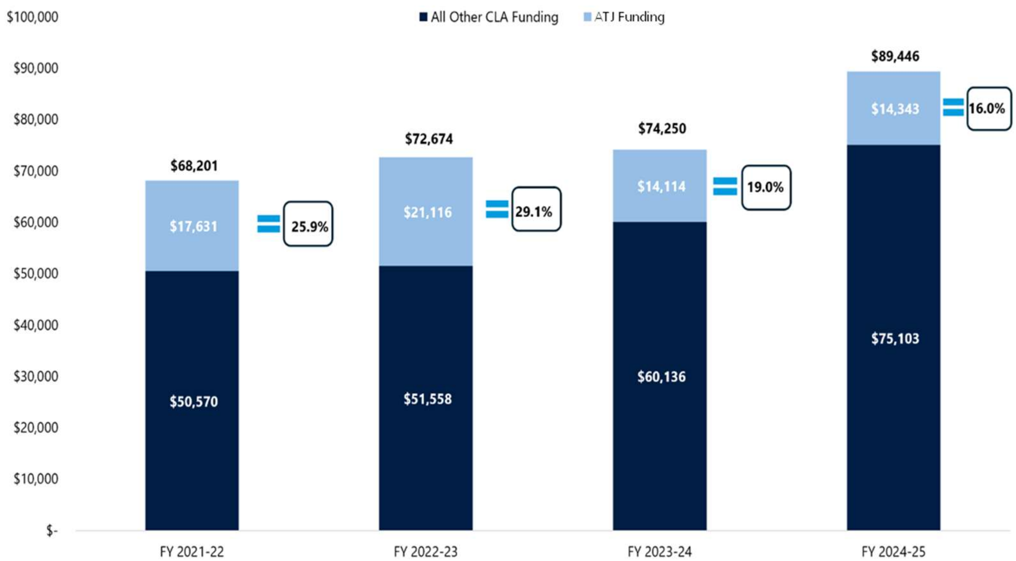

Figure 2: Share of Access to Justice of Total Civil Legal Aid Funding
FYs 2021-22 to 2024-25 (in thousands)

Analysts of nonprofit organizations sometimes evaluate an entity's efficiency by reviewing its administrative spending. One way to assess these costs is to calculate the administrative expenses ratio, which is the ratio of an organization's administrative expenses to total expenses. Interest on Lawyers' Trust Accounts (IOLTA) and Pennsylvania Legal Aid Network (PLAN) each had administrative expense ratios of 3.3 percent during our review period, and all but one legal service provider (LSP) had ratios below 15.0 percent.

The distribution of ATJ funds is regulated by contracts and grant agreements that require PLAN to ensure compliance with both the law and the specific provisions outlined in signed agreements. This includes reviewing annual reports and audited financial statements. Additionally, PLAN conducts in-depth monitoring of each provider at least once every three years. During our review period, PLAN identified 149 findings in its monitoring reports, including 61 corrective actions, 24 follow-ups, 45 recommendations, and 19 reminders. Of the applicable LSP annual financial audits we reviewed, none had findings related to ATJ funding.

In this section, we found:

1. In response to a recommendation from the Legislative Budget and Finance Committee's 2017 report on Access to Justice fees and revenue, the Pennsylvania Legal Aid Network (PLAN) and its affiliates collected detailed applicant data over a six-week period, including acceptance rates and reasons for denial. However, PLAN and its

providers do not consistently track reasons for denied services. This gap limits their ability to assess the unmet statewide need for civil legal aid and may distort funding decisions.

Section V
Opportunities to Improve Civil Legal Aid Funding

Act 1 directed LBFC to present options to improve civil legal aid funding. We reviewed funding sources in other states, including legislative appropriations, court filing fees and fines, pro hac vice fee proceeds, cy pres rules or statutes, annual bar dues and attorney registration fees, state ATJ commissions, IOTLA funds, fundraising, court funds, and abandoned property.[1]

Historically, the largest share of ATJ revenue from CROs was from Pennsylvania recorders of deeds (ROD); however, ATJ revenue from ROD declined during our review period. According to RODs we spoke with, higher mortgage interest rates influenced the decrease in filings, in addition to the timing of several court rulings. Lenders who utilize the Mortgage Electronic Registration Systems (MERS) can bypass filing certain transactions with counties, resulting in lost state and local revenue, including for ATJ.

Act 1 also directed LBFC to estimate the potential increase in ATJ funds if the current surcharge exemption, as specified in 42 Pa.C.S. § 3733.1(b), was repealed. From CY 2021 to CY 2024, the number of traffic convictions and guilty pleas remained steadily over 900,000; therefore, we estimated there would have been approximately $7.5 million in additional ATJ revenue during that period.

In this section, we found:

1. Due to state and federal court rulings, an estimated 2.64 million mortgage filings were not filed with county recorders of deeds in Pennsylvania, and therefore, $15.8 million in potential Access to Justice revenue was not collected from calendar year (CY) 2021 to CY 2024.

[1] Pro hac vice is a Latin legal phrase meaning for this occasion. It allows attorneys who have not been admitted to practice in a certain jurisdiction to participate in a certain case in that jurisdiction. The cy pres doctrine is a principle of law that courts use to save a charitable trust from failing when a charitable objective is originally or later becomes impossible or impracticable to fulfill. In such a case, the court may substitute another charitable objective which is as close as possible to the original charitable purpose.

2. An estimated $7.5 million in fees could have been collected between CY 2021 and CY 2024, had the extra $2 Access to Justice surcharge been applied to traffic guilty pleas and convictions.

Report 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 ongoing 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.

6. The Pennsylvania Legal Aid Network should develop a method that tracks the number and reasons why 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.

7. Our limited analysis of PLAN's quality visit reports found that the organization effectively monitors LSP compliance with IOLTA/ATJ grant requirements during its review period. Building upon this success, we recommend that PLAN make long-term compliance with IOLTA/ATJ grant requirements a formal focus of its future monitoring reports.

8. 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.

SECTION I
OBJECTIVES, SCOPE, AND METHODOLOGY

Why we conducted this study…

The Pennsylvania Governor signed House Bill 331 into law as Act 1 on February 4, 2026. The Legislative Budget and Finance Committee officers adopted the act as a staff project on February 25, 2026.

Act 1 directs the LBFC to conduct a study and issue a report on the Access to Justice (ATJ) account.

The governor signed House Bill 331 into law as Act 1 on February 4, 2026, and the Legislative Budget and Finance Committee (LBFC) officers adopted the act as a staff project on February 25, 2026.

Act 1 directs the LBFC to conduct a performance audit of the Access to Justice (ATJ) account to examine the provision of civil legal aid services in Pennsylvania.

Objectives

In response to Act 1, the LBFC Officers adopted four audit objectives:

1. To describe the current civil legal aid system in Pennsylvania, granted under the Access to Justice fund.

2. To examine how Access to Justice funds were awarded and the extent of the oversight over the distribution and use of the funds.

3. To determine the number of cases and the rate of collection of fees and surcharges, and the program's compliance with the law and state Supreme Court rules.

4. To identify opportunities to strengthen funding for civil legal aid services in Pennsylvania.

Scope

The scope of our audit was January 1, 2021, through December 31, 2025. Due to differing fiscal years between the commonwealth (July 1 to June 30) and counties (January 1 to December 31), some information was presented before or after this period. We note the specific period for each dataset presented in the report.

Methodology

To gain a background understanding of the current civil legal aid system related to ATJ, we reviewed the number of ATJ civil legal aid cases during our review period, including the number of rejected clients. We also assessed revenue and expenses. We reviewed Interest on Lawyers' Trust Accounts (IOLTA) and Pennsylvania Legal Aid Network (PLAN) board meeting minutes and interviewed staff from each organization.

To examine how ATJ funds were awarded, we reviewed PLAN reports and data to document the awarded ATJ funds; examined contracts, grant awards, and applicable documentation regarding the distribution and use of the ATJ funds; and reviewed annual financial audits of grant awardees.

To determine the extent of the oversight over the distribution and use of ATJ funds, we reviewed PLAN's quality visit reports and conducted an internal control review.

To estimate the number of applicable filings and collection rates, we selected seven counties based on population (big, medium, and small) and geographic location: Allegheny, Cameron, Erie, Franklin, Lehigh, Montgomery, and Philadelphia. We requested monthly ATJ remittance documentation from the selected counties from the four row offices with the most significant contributions to ATJ funding (prothonotary, clerk of courts, recorder of deeds, and clerk of orphans' court) and compared the reported number of filings to the amount of revenue reported to the Department of Revenue (DOR). We also requested data from the DOR and the Administrative Office of Pennsylvania Courts (AOPC).

To determine the program's compliance with the law and state Supreme Court rules, we first identified the applicable statutes and rules, and conducted a legislative history of ATJ funding since inception, including any relevant standing committee testimony, house and senate floor discussions, and fiscal notes. We also met with staff from the Department of the Auditor General (DAG) to develop an understanding of their compliance audits of county judicial and row offices, which include ATJ funding. We determined that we could rely on DAG's work and therefore reviewed the audits it conducted for our selected counties during our review period. We also reviewed all audits conducted of district courts, clerks of courts, and clerks of orphans' courts from January 2025 to April 2026 to measure the impact of the Clean Slate Act on DAG audit opinions.

To identify opportunities to strengthen funding for civil legal aid services in Pennsylvania, we reviewed other states' civil legal aid programs and relevant information regarding *Montgomery County, PA v. MERSCORP, Inc.,* and *MERSCORP, et al. v. Delaware Co., et al.,* including court opinions and briefs. We also interviewed county officials familiar with the MERSCORP cases and reviewed data on mortgage originations in Pennsylvania, average mortgage useful life, and trading trends of mortgage lenders.

To determine the potential increase in ATJ funds that would result from the repeal of the surcharge specified in 42, § 3733.1 (b) , we reviewed AOPC data, including the number of summary traffic guilty pleas and convictions.

To identify the current status of LBFC's prior ATJ audit recommendations, we requested information from PLAN and IOLTA and reviewed statutory changes that occurred since October 2016.

Frequently Used Abbreviations and Definitions

Throughout this report, we use a number of abbreviations for government-related agencies, terms, and functions. These abbreviations are defined as follows:

Abbreviation	Name	Definition
ABA	American Bar Association	A voluntary professional association of lawyers and law students founded to uphold the rule of law, set ethical standards, and accredit law schools.
AOPC	Administrative Office of Pennsylvania Courts	The administrative arm of the Supreme Court of Pennsylvania oversees the daily operations, budget, and technology of the state's Unified Judicial System.
AJA	Access to Justice Act	A 2002 Pennsylvania law that establishes surcharges/fees on civil and criminal filings to fund civil legal aid for Pennsylvanians with low incomes.
BCA	Bureau of County Audits	A Department of the Auditor General bureau tasked with conducting audits of district courts and county row offices, liquid fuels examination, children and youth services, and tobacco settlement funds.
BITA	Bureau of Information Technology Audits	A Department of the Auditor General bureau that helps other audit bureaus with audit data and analytics, as well as with the assessment of information technology controls in their audits.
CJEA	Criminal Justice Enhancement Account	A state treasury restricted account funded by imposing fees on certain criminal convictions.
CJP	Community Justice Project	A legal service provider that specializes in administrative law and class-action litigation.
CLA	Civil Legal Aid	The concept of providing financial or legal assistance to people with limited income who need assistance with non-criminal legal issues.

CLS	Community Legal Services of Philadelphia[2]	A regional legal service provider that serves residents of Philadelphia.
COCP	Court of Common Pleas	The general trial courts of Pennsylvania, organized into 60 judicial districts.
CPCMS	Common Pleas Case Management System	A statewide, computerized, web-based system designed to record, track, and manage cases in the Courts of Common Pleas, specifically for criminal and dependency matters.
CRO	County Row Office	Departments headed by independently elected officials who serve 4-year terms, responsible for specific administrative, record-keeping, or public safety functions.
CSL	Clean Slate Law	A 2018 Pennsylvania law that provides for the automatic sealing of certain minor criminal records after a qualifying waiting period, provided there is no further criminal activity.
DAG	Department of the Auditor General	An elected, independent state row office responsible for auditing state agencies and entities receiving state funds to ensure taxpayer money is spent legally, properly, and efficiently.
DOR	Department of Revenue	The state agency responsible for administering tax laws, collecting state taxes (including personal income, sales, use, inheritance, and corporate taxes), and collecting various fees and fines.
Fannie Mae	Federal National Mortgage Association	A federal government-sponsored enterprise that purchases and guarantees mortgages from lenders, packaging them into mortgage-backed securities.
Freddie Mac	Federal Home Loan Mortgage Corporation	A federal government-sponsored enterprise that purchases and guarantees mortgages from lenders, packaging them into mortgage-backed securities.
GGAFP	General Grant Administrative and Financial Provisions	The standardized, binding terms and conditions attached to a grant agreement that govern how a recipient must manage, document, and report on the use of awarded funds.
HMDA	Home Mortgage Disclosure Act	A 1975 federal law requiring financial institutions to maintain, report, and disclose information about mortgage loans and applications.
IOLA/IOLTA	Interest on Lawyer Trust Account/Interest on Lawyers' Trust Accounts	A program in which interest earned on pooled attorney trust accounts holding client funds is collected and used to fund civil legal aid.
IRS	Internal Revenue Service	The US government agency responsible for collecting federal taxes and enforcing tax laws.

[2] The legal name for this organization is "Community Legal Services," but its logo, website, and annual report all use "Community Legal Services of Philadelphia."

JaW	Justice at Work	A legal services provider that specializes in labor law and employment matters.
JCS	Judicial Computer System	The statewide electronic and centralized judicial systems managed by AOPC to automate court processes. It integrates case management, financial record-keeping, and data sharing for all court levels, including magisterial district, Common Pleas, and appellate courts.
JDO	Judicial Department Operations Augmentation Account	A special restricted receipt account established within Pennsylvania's General Fund, designed to provide dedicated funding for the operating expenses of the Unified Judicial System.
LASP	Legal Aid of Southeastern Pennsylvania	A regional LSP that serves residents of Bucks, Chester, Delaware, and Montgomery counties.
LLS	Laurel Legal Services	A defunct regional LSP that merged with Southwestern Pennsylvania Legal Services to form Summit Legal Aid in 2023.
LSC	Legal Services Corporation	The largest national funder of civil legal aid for Americans with low income, established by Congress in 1974 as an independent 501(c)(3) nonprofit. It provides grants to 130+ independent local programs across the US.
LSGA	Legal Services Grant Agreement	A legally binding contract between a funding entity (such as a federal agency or foundation) and a recipient, defining the terms for providing funds to support authorized, often public-interest, legal work.
LSP	Legal Service Provider	An entity (including attorneys, law firms, non-profit organizations, or alternative providers) that offers legal advice, counsel, representation, or assistance with legal matters.
MBS	Mortgage-Backed Securities	Financial investment instruments in which an issuer sells bonds backed by the principal and interest payments of a designated collection (or pool) of mortgages or sells the right to receive those payments directly.
MDC	Magisterial District Courts	The first level of judicial authority in Pennsylvania acts as "minor courts" of limited jurisdiction for low-level legal matters. Presided over by elected Magisterial District Judges, they handle traffic tickets, summary offenses, minor criminal cases, and civil cases with a maximum claim value of $12,000.
MDJ	Magisterial District Judges	Elected judicial officers who preside over Magisterial District Courts.
MDJS	Magisterial District Judge System	A statewide, computerized, web-based system designed to record, track, and manage cases in Magisterial District Courts.

MERS	Mortgage Electronic Registration Systems Inc.	A company that owns and operates a national electronic loan registry system that tracks ownership of promissory notes secured by residential real estate mortgages for a consortium of member entities.
MPLS	MidPenn Legal Services	A regional LSP that serves residents of central Pennsylvania.
NLS	Neighborhood Legal Services	A regional LSP that serves residents of Allegheny, Beaver, Butler, and Lawrence counties.
NPLS	North Penn Legal Services	A regional LSP that serves residents of northeastern Pennsylvania.
NWLS	Northwestern Legal Services	A regional LSP that serves residents of northwestern Pennsylvania.
PACMS	Pennsylvania Appellate Case Management System	A statewide, electronic system used by the Unified Judicial System of Pennsylvania to manage, track, and maintain records for cases filed in the Commonwealth's three appellate courts: the Supreme Court, Superior Court, and Commonwealth Court.
PATH	Pennsylvania Tax Hub	Pennsylvania's online portal for tax filing and payment, administered by the Department of Revenue.
PHLP	Pennsylvania Health Law Project	An LSP that specializes in healthcare law and ensuring access to medical services.
PILP	Pennsylvania Institutional Law Project	An LSP that specializes in civil matters for incarcerated Pennsylvanians.
PLA	Philadelphia Legal Assistance	A LSP that serves residents of Philadelphia.
PLAN	Pennsylvania Legal Aid Network	A nonprofit organization that maintains a statewide consortium of independent legal service providers that provide non-criminal legal aid to state residents with limited incomes.
PULP	Pennsylvania Utility Law Project	An LSP that specializes in matters relating to residential utilities.
RHLS	Regional Housing Legal Services	An LSP that specializes in matters relating to housing, landlord-tenant rights, and affordability.
ROD	Recorder of Deeds	A county row office responsible for recording, maintaining, and providing public access to deeds, mortgages, and other land records.
SLA	Summit Legal Aid	A regional LSP that serves residents of southwestern Pennsylvania.
SPLS	Southwestern Pennsylvania Legal Services	A defunct regional LSP that merged with Laurel Legal Services to form Summit Legal Aid in 2023.
UJS	Unified Judicial System	The commonwealth's statewide court system comprises all state courts, from minor courts up to the Supreme Court, operating under shared standards, administration, and oversight.

Acknowledgments

We thank the Pennsylvania Interest on Lawyers' Trust Accounts Board, the Pennsylvania Department of the Auditor General, the Pennsylvania Legal Aid Network, the Administrative Office of Pennsylvania Courts, the Pennsylvania Department of Revenue, and the various counties that provided us with information and data for this report. We especially appreciate their willingness to work with us on a tight report timeline.

Important Note

This report was developed by the staff of the Legislative Budget and Finance Committee, including Deputy Executive Director Stevi Sprenkle, MPA, Project Manager David Beaudoin, CPA, MBA, Counsel Stephen Kramer, Esq., senior analysts Shanika Mitchell-Saint Jean, MPH, MPA, and Matthew Thomas, Analyst/Legislative Coordinator Amy Hockenberry, Office Operations Analyst Morgan Smith, MSBA, staff analysts Mitch Macek, Madeleine McMaster, MA, and James Wynne, and Executive Assistant Maddison Waddell. The release of this report should not be construed as an indication that the committee as a whole, or its individual members, necessarily concur with the report's findings, conclusions, or recommendations.

Any questions or comments regarding the contents of this report should be directed to the following:

Christopher R. Latta, MBA
Executive Director
Legislative Budget and Finance Committee
P.O. Box 8737
Harrisburg, Pennsylvania 17105-8737
717-783-1600
email: lbfcinfo@palbfc.gov

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SECTION II
BACKGROUND INFORMATION

Fast Facts…

- *Legal aid from the Access to Justice Act is funded entirely through judicial system fees.*
- *As of 2026, a $6 Access to Justice fee is assessed on civil filings and on guilty pleas or convictions in criminal and summary cases, except that the fee is $4 for guilty pleas or convictions involving summary traffic offenses.*
- *The funds raised through the Access to Justice Act support over 15,000 civil cases for those in need annually.*

In Pennsylvania and the United States at large, citizens' rights to public defenders and access to legal aid in criminal matters have long been established. However, this assistance does not extend to the legal system for civil courts. Civil matters span a wide range; people may need assistance with everything from child custody and landlord-tenant disputes to employment discrimination and domestic violence protection orders. While some form of criminal legal assistance is accessible to people regardless of income, the same is not true for civil matters. Civil legal aid (CLA) is the concept of providing legal assistance to people with limited income who need assistance with non-criminal legal issues.

At the federal level, official forms of CLA were formally established in 1974 with the passage of the Legal Services Corporation Act.[3] The largest entity formed by this legislation was the Legal Services Corporation (LSC), a nonprofit corporation that provides funding for CLA and associated services to all 50 states and the District of Columbia, primarily through grants to local legal service providers (LSPs).[4] As the level of unmet need grew, many states, including Pennsylvania, began enacting legislative initiatives to better supplement available federal dollars and assist more people in need.

Recognizing the importance of ensuring equal and affordable access to the justice system for all commonwealth residents, the General Assembly established Pennsylvania's own CLA initiative through the Access to Justice Act (AJA) in 2002.[5] Key to this effort, AJA created the Access to Justice (ATJ) account, a non-lapsing, restricted receipt account in the Pennsylvania Treasury to fund civil legal aid to those in need across the state.

Over time, the General Assembly revisited efforts to bolster ATJ funding and support by adding fees and increasing revenue sources for the ATJ account. Exhibit 1 provides the history of revenue sources for the ATJ account.

[3] The Legal Services Corporation Act of 1974, Pub L. 93-355, 88 Stat. 378; 42 U.S.C. § 2996 *et seq*.
[4] Ibid., § 2996e(a)(1).
[5] Act of October 2, 2002 (P.L.841, No.122), § 2 known as the Access to Justice Act; 42 Pa.C.S. §§ 4901-4908. The AJA was an amendment to Title 42 (The Judicial Code).

Exhibit 1

Access to Justice Funding Chronology

Fee	Imposed On	Authority
Initial $2 Fee	• Initial filings with the Prothonotary, Clerk of Orphans' Courts, and Register of Wills. • Criminal filings in the Court of Common Pleas where a conviction is obtained or a guilty plea entered. • Initial filings with the minor judiciaries; except in criminal, summary, and traffic matters, the fee is only charged when a conviction is obtained, or a guilty plea entered. • Each filing of a deed, mortgage, or property transfer with the Recorder of Deeds and the Clerk of Courts. • Acceptance into ARD or any other pretrial diversionary program (added in 2009).[a/]	Access to Justice Act (Act 122 of 2002)[b/]
Temporary Supplemental $1 Fee	All court filings listed above (excluding traffic offenses[c/]).	Act 49 of 2009[d/] (replaced by Act 113 of 2014)
Additional $2 Fee	All court filings listed above (excluding traffic offenses[c/]).	Act 113 of 2014
Additional $2 Fee	All court filings listed above (including traffic offenses[c/]).	Act 44 of 2017

Notes:
[a/]ARD is the Accelerated Rehabilitative Disposition program, a pretrial program allowing certain first-time or low-risk offenders to avoid sentencing after satisfying court-ordered requirements.
[b/]Act of July 7, 2006 (P.L.378, No.81) extended the AJA (Chapter 49 of Title 42) expiration from 2007 to 2012. Act of June 30, 2012 (P.L.666, No.79) extended the AJA (Chapter 49 of Title 42) expiration from 2012 to 2017.
[c/]Traffic offenses include guilty pleas and convictions on traffic violations.
[d/]Act of July 7, 2011 (P.L.207, No.30), § 1 extended the temporary fee to December 2014. Act of July 9, 2014 (P.L.1004, No.113) replaced the temporary $1 fee with an additional $2 fee.

Source: Developed by LBFC staff from information obtained from Pennsylvania statutes.

To fund the account, AJA established a $2 fee on state civil court filings, which was increased through a series of legislative measures. AJA was initially scheduled to sunset in 2007, but the General Assembly extended it through 2012 with Act 81 of 2006.[6] Act 49 of 2009 imposed a temporary supplemental $1 surcharge on all filings contributing to the ATJ account.[7] Act 30 of 2011 extended the surcharge to December 2014.[8]

[6] Act of July 7, 2006 (P.L.378, No.81).
[7] Act of October 9, 2009 (P.L.494, No.49).
[8] Act of July 7, 2011 (P.L.207, No.30), § 1.

Various pieces of legislation changed the fee, culminating in Act 44 of 2017, which authorized an additional $2 fee for the ATJ account, resulting in a $6 per filing surcharge at the time of this report. The exceptions are guilty pleas and convictions for traffic violations, which are assessed a $4 surcharge instead of $6.[9]

The ATJ fees are included in a larger state judicial system surcharge assessed when legal cases are filed. This total state judicial system surcharge, $41.25 per case/filing as of April 2026, consists of:[10]

- A fee of $10, $8 of which is allocated to the Judicial Computer System Augmentation Account (JCS) and $2 to the ATJ account.[11,12]
- A fee of $2 is allocated to the ATJ account under the Judicial Code.[13]
- A fee of $2 is allocated to the ATJ account under the Fiscal Code.[14]
- A fee of $3.50 is allocated to the Criminal Justice Enhancement Account (CJE).[15,16]
- A fee of $2.50 is allocated to the Office of the Attorney General.[17]
- A fee of $10 is allocated to the Judicial Department Operations Augmentation Account (JDO).[18,19]
- A fee of $11.25 is allocated to the JDO.[20]

The sources of funding for filing fees, along with gradual increases in ATJ fee assessments, generate millions of dollars each year. For example, in Fiscal Year (FY) 2021-22, $18.2 million in revenue was collected for ATJ services. In Section III, we summarize ATJ revenue collections during our review period.

[9] Act of October 30, 2017 (P.L.725, No.44).
[10] Act of November 12, 2025 (P.L.156, No.45).
[11] 42 Pa.C.S. § 3733(a.1)(1) and 42 Pa.C.S. § 3733(a.1)(2)(iii).
[12] The JCS account is used to maintain, update, and expand information technology systems for the unified judicial system of Pennsylvania.
[13] 42 Pa.C.S. § 3733.1(a)(3).
[14] 72 P.S. § 1795.1-E(b)(2).
[15] The CJE account is used to provide funding for law enforcement training, victim services, and related programs for public safety.
[16] 72 P.S. § 1795.1-E(c)(3)(ii).
[17] 72 P.S. § 1795.1-E(c)(3)(iii).
[18] 71 P.S. § 720.102(A)(1)(I).
[19] The JDO account is used to maintain and support the operations of the judicial system and to supplement shortfalls in appropriated monies from the General Fund.
[20] 71 P.S. § 720.102(A)(1)(2).

Uses and Functions of AJA Funds

ATJ revenue, as well as all investment income from these funds, is administered by the Pennsylvania Interest on Lawyers' Trust Accounts Board (IOLTA), which then grants the funds to the Pennsylvania Legal Aid Network (PLAN), a nonprofit organization comprising a network of LSPs across the state. PLAN partners with LSPs across a variety of regions and specializations, sub-granting ATJ funds to these organizations to provide free legal services to low-income Pennsylvanians who meet economic eligibility criteria.

Civil Legal Aid Providers

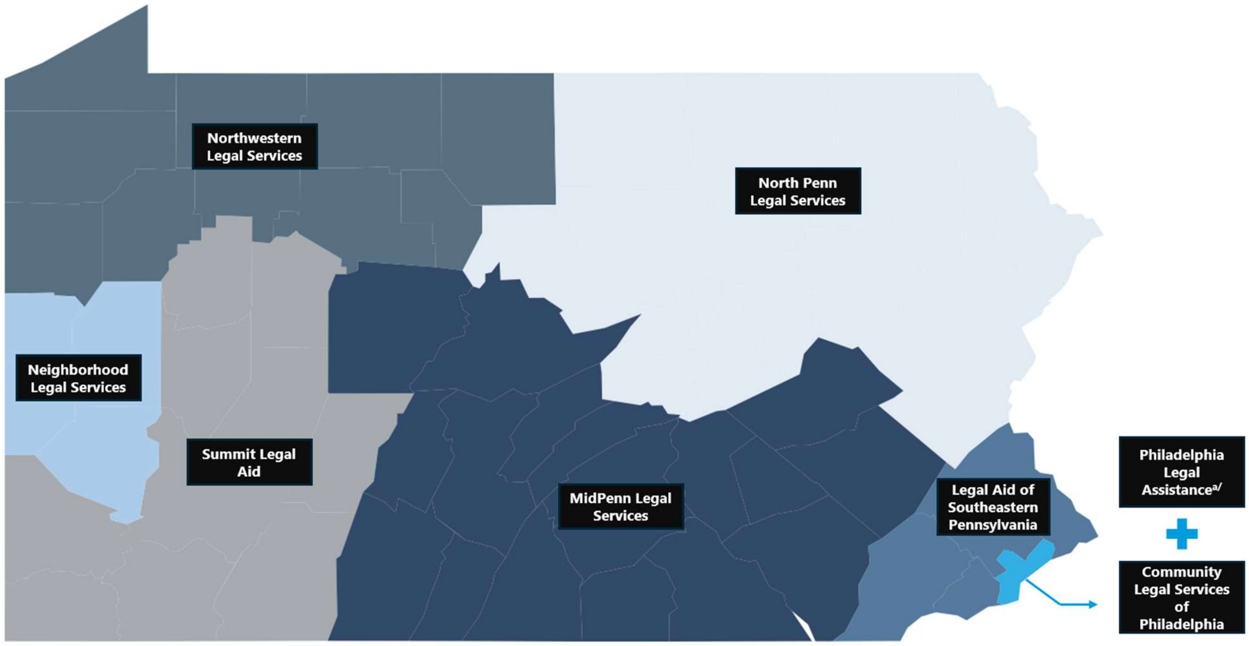
AJA defines an eligible legal service provider as a nonprofit 501(c)(3) organization with the primary purpose of providing civil legal services without charge to eligible clients and victims of abuse through a contract or subcontract with the Department of Human Services.[21]

Pennsylvania Legal Aid Network (PLAN). PLAN is a nonprofit organization that maintains a statewide consortium of independent legal service providers (LSP).[22] PLAN consists of 14 participating LSPs, with 8 covering different regions of the state and 6 specialized, statewide programs. Only 13 LSPs received ATJ funds during the review period.[23] Exhibit 2 shows the LSP regions.

[21] 42 Pa.C.S. §§ 4903.
[22] Pennsylvania Legal Aid Network. *Overview of PLAN Network*. https://palegalaid.net/overview. Accessed March 18, 2026.
[23] Philadelphia Legal Assistance does not receive any Access to Justice funding.

Exhibit 2

The Pennsylvania Legal Aid Network Regions[a/]



Note:
[a/]Philadelphia Legal Assistance, though considered part of the PLAN network, does not receive any funding from the Access to Justice Act.

Source: Developed by LBFC staff from information obtained from Pennsylvania Legal Aid Network.

Regional LSPs are limited to serving people within their geographic boundaries. The statewide LSPs under PLAN are not restricted by location and have a presence in multiple areas of the commonwealth. The specialized LSPs cover a wide range of legal services, including access to healthcare, housing and tenant rights, and utilities and energy. The six specialized LSPs are:

- **Justice At Work (JAW)**, which specializes in labor law and employment matters.
- **The Pennsylvania Health Law Project (PHLP)**, which specializes in healthcare law and ensuring access to medical services.
- **The Pennsylvania Institutional Law Project (PILP)**, which specializes in civil matters for incarcerated Pennsylvanians.
- **The Community Justice Project (CJP)**, which specializes in administrative law and class-action litigation.

- **The Pennsylvania Utility Law Project (PULP)**, which specializes in matters relating to residential utilities.

- **Regional Housing Legal Services (RHLS)**, which specializes in matters relating to affordable housing, housing access, and nonprofit housing development.

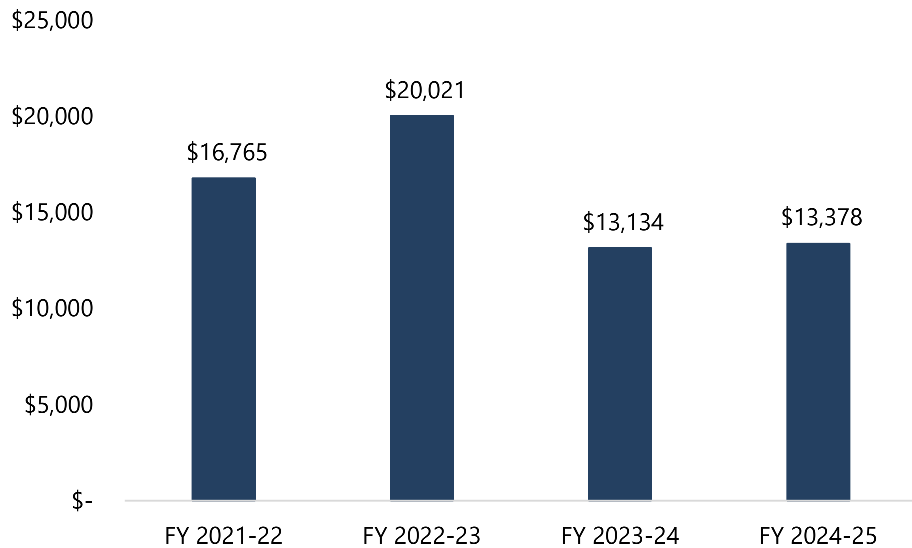
Following a consultation and eligibility application process, LSPs provide free civil legal services across multiple subject areas.

Most ATJ funds distributed to IOLTA are granted to LSPs, and less than one percent of collected funds are used for IOLTA's administrative expenses. The board then formally grants the remaining ATJ funds to PLAN through an agreement, with amounts paid throughout the fiscal year. In turn, PLAN uses, on average, 3.7 to 6.9 percent of the ATJ funds for its administrative expenses and allocates the remainder as subgrants to the LSPs.

Legal Service Providers. LSPs use ATJ funds to provide a wide range of civil legal services to program applicants. Exhibit 3 shows the amount of ATJ funds PLAN granted to LSPs between FYs 2021-22 and 2024-25.

Exhibit 3

Access to Justice Funds Granted to Legal Service Providers[a/]
FY 2021-22 to FY 2024-25
(in thousands)



Note:
[a/]Totals do not include ATJ funds used for program administration.

Source: Developed by LBFC staff from information obtained from Pennsylvania Legal Aid Network.

ATJ grant funds increased by 19.4 percent from FY 2021-22 to FY 2022-23, before declining by 34.4 percent in FY 2023-24. Overall grant funding to LSPs declined over our review period, falling by 20.2 percent from FY 2021-22 to 2024-25.

Impacts of Funding Changes. All LSPs that receive ATJ grant funds use them to provide free civil legal aid to people in need. Exhibit 4 outlines the share of ATJ funding for each LSP from FY 2021-22 to FY 2024-25.

Exhibit 4

Percent of Access to Justice Funds of Total Legal Service Provider Funding
FY 2021-22 to FY 2024-25

Legal Service Provider	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Northwestern Legal Services	32.4%	38.7%	20.2%	20.7%
Neighborhood Legal Services	21.2	23.6	15.4	13.6
Laurel Legal Services[a/]	58.7	78.8	-	-
Summit Legal Aid[b/]	16.1	17.6	15.1	13.9
MidPenn Legal Services	30.8	30.1	17.1	16.2
North Penn Legal Services	27.3	30.8	19.4	19.1
Legal Aid of Southeastern Pennsylvania	19.1	23.8	15.6	14.4
Community Legal Services of Philadelphia	16.1	15.7	9.1	9.3
Community Justice Project	20.2	22.5	16.7	15.8
Justice at Work	12.4	15.7	10.3	9.9
Pennsylvania Health Law Project	14.2	23.3	14.6	12.4
Pennsylvania Institutional Law Project	33.7	52.5	29.9	18.7
Regional Housing Legal Services[c/]	15.1	17.1	10.8	9.2

Notes:
[a/]Laurel Legal Services merged with Southwestern Pennsylvania Legal Services to form Summit Legal Aid in FY 2023-24.
[b/]Data prior to FY 2023-24 was for Southwestern Pennsylvania Legal Services. (see Note [a/])
[c/]Regional Housing Legal Services includes the Pennsylvania Utility Law Project.

Source: Developed by LBFC staff from information obtained from Interest on Lawyers' Trust Accounts, Pennsylvania Legal Aid Network, and financial audits of legal service providers.

ATJ funds accounted for a smaller share of total revenue for each LSP in FY 2024-25 than in FY 2021-22.

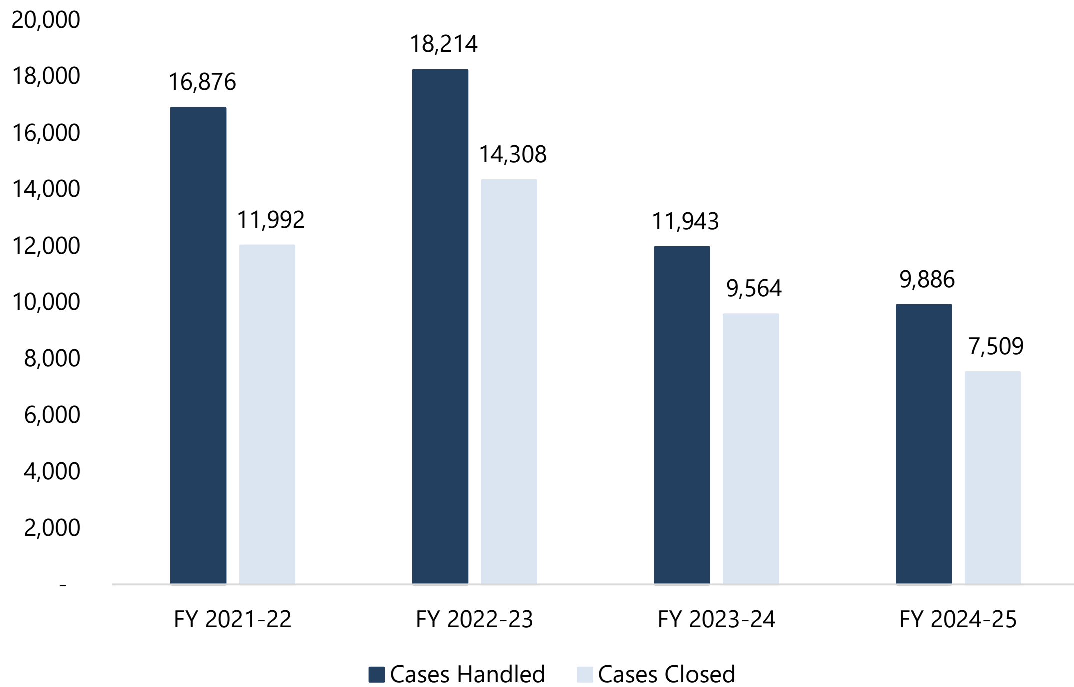
The percentage of LSP revenues from ATJ funds is consistent with the changes in total ATJ revenues during our review period, peaking in FY 2022-23 and declining thereafter. For many LSPs, the shortfall in ATJ funding has been offset by increases in other IOLTA grants or other sources, such as private fundraising. Additionally, interest rate increases during our review period enabled IOLTA to generate $23.6 million in additional interest revenue in FY 2022-23 and $19.9 million in FY 2023-24, with much of it granted directly to LSPs.[24]

[24] These amounts represent the additional net interest revenue earned over the previous year according to IOLTA's audited financial statements. IOLTA's Board also discussed this issue at one of its meetings. See Pennsylvania Interest on Lawyer Trust Accounts Board. *Minutes of the Pennsylvania IOLTA Board Meeting, September 13, 2023, General Session*. p. 5.

LSPs and IOLTA track and catalog all cases involving ATJ funds. IOLTA and PLAN have developed a formula to determine an appropriate annual case goal for each LSP receiving ATJ funds. This goal is shared with each LSP at the beginning of each fiscal year. Exhibit 5 highlights changes in the number of cases handled and closed over the review period.[25]

Exhibit 5

Access to Justice-Funded Cases Handled and Closed by All Legal Service Providers
FY 2021-22 to FY 2024-25



Source: Developed by LBFC staff from information obtained from Interest on Lawyers' Trust Account, Pennsylvania Legal Aid Network, and financial audits of legal service providers.

The decline in the number of cases handled and closed since FY 2022-23 corresponds to the decrease in ATJ funds and LSP grants during the same period. Even though LSPs continue to receive funding from other sources, fewer eligible people received ATJ services annually during this period.

[25] Cases handled refers to cases that have been undertaken but do not yet have a conclusion. Cases closed are those that have been adjudicated or otherwise resolved.

Eligibility. The Pennsylvania Supreme Court established multiple conditions that must be met for a client to receive civil legal aid under ATJ.[26] An applicant family's monthly gross income generally cannot exceed 125 percent of federal poverty guidelines (adjusted for family size). In 2025, this amount corresponded to an annual gross income of $40,188 for a family of four.[27]

The eligibility criteria for ATJ services are set forth in the Access to Justice Act Eligibility Rules, which are part of the grant agreement between PLAN and IOLTA. In some cases, pursuant to the exceptions enumerated in these criteria, clients may be accepted for services with incomes up to 187.5% of the federal poverty level. Persons needing protective services under the Protection from Abuse Act are served without regard to their income.[28] All ATJ recipients must be Pennsylvania residents, and in some cases, clients may be groups, nonprofits, or associations. Since the eight geographically based LSPs serve specific regional areas, they plan and deliver services tailored to their communities and localities; funding levels and service priorities often differ among regional LSPs.

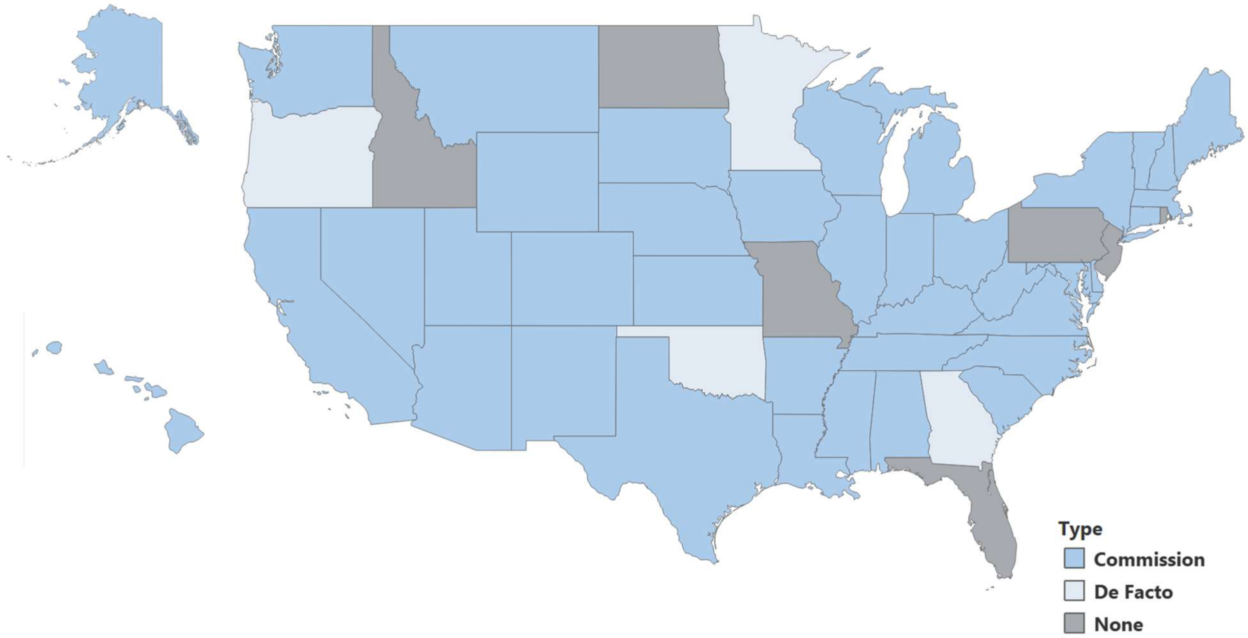
Access to Justice Commissions

A majority of states currently have Access to Justice Commissions (AJC) that serve as additional sources of insight, activism, and support for expanding access to people with limited income and underserved populations beyond civil legal aid providers nationwide. The first AJC was established in Washington state in 1994, and as of 2026, 39 states, 2 US territories, and the District of Columbia have official AJCs, as defined by the American Bar Association (ABA).[29,30] Four other states have de facto organizations that serve the goals and missions of access to justice, but are not officially recognized as commissions by the ABA. Pennsylvania does not currently have an AJC. Exhibit 6 shows a map of AJCs and related organizations in the United States.

[26] 204 Pa. Code § 401.3
[27] United States Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. *2025 Poverty Guidelines: 48 Contiguous States*. p. 6.
[28] There are specific factors LSPs take into account when determining if they will provide services to clients with incomes up to 187.5 percent of the federal poverty level. These factors include but are not limited to: a client's fixed debts and obligations, their current and seasonal income prospects, and whether a client is actively seeking participation in government assistance programs.
[29] American Bar Association. *Access to Justice Commissions: Directory and Structure*. https://www.americanbar.org/groups/legal_aid_indigent_defense/resource_center_for_access_to_justice/atj-commissions/commission-directory/. Accessed on March 27, 2026.
[30] ABA provides a formal definition for an AJC; key tenets include requiring a composition of leaders from the state courts, organized bar, and legal aid providers, recognition by the highest court authority in the state, and regular reporting and oversight. An AJC must be charged to expand civil legal aid access for those in need.

Exhibit 6

Map of Access to Justice Commissions and Related Bodies[a/]
2026



Note:
[a/]The ABA refers to the organizations in some states as de facto or other. The bodies in these states do not meet all the conditions for being considered a commission, but they have similar functions and goals.

Source: Developed by LBFC staff from information obtained from the American Bar Association.

Purpose of Access to Justice Commissions. AJCs help enable the proliferation of civil legal aid to those in need by informing and maintaining awareness of unmet need and accessibility among all stakeholders in the legal system. In states that have them, AJCs also serve as an outreach and support mechanism for the entities that fund legal aid and serve as a cooperative body to connect all stakeholders, including legal aid providers, IOLTA boards, and legislatures.

In 2013, the Philadelphia and Pennsylvania Bar Associations formed the Pennsylvania Civil Legal Justice Coalition in response to the rising demand for civil legal aid. Following a series of hearings that included participation from judges, community members, business leaders, and civil legal service providers, the coalition released a 2014 report to the Senate Judiciary Committee outlining how to address the demand for civil legal aid.[31] This report stated that AJCs can focus on outreach efforts

[31] Pennsylvania Civil Legal Justice Coalition. *Toward Equal Justice For All: Report of the Civil Legal Justice Coalition to the Pennsylvania Senate Judiciary Committee.* April 2014.

and legal aid promotion and specialize in the types of benefits legal aid provides to the wider community.[32]

One of the coalition's report recommendations was to establish an AJC in Pennsylvania; however, as of 2026, none has been established. In 2016, the Pennsylvania Supreme Court declined to proceed with the coalition's recommendation to develop an AJC, citing concerns about long-term, dedicated funding sources.

[32] Ibid.

SECTION III
COLLECTION OF ACCESS TO JUSTICE FUNDS

Fast Facts…

- *There are four types of Access to Justice revenue sources in which fees on specific cases and filings are collected: magisterial district courts, courts of common pleas, appeals courts, and county row offices.*
- *From FY 2021-22 to FY 2024-25, fees from county row offices' filings and cases accounted for a range of 57.8 to 68.8 percent of ATJ revenue.*
- *Recorders of Deeds fees, the highest ATJ funding source, accounted for 58.5 percent of all funding in FY 2021-22, and decreased by $4.7 million in FY 2024-25, making up only 44.5 percent of total funding.*

Overview

Access to Justice (ATJ) fee collections are a critical component of funding civil legal aid in Pennsylvania. ATJ fee collection is complicated because collections involve the executive branch, various levels of the judiciary, and numerous county row offices across 67 counties.

The four primary ATJ revenue streams on cases and filings are:

- Magisterial district courts (MDC).
- Courts of common pleas (COCP).
- Appeals courts (Commonwealth Court, Superior Court, and Supreme Court).
- County row offices (CRO).

Of these four streams, we observed that CROs are particularly vulnerable to errors, fraud, abuse, and a general lack of oversight because there is no unified civil case management system in Pennsylvania. Due to the tracking systems in place by the Administrative Office of Pennsylvania Courts (AOPC), ATJ fees can be more easily reviewed in the appellate system.

The Department of the Auditor General (DAG) provides some oversight. However, due to the number of staff assigned to these reviews and the timeframe between audits, it is possible for three or more years to pass before errors are found and corrected. Additionally, due to changes to Pennsylvania's laws governing sealed and juvenile cases and expungements since 2025, DAG's auditors cannot always fulfill their mandated role as outlined in the Fiscal Code.

Findings

1. Access to Justice revenue from county row offices is collected via an antiquated process of mailed remittances and paper checks.

2. There is little to no oversight of the collection of Access to Justice funds related to county row office filings to ensure that the amount collected statewide reconciles with the total number of applicable filings.

3. The Department of the Auditor General's county court and row offices audits provide reasonable assurance that individual offices are remitting proper amounts or have identified instances in which fraud, abuse, or errors have occurred.

4. The Clean Slate Act had an unintended consequence of preventing the Department of the Auditor General's auditors from conducting compliance audits of state funds as required under the Fiscal Code.

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 ongoing 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.

Issue Areas

A. Overview of the Collection of Access to Justice Fees, Number of Cases, and Fee Collection Rate

There are four categories of cases or filings for which ATJ fees are collected:

1. MDC cases are tracked through the Magisterial District Judge System (MDJS), and funds are remitted to the Department of Revenue (DOR).

2. COCP cases are tracked through the Common Pleas Case Management System (CPCMS), and funds are remitted to DOR.

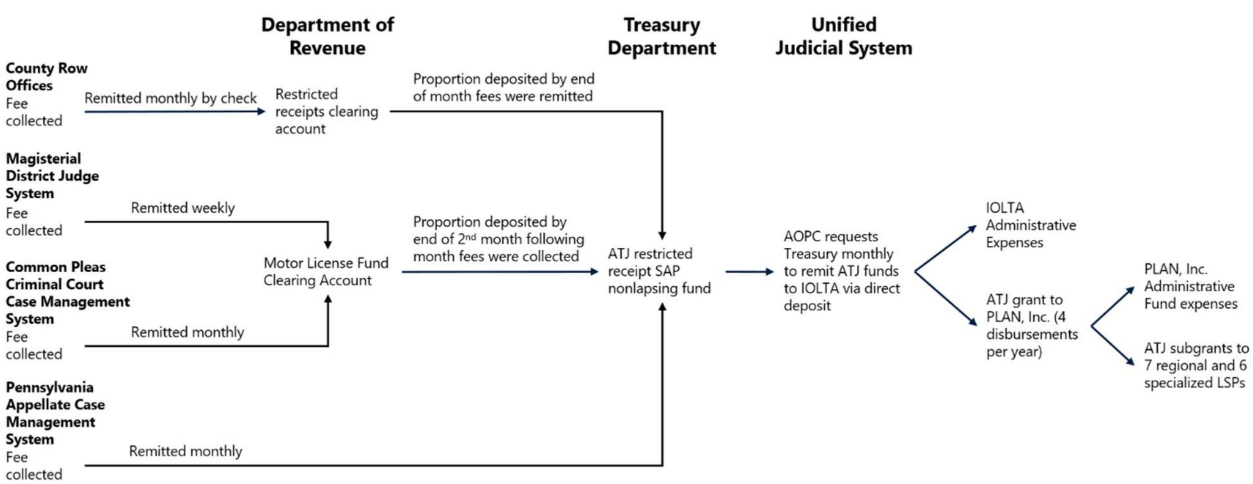
3. Appeals cases are tracked through the Pennsylvania Appellate Case Management System (PACMS) with funds remitted directly to a Pennsylvania Treasury fund.

4. CRO cases and filings are not trackable by AOPC, and funds are remitted to DOR.

Exhibit 7 shows the flow of each ATJ revenue source.

Exhibit 7

Flow of Access to Justice Funding



Source: Developed by LBFC staff.

As shown in Exhibit 8, CROs accounted for the largest share of ATJ funding, though this share decreased during our review period.

Exhibit 8

Share of Access to Justice Funding by Revenue Source[a/]
FY 2021-22 to FY 2024-25

Revenue Source	2021-22	2022-23	2023-24	2024-25
County Row Offices	68.8%	60.8%	57.5%	58.3%
Magisterial District Courts	27.9	35.2	38.1	37.6
Courts of Common Pleas	3.1	3.8	4.2	3.9
Appeals	0.2	0.2	0.2	0.2

Note:
[a/] May not equal 100 percent due to rounding.

Source: Developed by LBFC staff from information obtained from the Administrative Office of Pennsylvania Courts.

Magisterial District Courts (MDCs)

Pennsylvania has more than 500 minor courts referred to as magisterial district courts (MDCs), the first level of the Pennsylvania judiciary, presided over by elected MDJs. According to the Unified Judicial System of Pennsylvania (UJS), MDJs are responsible for:

- Determining whether cases of defendants in serious criminal cases proceed to the Court of Common Pleas.
- Preliminary arraignments and preliminary hearings.
- Setting and accepting bail, except in murder or voluntary manslaughter cases.

Exhibit 9 shows the number of cases disposed and ATJ revenue collected by case type from MDJS.

Exhibit 9

Magisterial District Judge System
Access to Justice
Revenue Collections and Number of Cases Disposed by Case Type[a/]
FY 2021-22 to FY 2024-25

Access to Justice Revenue by Case Type

Docket Type	2021-22	2022-23	2023-24	2024-25	4 Year % Change
Traffic	$3,370,302	$3,426,925	$3,359,828	$3,441,064	+2.1%
Non-Traffic	650,151	651,704	649,939	629,767	-3.4
Civil	569,744	542,974	670,209	819,956	+43.9
Landlord/Tenant	458,670	593,446	616,971	600,978	+31.0
Other	16,871	14,969	15,218	14,068	-16.6
Total	**$5,065,738**	**$5,230,018**	**$5,312,165**	**$5,505,834**	**+8.7%**

Cases Disposed by Case Type

Docket Type	2021-22	2022-23	2023-24	2024-25	4 Year % Change
Traffic	934,735	959,287	929,570	878,990	-6.0%
Non-Traffic	134,562	141,243	139,938	132,558	-1.5
Civil	98,176	93,434	114,648	138,664	+41.2
Landlord/Tenant	78,252	100,842	104,329	101,085	+29.2
Other	113	118	93	87	-23.0
Total	**1,245,838**	**1,294,924**	**1,288,578**	**1,251,384**	**0.5%**

Note:
[a/]Due to time constraints, we did not audit these figures for accuracy. Traffic cases include traffic citations that initiate summary proceedings for offenses under the Pennsylvania Vehicle Code or for violations of local parking ordinances not covered by the Vehicle Code. Non-traffic offenses are summary offenses in which charges are initiated by a police officer, except those classified under Traffic Citation. Civil includes a civil action involving a claim of $12,000 or less. Landlord/tenant includes an action by the landlord/lessor against the tenant/lessee for the recovery of real property. The complaint may include a claim for rent due. Also included in this category are defendant claims against the plaintiff arising from occupancy of the premises.

Source: Developed by LBFC staff from information obtained from the Administrative Office of Pennsylvania Courts.

Most ATJ revenue from MDJs was from traffic cases, accounting for 62.5 to 66.5 percent of MDJ revenue from FY 2021-22 to FY 2024-25; however, the number of cases disposed during our review period decreased. Conversely, there was an increase in civil and landlord/tenant cases during our review period, resulting in more revenue from those docket types.

Courts of Common Pleas (COCP)

COCPs are the general trial courts of Pennsylvania and are organized into 60 judicial districts. Most districts follow the geographic boundaries of counties, but seven of the districts are comprised of two counties each.[33] Each district has from one to 93 judges, a president judge, and a court administrator. According to UJS, COCPs are responsible for:

- Appeals from the minor courts.
- Appeals not exclusively assigned to another court.
- Matters involving children and families.

ATJ fees are collected on criminal, summary appeal, and other cases at the COCP level. Exhibit 10 shows the number of cases disposed and the ATJ fees collected statewide by COCP docket type, as recorded in CPCMS.

Exhibit 10

Common Pleas Case Management System
Access to Justice
Revenue Collections and Number of Cases Disposed by Case Type[a/]
FY 2021-22 to FY 2024-25

Access to Justice Revenue by Case Type

Docket Type	2021-22	2022-23	2023-24	2024-25	4 Year % Change
Criminal	$489,910	$497,216	$499,625	$490,604	+0.1%
Summary Appeal	41,866	37,930	39,103	42,063	+0.5
Other	32,275	35,535	39,260	39,171	+21.4
Total	**$564,051**	**$570,681**	**$577,988**	**$571,838**	**+1.4%**

Cases Disposed by Case Type

Docket Type	2021-22	2022-23	2023-24	2024-25	4 Year % Change
Criminal	127,457	124,923	121,250	117,575	-7.8%
Summary Appeal	8,147	7,884	7,536	7,963	-2.3
Other	10,427	12,563	12,278	11,740	+12.6
Total	**146,031**	**145,370**	**141,064**	**137,278**	**-6.0%**

Note:
[a/]Due to time constraints, we did not audit these figures for accuracy.

Source: Developed by LBFC staff from information obtained from the Administrative Office of Pennsylvania Courts.

[33] The shared districts include: Perry and Juniata, Snyder and Union, Franklin and Fulton, Wyoming and Sullivan, Columbia and Montour, Warren and Forest, and Elk and Cameron.

Most of the ATJ revenue from COCP was from criminal cases, which accounted for 85.8 to 87.1 percent of revenue from MDCs; however, the number of cases disposed of decreased during our review period.

Appellate Courts

Pennsylvania has three appeals courts: (1) the Commonwealth Court, (2) the Superior Court, and (3) the Supreme Court.

The Commonwealth Court is unique to Pennsylvania and is one of two statewide intermediate appellate courts. The Commonwealth Court primarily handles matters involving state and local governments and regulatory agencies. It also serves as a trial court when lawsuits are filed against or by the commonwealth. Cases are generally heard by panels of three judges in Philadelphia, Harrisburg, and Pittsburgh, although they may convene in other locations. Cases may also be heard by a single judge or by en banc panels of seven judges. According to the Unified Judicial System of Pennsylvania's website, the Commonwealth Court is responsible for:

- Original civil actions brought by and against the commonwealth.
- Appeals from decisions made by state agencies and COCPs.

The Superior Court, the other intermediate appellate court, is often the final arbiter of legal disputes. The Supreme Court may grant petitions to review Superior Court decisions, but most are denied, and the Superior Court's ruling stands. Cases are usually heard by panels of three judges sitting in Philadelphia, Harrisburg, or Pittsburgh, but may also be heard en banc by nine judges. The Superior Court often travels to locations throughout Pennsylvania to hear cases. According to UJS, the Superior Court is responsible for:

- Appeals in criminal and most civil cases from COCPs.
- Appeals on matters involving children and families.

The Supreme Court is the highest court in the commonwealth, and its administrative powers and jurisdictional responsibilities are vested in the seven-member court by the Pennsylvania State Constitution and the Judicial Code. Annually, the seven justices receive over 3,000 requests for appellate review. According to UJS, most often, but not exclusively, the Supreme Court reviews:

- Requests for discretionary appeals from the Commonwealth Court and Superior Court.

- Direct appeals from a lower court's decision, including when a sentence of death is issued.
- Requests to intervene in a lower court's proceedings.
- Requests to deliver a body from illegal detention.

Exhibit 11 shows the number of newly filed appeals in which ATJ fees were applied and revenue from such appeals as recorded in ACMS.

Exhibit 11

Pennsylvania Appellate Case Management System
Access to Justice Fees Assessed on Newly Filed Cases[a/]
FY 2021-22 to FY 2024-25

Fees Assessed and Number of Filings	2021-22	2022-23	2023-24	2024-25	4 Year % Change
Fees Assessed on New Filed Cases	$31,938	$31,170	$30,576	$30,378	-4.9%
Number of Cases Filed	5,192	5,325	4,876	4,991	-3.9

Note:
[a/]Due to time constraints, we did not audit these figures for accuracy.

Source: Developed by LBFC staff from information obtained from the Administrative Office of Pennsylvania Courts.

During our review period, the number of appeals filed decreased; however, appeals revenue accounted for only a small share of ATJ funding overall, 0.2 percent in FY 2024-25.

County Row Offices (CRO) and Civil Filings (Non-MDC)

CROs are administered by county officials whose functions are required by the state constitution and statutes. CROs rely on county commissioners for facilities and budgets, but are otherwise independent. The number of individual CROs (versus combined offices) depends on the county class and whether counties have home rule charters; however, the functions are required regardless of the structure.[34] Exhibit 12 shows the general functions of each county row office collecting ATJ fees.

[34] Act of December 19, 1996 (P.L.1158, No.177), § 1, known as the Home Rule Charter and Optional Law, as amended 53 Pa.C.S. § 2901 et seq., outlines nine county classifications based on population. Home rule charters allow counties to adopt their own local constitutions and to structure their governments differently than prescribed by state law and the Pennsylvania Constitution. Counties operating under home rule charters include Allegheny, Delaware, Erie,

Exhibit 12

General Functions of County Row Offices Collecting Access to Justice Fees[a/]

Clerk of Orphans' Court	Prothonotary	Recorder of Deeds	Register of Wills
Estates, trusts, guardianships, adoptions.	Files and maintains records for civil actions, issues writs, judgments, and orders, and keeps the civil docket.	Maintains official land records, records deeds, mortgages, easements, and other property instruments.	Primary probate authority, admits wills to probate, issues Letters Testamentary and Letters of Administration, and maintains estate filings.[b/]

Note:
[a/]There are other county row offices; however, for our objectives, the four row offices presented in this exhibit are most relevant.
[b/]Letters Testamentary are official documents issued by the Register of Wills that authorize the executor named in a valid will to act on behalf of the deceased person's estate. Letters of Administration are similar documents issued when there is no valid will (intestate estate), or when no executor is available or willing to serve.

Source: Developed by LBFC staff.

We requested data on the number of CRO civil cases, other filings, and related ATJ revenue from AOPC; however, AOPC was unable to supply this information and stated:

> We are unable to identify the number of civil cases (including family law and orphans' court matters) that should have resulted in the payment of an ATJ fee because there is no statewide civil case management system. In fact, there is a patchwork of at least 15 distinct case [*sic*] civil case management systems used at the county level across the Commonwealth. Given this lack of a statewide system, one would need to contact each county civil filing office to compile the necessary data to answer this question.

AOPC noted that Pennsylvania has a statewide case management system for criminal cases, but a similar system does not exist for civil cases. This differs from states that have a fully unified system. For example, eCourts

Lackawanna, Lehigh, Luzerne, and Northampton. As it relates to CROs, Allegheny County provides an example: it has established a Department of Court Records with three divisions (Civil/Family, Criminal, and Wills/Orphans' Court). This structure differs from that prescribed in state law, but it still fulfills the required functions.

is the New Jersey Judiciary's electronic case filing and management system, and allows:

- Filing documents and cases in civil, criminal, Tax Court, and appellate cases.
- Paying filing fees online.
- Requesting transcripts.
- Accessing electronic case jackets and files.[35]

Although the feasibility of implementing such a system in Pennsylvania is beyond the scope of this report, we recommend that the General Assembly consider the implications of a fragmented civil filing system. AOPC was able, however, to provide total ATJ revenues, as reported to it by DOR, from monthly remittance summaries, which is the only data regularly conveyed to AOPC from DOR. We annualized the data as shown in Exhibit 13.

Exhibit 13

Access to Justice Revenue Collected by Row Office Type[a/]
FY 2021-22 to FY 2024-25

Row Office	2021-22	2022-23	2023-24	2024-25	4 Year % Change
Domestic Relations[b/]	$2,106	$2,382	$1,063	$2,184	+3.7%
Clerk of Orphans' Court	345,297	322,514	320,983	285,957	-17.2
Prothonotary	1,437,681	1,439,994	1,760,975	2,235,464	+55.5
Recorder of Deeds	10,613,208	7,194,497	5,841,719	5,928,032	-44.1
Register of Wills	79,770	71,136	82,236	71,699	-10.1
Total	**$12,478,062**	**$9,030,523**	**$8,006,976**	**$8,523,336**	**-31.7%**

Notes:
[a/]Due to time constraints, we did not audit these figures for accuracy.
[b/]Dometic relations is not a row office; however, the revenue was provided as a separate line item in the data.

Source: Developed by LBFC staff from information obtained from the Administrative Office of Pennsylvania Courts.

Overall, the data from AOPC showed a 31.69 percent reduction in revenue from CROs from FY 2021-22 to FY 2024-25, with the largest increase in prothonotary revenue and the largest decrease in recorder of deeds (ROD) revenue.

[35] https://www.njcourts.gov/attorneys/ecourts?utm=, Accessed April 23, 2026.

Since AOPC could not provide us with additional information, we requested the number of filings/cases on which ATJ fees were applied from DOR. Upon the first request, DOR informed us that it collected this information from CROs as part of the monthly remittance process; however, DOR had no reports showing the number of filings reported by each county. In other words, DOR collected the number of filings along with the remittance amount, but lacked a mechanism to retrieve reports showing the number of filings/cases in which ATJ fees were applied. Ultimately, at our request, DOR's information technology office built a custom report to help us review the number of filings/cases. The customized report, summarized annually, is shown in Exhibit 14. Note that the information from DOR and counties is based on the county fiscal year, January 1 to December 31, rather than the state fiscal year, July 1 to June 30.

Exhibit 14

Access to Justice Number of Filings Reported by Row Office Type[a/]
County FY 2021 to County FY 2024

Row Office	2021	2022	2023	2024	2025	5 Year % Change
Orphans' Court	57,164	55,901	61,803	71,856	74,262	+29.9%
Prothonotary	486,412	357,714	289,886[b/]	328,256	369,528	-24.0
Recorder of Deeds	1,791,319	1,439,479	1,040,690	1,124,911	1,143,015	-36.2
Small County Wills Collections[c/]	12,328	13,089	11,539	13,549	14,431	+17.1
Total	**2,347,223**	**1,866,183**	**1,403,918**	**1,538,572**	**1,601,236**	**-31.8%**

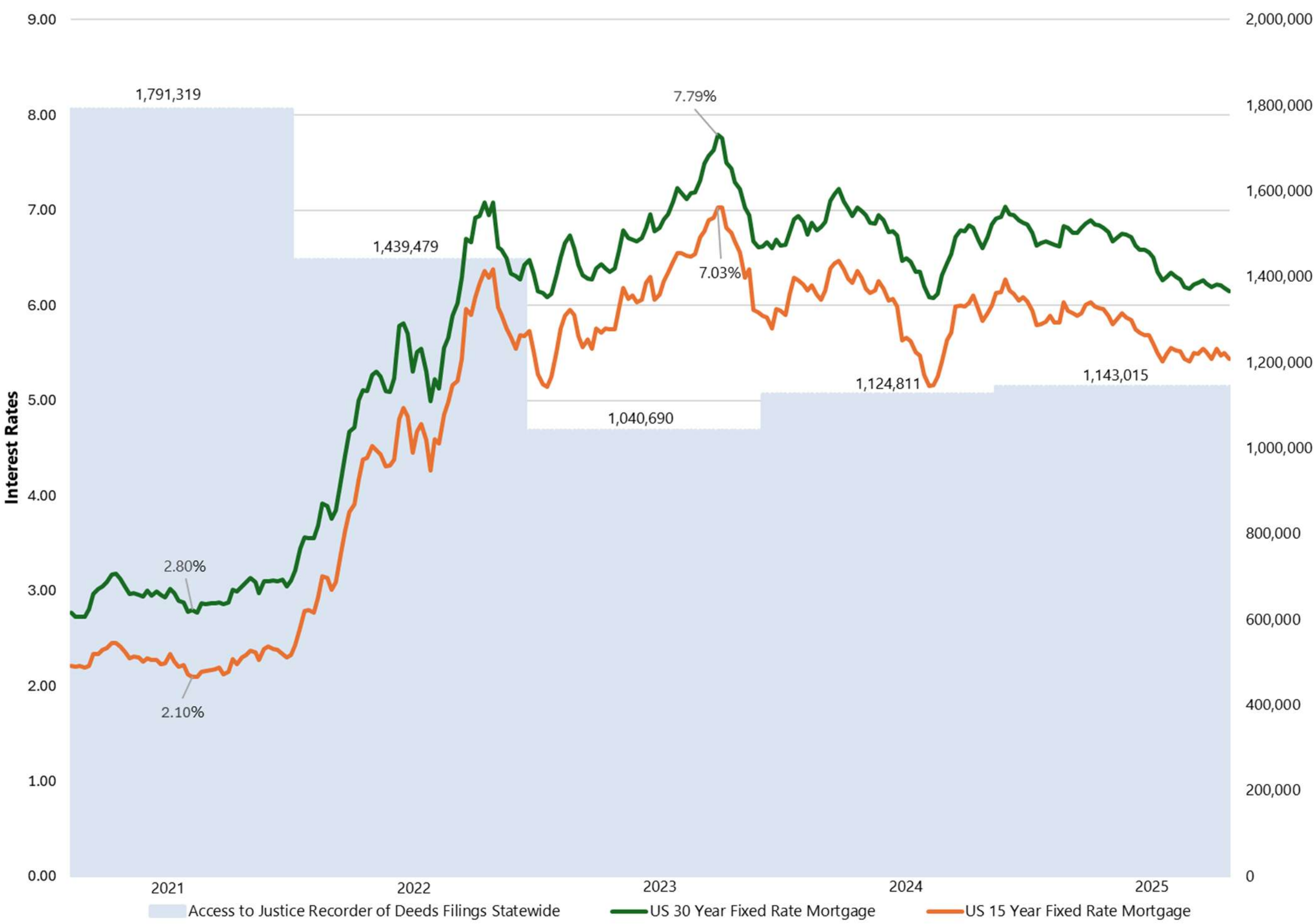
Note:
[a/]Due to time constraints, we did not audit these figures for accuracy.
[b/]The Department of Revenue prothonotary report showed a total of 3,505,625 filings, which appeared to be an outlier. Upon further inspection, it appeared that extra zeros were added to Lancaster County in five of the report months, which may have been caused by a data transfer error during DOR's report creation (although we did not confirm this with DOR due to time constraints). We presented our best estimate based on the reported remittance for Lancaster, divided by the combined Judicial Computer System/Access to Justice/Criminal Justice Enhancement Account fees.
[c/]Although not the name of the row office, this is the data level provided to us by DOR.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of Revenue.

Similar to the data on revenue collected, ROD filings showed the largest decrease in remittances and related filings, including deeds, mortgages, and other writs. This reduction may have been due to higher interest rates, which tend to discourage home buying. Reports from 2024 indicated that sales of previously occupied US homes decreased in 2023 to a 30-year low, driven by rising interest rates.[36] The number of ATJ-related ROD filings compared to the US 15 and 30-year fixed-rate interest rates is shown in Exhibit 15.

Exhibit 15

The Number of Access to Justice Recorder of Deed Filings Compared to the US 15 and 30 Fixed Rate Mortgage Interest Rates
County FY 2021-22 to County FY 2024-25



Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of Revenue and the Federal Home Loan Mortgage Corporation (Freddie Mac).

When interest rates were the lowest in 2021, the number of ATJ-related ROD filings was the highest. Conversely, when interest rates were highest in 2023, filings were at their lowest. Another variable that may

[36] Veiga, Alex. *US Existing Home Sales Drop to Near 30-Year Low. Associated Press*. January 2024.

have negatively impacted the number of ATJ-related ROD filings is the way mortgages are electronically indexed and sold to other lenders (discussed in Section V).

County Processes for Reporting Fees. We selected seven counties to document the process by which counties report ATJ fees to DOR: Allegheny, Cameron, Erie, Franklin, Lehigh, Montgomery, and Philadelphia. We sent information requests to CROs overseeing the following functions: prothonotary, recorder of deeds, clerk of orphans' court, and register of wills.[37] The CRO information request included a request for the selected CRO to submit to us:

> The monthly documentation submitted to DOR that includes the number of transactions (court filings, deed or mortgage filings, court judgments, etc.) that generated state-determined court fees/surcharges and the amount remitted to DOR for those fees/surcharges from FY 2021-22 through FY 2024-25.

During the request process, we observed that the individual CROs submit paper remittances and checks to DOR by mail monthly. Exhibit 16 contains an example of the CRO form (REV-711) for prothonotaries.

[37] We did not include domestic relations as this revenue was only 0.01 percent of all ATJ fee revenue in FY 2024-25 and 0.03 percent of CRO ATJ fee revenue.

Exhibit 16

Example of County Row Office Monthly Report

Front of Form

REV-711 (EX) 12-25

pennsylvania
DEPARTMENT OF REVENUE

BUREAU OF IMAGING & DOCUMENT MANAGEMENT
BANK RECONCILIATION SECTION
PO BOX 280400
HARRISBURG PA 17128-0400

PROTHONOTARY MONTHLY REPORT

INSTRUCTIONS ON REVERSE

START →

COUNTY
COUNTY NUMBER
MONTH 20
NAME

POSTMARK DATE

BATCH NO. (BIDM)

(1) D.P.A. Satisfactions, Judgments & Other Writs ..... ________ x 0.50 = $________

(2) Transcripts and Appeals .... ________ x 0.25 = $________

(3) Gross Writ Tax Collections (Add Lines 1 and 2) .... $________

(4) Commission (Line 3 x 3%) (0.03) .... (-) $________

(5) Net Tax Collections .... $________

(6) Divorce Complaint Surcharges .... ________ x 10.00 = ... $________

(7) Judicial Computer System (JCS)/Access to Justice (ATJ)/
Criminal Justice Enhancement Account (CJEA) Fees .. ________ x 41.25 = ... $________

☐ Line (7) Includes Domestic Relations JCS/ATJ/CJEA Fee Collections.

(8) Protection From Abuse -- PSP Surcharges $________ + Contempt Fines $________ = $________

(9) Protection From Abuse -- DPW Surcharges $________ + Contempt Fines $________ = $________

(10) Total Net Collections (Add lines 5, 6, 7, 8 and 9) .... $________

BALANCE DUE FROM PRIOR REPORT FOR
MONTH
BALANCE DUE AUDIT MM/YYYY
FROM ________ TO ________

(11) Prothonotary (Subtract) .... (-) $________

(12) Commonwealth (Add) .... + $________

(13) Prothonotary (Subtract) .... (-) $________

(14) Commonwealth (Add) .... + $________

(15) Earned Interest for the Period From ________ To ________ + $________
MM/YYYY MM/YYYY

(16) Remittance .... $________

CERTIFICATION

I certify the information contained in this report is true and correct. ________________
(PROTHONOTARY'S SIGNATURE)

DO NOT WRITE BELOW THIS LINE

OFFICIAL SETTLEMENT	AMOUNT DUE
Gross Tax Collections	
Commission at 3 percent	
Net Tax Collections	
Divorce Complaint Surcharges	
Judicial Computer System/Access to Justice/Criminal Justice Enhancement Account Fees	
Protection From Abuse Collections	
Total Net Collections	
Earned Interest From ________ To ________	
Balance Due or Credit for Month of: ________	
Audit Settlement From ________ To ________	
Amount Due this Report	
Remittance	
BALANCE DUE ( ) Prothonotary ( ) Commonwealth	

DEPARTMENT OF REVENUE	OFFICE OF THE AUDITOR GENERAL
SETTLED AND DELIVERED ________	AUDITED AND APPROVED ________
FOR: SECRETARY OF REVENUE	FOR: AUDITOR GENERAL

Reset Entire Form TOP OF PAGE NEXT PAGE PRINT

Line 7 is where county row offices record Access to Justice (among other state judicial) fees.

Back of Form

INSTRUCTIONS

Lines 1-2: Report number for the month.

Line 6: Report number for the month. See (Act 151 of 1988 and Act 43 of 1990) for more information.

Line 7: Report number for the month. NOTE: JCS/ATJ/CJEA fees collected in the Domestic Relations Office may be included on this report. Therefore, a separate Prothonotary Monthly Report (REV-711), is not required. On Line 7, report the combined number of instrument filings handled by both offices on which the JCS/ATJ/CJEA fee was collected. Also, place a checkmark in the block shown below Line 7.

Line 8: Report the total monthly collections of the surcharge imposed under 23 Pa. C. S. §6106 (d) and distributable to the Pennsylvania State Police (PSP). Also, report the total monthly collections of criminal contempt fines imposed for violation of a protection order under 23 Pa. C. S. §6114 and distributable to PSP. Report all collections of surcharges and criminal contempt fines, both partial and full payments. Enter the combined total of PSP surcharges and PSP criminal contempt fines on the corresponding line on the right side of the report. See (Act 66 of 2005) for more information.

Line 9: Report the total monthly collections of the surcharge imposed under 23 Pa. C. S. §6106 (d) and distributable to the PA Department of Public Welfare (DPW). Also, report the total monthly collections of criminal contempt fines imposed for violation of a protection order under 23 Pa. C. S. §6114 and distributable to DPW. Report all collections of surcharges and criminal contempt fines, both partial and full payments. Enter the combined total of DPW surcharges and DPW criminal contempt fines on the corresponding line on the right side of the report. See (Act 66 of 2005) for more information.

NOTE: Surcharges, fines and fees are not subject to a commission. Commission is only applicable to gross writ tax collections (Line 3).

The original signed copy of the Prothonotary Monthly Report (REV-711) must be postmarked to the PA Department of Revenue no later than the 10th calendar day of the following month. However, if the 10th of the month falls on a weekend or business holiday, the filing due date is extended to the next following business day.

Make check payable to the **PA DEPARTMENT OF REVENUE**.

The check and monthly report must be mailed to:

PA DEPARTMENT OF REVENUE
BUREAU OF IMAGING AND DOCUMENT MANAGEMENT (C. C.)
PO BOX 280407
HARRISBURG PA 17128-0407

Inquiries concerning the preparation of this report should be directed to the Bank Reconciliation Section at 717-783-2333.

Source: The Pennsylvania Department of Revenue.

Line 7 on the form combines various state fees and surcharges often collectively referred to as the Judicial Computer Project (JCP), including the Judicial Computer System (JCS), Criminal Justice Enhancement Account (CJEA), and the Office of Attorney General (OAG) programs. As shown in Section II, these fees totaled $40.25 during most of our review period.[38]

The results of our analysis of CRO remittances to DOR indicated overpayments, underpayments, the reporting of fractions of filings (e.g., 12,272.77068), and instances in which the county official did not sign a certification that the information was correct. Additionally, some counties struggled to document the change in the overall JCP fee block when the total fee was temporarily reduced from $40.25 to $19.00 in 2022 and 2023. Exhibit 17 contains a summary of the Allegheny County results.

Exhibit 17

Allegheny County Access to Justice Summary
CY 2021 to CY 2025

Row Offices	2021	2022	2023	2024	2025	5 Year % Change
Remittances						
Clerk of Orphans' Court/Register of Wills	$223,951	$212,351	185,764	$208,817	$209,467	-6.5%
Prothonotary	839,759	692,389	735,957	1,044,787	1,069,785	+27.4
Recorder of Deeds	7,278,612	5,324,910	3,427,549	4,003,593[a/]	4,446,259[b/]	-38.9
Number of Filings						
Clerk of Orphans' Court/Register of Wills	5,564	5,327	5,362	5,188	5,195	-6.6%
Prothonotary	20,858	17,198	21,289	25,954	26,516	+27.1
Recorder of Deeds	180,835	132,296	99,559	99,341[a/]	110,242[b/]	-39.0

Note:
[a/]The number of filings for February, June, and December 2024 are estimated because they were left blank on the form. We estimated the number of filings by dividing the total remittance by the fee.
[b/]The number of ATJ/JCS filings were given as 540 and funds were listed as $22,275 on the November 2025 form. Total remittances, including fees and taxes, indicated the calculation was incorrect. The correct ATJ/JCS number of filings of 8,013 and remittance of $322,523 are used here. The number of filings for June 2025 was left blank, so we estimated by dividing the total remittance by the fee.

Source: Developed by LBFC staff from information obtained from county row offices.

[38] The statutory base fee is $19.00; however, surcharges that changed the total JCP amount to $40.25 were enacted and renewed during our review period. During state budget delays, the $40.25 amount was not renewed for one to two week periods, and counties were to temporarily collect only $19.00 instead of $40.25. In November 2025, the total amount raised was $41.25, but it was not until December 2025 that most counties implemented the change in collections.

In Allegheny County, we noted small, consistent overpayments from January 2021 to December 2025, which averaged $16.50 per month in ATJ/JCS fees. According to officials, "the small consistent overpayments are because we give [DOR] all monies received in our JCP fee account and sometimes it is slightly over."

Additionally, we asked the county to explain the $6,000 underpayment of ATJ/JCS fees in June 2023. There were 1,724 filings, which should have been $69,391.00 in ATJ/JCS revenue. The total paid was $63,391.00. According to the CRO official, this was an administrative error as the amount was mistyped on the report by $6,000.

Exhibit 18 contains a summary of the Cameron County results.

Exhibit 18

Cameron County Access to Justice Summary
CY 2021 to CY 2025

Row Offices	2021	2022	2023	2024	2025	5 Year % Change
Remittances						
Clerk of Orphans' Court	$1,328	$1,648	$1,061	$1,369	$1,290	-2.9%
Prothonotary	69,753	62,386[a/]	53,719	74,261	85,596	+22.7
Recorder of Deeds	29,745	26,215	19,075	16,140	21,426	-28.0
Number of Filings						
Clerk of Orphans' Court	33	42	29	34	32	-3.0%
Prothonotary	1,733	1,559[a/]	1,540	1,845	2,123	+22.5
Recorder of Deeds	739	655	551	401	531	-28.1

Note:
[a/]Cameron County's November 2022 report was missing, so we used DOR's November 2022 data.

Source: Developed by LBFC staff from information obtained from county row offices.

We noted that September 2022 and February 2024 had the year 2020 in the top right corner of the prothonotary's monthly report, but the checks had 2022 and 2024, respectively. The CRO official stated that this was a clerical error in entering the year.

Exhibit 19 contains a summary of the Erie County results.

Exhibit 19

Erie County Access to Justice Summary
CY 2021 to CY 2025

Row Offices	2021	2022	2023	2024	2025	5 Year % Change
			Remittances			
Clerk of Orphans' Court/Register of Wills	$57,075	$57,759	$48,941	$53,433	$54,979	-3.7%
Prothonotary	122,431	123,601	107,777	130,881	150,257	+22.7
Recorder of Deeds	1,240,787[a/]	948,250	659,215	745,430	805,125[b/]	-35.1
			Number of Filings			
Clerk of Orphans' Court/Register of Wills	1,418	1,435	1,397	1,328	1,364	-3.8%
Prothonotary	3,052	3,084	2,674	3,249	3,726	+22.1
Recorder of Deeds	28,053[a/]	23,559	19,485	18,520	19,962[b/]	-28.8

Notes:
[a/] We used DOR data for 2021 since we only received July through December 2021 from Erie County's Recorder of Deeds.
[b/] We used DOR data for 2025 since we only received January through June 2025 from Erie County's Recorder of Deeds.

Source: Developed by LBFC staff from information obtained from county row offices.

We identified some errors in Erie's data, mainly concerning the total combined fees of $40.25. After following up, we clarified these mistakes.

Exhibit 20 contains a summary of the Franklin County results.

Exhibit 20

Franklin County Access to Justice Summary
CY 2021 to CY 2025

Row Offices	2021	2022	2023	2024	2025	5 Year % Change
			Remittances			
Prothonotary	$73,651	$69,778	$62,819	$86,177	$95,010	+29.0%
Register of Wills and Recorder of Deeds	The office stated they could not complete our request.					
			Number of Filings			
Prothonotary	1,829	1,731	1,557	2,136	2,355	+28.8%
Register of Wills and Recorder of Deeds	The office stated they could not complete our request.					

Source: Developed by LBFC staff from information obtained from county row offices.

In the Franklin County data, we noted many months with overpayments, averaging $21.17 per month. We asked the CRO to explain the consistent overpayments, especially from November 2023 to August 2024. The CRO provided detailed information for November 2023, showing:

- Overview sheet submitted to DOR:
  - 114 filings x $40.25 = $4,604.50 in remittances.
- Detailed information from the county's system showed a total record count of 129 for Line 7 of the DOR report, totaling $4,604.50, including:
  - 102 filings at $40.25.
  - 26 filings at $19.00 (5 had descriptions "PFA/JCP" and 21 appeared to have been impacted by the November 2023 fee reduction).
  - 1 filing at $5.00 (Description was "PFA/JCP").

It was unclear where the 114 filings came from on the DOR report. If that was the number of filings, the amount remitted should have been $4,588.50.

Exhibit 21 contains a summary of the Lehigh County results.

Exhibit 21

Lehigh County Access to Justice Summary
CY 2021 to CY 2025

Row Offices	2021	2022	2023	2024	2025	5 Year % Change
			Remittances			
Prothonotary	$493,979	$428,011	$481,739	$522,060	$599,146	+21.3%
Recorder of Deeds	2,029,767	1,471,822	1,051,692	1,101,844	1,149,361	-43.4
Register of Wills	54,056	54,016	29,342	26,525	97,019[b/]	-13.4[c/]
			Number of Filings			
Prothonotary[a/]	12,272.77068	10,633.80174	11,968.66634	12,970.43652	14,856.22021	+21.1%
Recorder of Deeds	50,429	36,567	26,129	27,375	28,486	-43.5
Register of Wills	1,343	1,342	731	659	2,408[b/]	-13.6[c/]

Notes:
[a/]The numbers shown are how the CRO submitted the information to DOR.
[b/]Register of Wills 2025 includes an adjustment of 1,247 filings and $50,192 for missed filings from February 2023 to February 2025.
[c/]Register of Wills five-year percent change was calculated without the 2025 adjustment.

Source: Developed by LBFC staff from information obtained from county row offices.

We followed up with Lehigh County on the number of filings because Lehigh repeatedly reported fractions of filings on the prothonotary form, which is not possible. According to the county official in the prothonotary's office, "We use the excel spreadsheet provided and it inputs that number based on our figures for the month. We do not provide partial payments."

For the Lehigh Register of Wills, we noted there was an adjustment from February 2023 to February 2025 of $50,192. Before this period, the monthly average fee collection was $4,480.63. During the February 2023 to February 2025 period, it dropped to $2,270.10. We asked the county what caused the decrease in fee revenue, as the number of cases multiplied by the fee equation was always correct on the other monthly returns we reviewed. According to the county official:

> There was an adjustment due to using a new software program to electronically file, record, and capture fees for filings which started 4/1/2023. The new software collected the fee but placed it into the wrong G/L account and this discrepancy was not discovered until an

audit was completed. Our IT department was able to find the glitch in code and corrected the software code.

Exhibit 22 contains a summary of the Montgomery County results.

Exhibit 22

Montgomery County Access to Justice Summary
CY 2021 to CY 2025

Row Offices	2021	2022	2023	2024	2025	5 Year % Change
			Remittances			
Prothonotary	$438,685	$428,944	$394,584	$527,315	$602,848	+37.4%
Recorder of Deeds	5,461,764	4,197,165	2,131,609	2,590,007	2,749,035	-49.7
Clerk of Orphans' Court/Register of Wills	-[a/]	-[a/]	-[a/]	218,960[b/]	192,681	-14.1[c/]
			Number of Filings			
Prothonotary	10,899	10,657	11,687	13,101	14,953	+37.2%
Recorder of Deeds	135,696	105,441	62,267	64,348	68,097	-49.8
Clerk of Orphans' Court/Register of Wills	-[a/]	-[a/]	-[a/]	5,540[b/]	4,770[b/]	-14.4[c/]

Notes:
[a/]According to the CRO, they could not locate the documents from the previous Register of Wills. DOR's data for number of filings from 2021-2023 is 5,573; 5,027; and 4,719. DOR remittance data for these years is $224,411; $202,337; and $189,940.
[b/]We used DOR data for the 2024 and 2025 number of filings and 2024 remittances. Montgomery County's January and February 2024 filing numbers were low outliers, and DOR's numbers fit with the average filings per month. Furthermore, Montgomery County used a form with the fee as $41.25 from March 2024 to October 2025, when the fee was $40.25 until December 2025. They divided the remittance amount by the $41.25 fee to get the number of filings, making the data consistently inaccurate.
[c/]The 5 Year % Change was calculated using the 2025 table data and 2021 DOR data.

Source: Developed by LBFC staff from information obtained from county row offices.

Our questions regarding Montgomery CROs' filings were resolved through follow-up.

Exhibit 23 contains a summary of the Philadelphia County results.

Exhibit 23

Philadelphia County Access to Justice Summary
CY 2021 to CY 2025

Row Offices	2021	2022	2023	2024	2025	5 Year % Change
			Remittances			
Register of Wills/Clerk of Orphans' Court	$291,611[a/]	$312,907	$317,009	$264,362	$275,148	-5.6%
Prothonotary	4,504,611[b/]	2,883,948	3,795,684	5,368,549	6,851,540	+52.1[c/]
Recorder of Deeds	6,120,043	7,716,503	3,895,711	4,532,794	4,798,939[d/]	-21.6
			Number of Filings			
Register of Wills/Clerk of Orphans' Court	7,245[a/]	7,774	7,876	6,568	6,815	-5.9%
Prothonotary[e/]	111,915[b/]	71,916.87255	112,721.216	133,380.0885	169,972.2904	+51.9[c/]
Recorder of Deeds[e/]	152,051	191,713.35	112,478	112,616	118,965[d/]	-21.8

Notes:
[a/]The 2021 Clerk of Orphans' Court reports were not provided to us. We used DOR data to fill in the information gap.
[b/]January to June 2021 Prothonotary reports were not provided to us. We used DOR data to fill in the information gap.
[c/]There were 10 additional revenue disbursements during our review period because "select government agencies pay for prior filings after they are invoiced." Because of this, the 5 Year % Change may not be accurate for when the fee was originally collected.
[d/]July to December 2025 Recorder of Deeds reports were not provided to us. We used DOR data to fill in the information gap.
[e/]The numbers shown are how the CRO submitted the information to DOR.

Source: Developed by LBFC staff from information obtained from county row offices.

We followed up with Philadelphia about the fraction of filings reported on the prothonotary and ROD reports. They responded with:

> We operate under the Cash Method of accounting; information reported represents payments received in the report period. These payments include prior [accounts receivable] payments as well as partial payments which make it impossible to use the number of payments to calculate the amount to remit.

We also noted there were partial lien payments on the ROD reports. The CRO stated:

> Partial lien payments originate from CPCMS (criminal court cases) that allow partial payments that must be adjusted and documented for inclusion in the report to the DOR. Supporting documentation is provided with the report.

We also noted that the January 2023 register of wills report said "revised" on the document. We asked about the revision and if it was sent to DOR or revised before remittance. They stated:

> The state audit has just been completed. We haven't received the final instructions yet. During the review, a system anomaly was identified affecting the January 2023 JCP report, which incorrectly reflected an annualized total rather than a single-month figure. As a result, our office performed a manual recalculation of the January 2023 report which was close but not accurate. Both our office and the state auditor have reviewed and agreed upon the corrected January 2023 statement. As the audit is finalized, we will submit the revised statement along with the calculated variance for reconciliation.

Through our review of the seven selected counties, we noted that the remittance forms and paper checks we reviewed often included handwritten information. The remittance forms and checks are mailed via the US Postal Service to DOR.[39] 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, 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. Utilizing the PATH system would improve the ATJ fee reporting capabilities, as DOR could easily pull reports from PATH. Additionally, there are risks and inefficiencies of paper remittances and checks. The Internal Revenue Service (IRS) noted that "paper checks are over 16 times more likely to be lost, stolen, altered, or delayed than electronic payments."[40] The electronic submission of ATJ fees would establish stronger internal controls over their collection and reporting.

According to DOR staff, they previously inquired with counties why the number of filings did not equal the correct remittance amount (the number of filings multiplied by the fees); however, staff suggested we ask each county individually. We asked CROs how DOR reconciles

[39] The Philadelphia Recorder of Deeds office indicated that they submit the revenue to DOR via wire transfers.
[40] Internal Revenue Service. *Modernizing Payments to and From America's Bank Account*. January 2026.

overpayments or underpayments with their offices. Of the CROs that answered, they stated the following:

- [DOR] may reach out by phone or email. Or when my state audit occurs, the discrepancy may be found then. This has happened once since I have been in office and was rectified on the next month's report.

- At the time of the change in fees were announced, we touched based with [DOR] and advised them that we were not changing fees for the 10 day period. Revenue indicated that it was up to us if we wanted to change fees or keep them unchanged. Please see attached notes from my month end file. Our offices are periodically audited by PA Auditor General to ensure we have collected and remitted the appropriate fees to the [DOR].

- This has not been an issue.

- We have not had to reconcile payments. We have not had the issue of overpayments or underpayments. Our payments match our reports.

- Should we be doing a separate process for this? We reconcile everything in our system each month to make sure our money is balanced between our [case management] system and our banking. I am not aware of doing anything specific for [DOR]. Please advise.

- [DOR] has never contacted us regarding overages or shortages. We have been audited by the State for 2022-2024 and did not receive any findings.

- Our office is audited by the [DOR] on a regular basis. You would need to speak with them regarding how they audit.

- I cannot say how the [DOR] would reconcile.

- [DOR] does not perform reconciliations for overpayments or underpayments.

- We are not aware of any current issues with DOR, but we provide supporting documentation with all reports as well as address any questions when received.

Overall, of the counties we reviewed, it appeared there was confusion over overpayments and underpayments. Additionally, it appeared that reliance was placed on the Department of the Auditor General (DAG) audits for reconciliations (instead of double-checking their figures), which, as discussed in the DAG subsection, may not occur for three or more years after CROs make an underpayment.

Reconciliation Between CRO Reports and DOR Reports. We completed a simple reconciliation between the monthly CRO reports we received and the monthly filings and collections reported on the LBFC custom report from DOR. Exhibit 24 contains the number of months during which we noted discrepancies between the two data sources.

Exhibit 24

Noted Discrepancies Between Monthly County Row Office Reporting and Department of Revenue Report
CY 2021 to CY 2025

	Discrepancies Noted	
Row Office Type	Filings	Remittances
Orphans' Court	26	5
Prothonotary	28	28
Recorder of Deeds	6	7
Register of Wills	2	1

Source: Developed by LBFC staff from information obtained from county row offices and the Pennsylvania Department of Revenue.

It appeared that some errors were due to input errors in DOR's data entry. It is possible that, when DOR created the custom report for LBFC, there were also errors due to improper data transfer. Additionally, it is possible that CROs sent us incorrect information or information that CROs later updated with DOR, but was not documented in the information provided to us. However, regardless of the reason for the discrepancies between data sets, the discrepancies we noted further highlight the need to update the antiquated process of paper forms and checks submitted to and manually processed by DOR to an electronic system with better internal controls.

B. Access to Justice Fee Collection and Compliance with the Law

We found the oversight and review of the ATJ collection to be limited at the state level; however, DAG audits provide reasonable assurance that individual CROs remitted the required amounts. It appears that the DAG audits are the only check on ATJ fee collection at the state level.

Department of the Auditor General Audits

The Pennsylvania Department of the Auditor General (DAG) conducts audits that include reviews of ATJ fees. Specifically, DAG's Bureau of County Audits (BCA) conducts compliance audits, attestation engagements, and limited procedure engagements of county offices and row offices such as MDCs, COCPs, prothonotaries, RODs, treasurers, registers of wills, and clerks of orphans' courts according to the requirements of Pennsylvania's Fiscal Code, which states:[41]

> The Department of the Auditor General shall have the power, and its duty shall be,
>
> (a) To audit all accounts for taxes, or other moneys due to the Commonwealth, which shall have been settled by the Department of Revenue, to approve the same if found to be correct, and to return them to the Department of Revenue with a request for a resettlement in the event that any error or discrepancy be found in such accounts;
>
> (b) To audit the accounts of city and county officers, in so far as may be necessary to determine whether such officers have reported and transmitted all moneys payable by them to the Commonwealth, and to furnish the Department of Revenue a report in such detail as shall be sufficient for said department to state and settle an account covering any delinquency;
>
> (c) To audit the accounts of magistrates, aldermen, justices of the peace, burgesses, mayors, and court clerks, for the purpose of ascertaining whether all fines and penalties collected by them and payable to the Commonwealth, or any

[41] Limited procedure engagements are specialized, targeted engagements where an auditor performs specific tests on subject matter and reports the findings without providing an opinion or negative assurance.

agency thereof, have been correctly reported and promptly transmitted, and to furnish the Department of Revenue a report in such detail as shall be sufficient for said department to state and settle an account covering any delinquency;

(d) To audit the accounts and records of all agents of the Commonwealth charged with the duty of assessing, appraising, or collecting State taxes or license fees; and

(e) To audit all other accounts between the Commonwealth, acting through any administrative agency thereof, and any person liable to pay money thereto for any purpose or reason whatsoever.[42]

DAG staff explained that most of BCA's audits and reviews include an examination of 40 transactions. Auditors follow the transactions from collection at the judicial or row office through deposit with DOR.[43] BCA completes its audits on a cycle of about every three to four years. BCA develops its audit plan on an annual basis and primarily uses a first-in, first-out approach, scheduling offices or courts that have gone the longest without an audit.

The purpose of BCA's reviews is to determine whether all monies collected on behalf of the commonwealth have been correctly assessed, reported, and promptly remitted. BCA notes that their reports are "not suitable for any other purposes."

DAG's Bureau of Information Technology Audits (BITA) also assists with aspects of BCA's audits. Together, the two bureaus complete the following procedures for each type of county/row office audit:

- Interviews of court or office employees to obtain a description of report field contents and data entry procedures.
- Reviews for initial completeness, accuracy, and consistency of data.
- Logical tests on electronic data files or paper copies.
- Determination of mathematical accuracy.
- Tying data to an independent source.
- Tracing selection from data to source documents.

[42] Act of April 9, 1929 (P.L.343, No. 176) known as the Fiscal Code, as amended 72 P.S. § 401(a)-(e).
[43] The 40 transactions are based on DAG's interpretation of accounting industry guidance regarding sample sizes of large populations.

- Documentation of related internal controls and IT controls.
- Electronic/data testing.

Clean Slate Law Audit Limitations

Through our review of BCA's reports and fieldwork procedures, we determined that the work is performed independently, by experienced auditors, and provides a sufficient basis for LBFC to rely on it. However, there is one limitation in that the Clean Slate Law (CSL) has created an unintended consequence: auditors cannot review the necessary information to determine whether ATJ and other fees are being collected and remitted in accordance with the law.

While we were establishing an understanding of BCA's audits, we became aware that BCA was increasingly issuing qualified audit opinions, which staff referred to as disclaimed conclusions.[44] According to DAG staff, this is because of the CSL, which prevents DAG from reviewing certain juvenile cases, expungements, and cases with sealed records. When the law took effect, there were no exceptions made for auditing purposes.[45] As a result, some of BCA's audits include disclaimers such as this one:

> For the Clerk of the Court of [Common] Pleas/Probation Department functions, we were not able to access information and documentation for cases that the Administrative Offices of Pennsylvania Courts (AOPC) and/or the Office indicated [had] been restricted due to expungement or pursuant to the Pennsylvania Clean Slate Law, 18 Pa.C.S. § 9122.2. As a result, for the cases we could not access, we could not determine whether the Office complied with state laws and regulations applicable to the collection of funds on behalf of the Commonwealth, including whether they had been correctly assessed, reported, and promptly remitted.
>
> Because of the limitations on the scope of our audit, as described in the preceding paragraph, the scope of our work was not sufficient to enable us to conclude, and we do not express a conclusion, on whether the Office complied with state laws and regulations applicable to the collection of funds on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted, for the period January

[44] A qualified audit opinion indicates that financial statements are fairly presented except for specific material issues, which can include a scope limitation (e.g., restricted access to records).
[45] Act of June 28, 2018 (P.L.402, No.56), § 2, known as the Clean Slate Law, as amended 18 Pa.C.S. §§ 9122.1, 9122.2.

1, 2021 to December 31, 2024 for the Clerk of Court of Common Pleas/Probation Department functions.

About a decade ago, through the CSL, the General Assembly sought to reduce the burdens associated with a criminal record for individuals pursuing rehabilitation, while ensuring that criminal justice agencies retain appropriate access to criminal history information. CSL, however, limited access to certain criminal history records from non-criminal justice agencies. Currently, limited access can occur in two ways: automatically or via petition. See Appendix C for additional information about how CSL is applied.

To comply with CSL, neither the courts nor AOPC may disclose criminal history record information to any noncriminal justice agency subject to a limited access order. Since DAG does not fall within the Crimes Code's statutory definition of criminal justice agency, it is considered a noncriminal justice agency and is not entitled to limited access to any criminal records.

We reviewed DAG audits of district courts, clerks of courts, and clerks of orphans' courts statewide from January 2023 to April 2026 to determine when the issue of access to information started impacting DAG's audit opinions. We found no impact in DAG's CYs 2023 and 2024 audits, but from January 2025 to April 2026, 15 audits were published with the CSL qualified opinion declaimer. We estimate that the 15 audits were about 10.6 percent of the applicable audits published from January 2025 to April 2026. DAG staff indicated that the number is likely to continue rising without legislative intervention.

The DAG is legally required to audit entities that collect state money, yet is legally barred by the CSL from obtaining sufficient and appropriate evidence to issue clean audit opinions. Further, this issue narrows the commonwealth's already limited oversight mechanism over the collection and remittance of ATJ and other fees.

The General Assembly should consider addressing this issue by amending CSL to carve out an exception to limited access orders for DAG's auditing responsibilities. The exception could be narrowly tailored to DAG's auditing responsibilities under the Fiscal Code so as not to frustrate the intended policy goals of CSL. In addition, any amendment should prohibit DAG from disseminating any criminal history record subject to a limited access order to any noncriminal justice agency.

Review of DAG Audits

As part of our evaluation to determine whether we could rely on DAG's work to fulfill part of our audit objectives, we reviewed the 77 audits BCA conducted in our seven selected counties during CY 2021 to CY 2025. In those audits, we noted that BCA did not identify any deficiencies specific to the collection and remittance of AJA fees.

As previously noted, BCA conducts its audits on a three- to four-year cycle, meaning it did not audit all offices in our selected counties during the scope of our audit. Exhibit 25 shows the number of judicial offices and CROs per county, as well as the number audited by DAG during our review period.

Exhibit 25

The Frequency with Which Judicial or Row Offices Were Audited by the Department of the Auditor General

Selected Counties
CY 2021 to CY 2025

County	Number of Offices[a/]	Offices Audited	% of Offices Audited
Allegheny	49	29	59.2%
Cameron	3[b/]	1	33.3
Erie	19	8	42.1
Franklin	12	4	33.3
Lehigh	20	16	80.0
Montgomery	34	17	50.0
Philadelphia	4	2	50.0

Notes:
[a/]The number of offices is the total of all judicial offices and CROs that collect ATJ fees in a county. Some counties have combined offices; in those cases, the combined office is counted as a single entity. We excluded any CRO that does not collect ATJ fees.
[b/]In Cameron County, DAG audited the Court of Common Pleas, Prothonotary, Clerk of Orphans' Court, Recorder of Deeds, Register of Wills, and Probation and Parole Department as a singular office.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of the Auditor General.

Of our selected counties, we estimate that DAG did not audit 64 applicable offices (45.4 percent) during our review period. While DAG's audits provided us with reasonable assurance that compliance checks occur at the micro level within individual judicial offices and CROs, additional macro-level analysis is lacking, underscoring the need for further oversight.

SECTION IV
DISTRIBUTION OF ACCESS TO JUSTICE FUNDS

Fast Facts…

- *Overall Access to Justice revenues decreased from $18.3 million in FY 2021-22 to $14.7 million in FY 2024-25, a decline of 19.3 percent.*
- *Legal service providers affiliated with the Pennsylvania Legal Aid Network handled 9,886 cases using ATJ funding in FY 2024-25.*
- *The proportion of ATJ funds versus total spending on civil legal aid in Pennsylvania decreased from 25.9 percent in FY 2020-21 to 16.0 percent in FY 2024-25.*

Overview

The Pennsylvania Interest on Lawyers' Trust Accounts (IOLTA) Board grants Access to Justice Act (ATJ) funds to the Pennsylvania Legal Aid Network (PLAN), which is a group of affiliates that directly provides civil legal aid to Pennsylvanians with limited income. During the four fiscal years (FY) ending with FY 2024-25, PLAN granted a total of $67.3 million in ATJ funds to 13 legal service providers (LSPs) throughout Pennsylvania.[46] PLAN and its affiliates reported handling approximately 46,000 unique civil cases with ATJ funds during this period.

Over half of ATJ-funded cases were in two primary areas: family matters relating to topics such as child custody, child support, and domestic violence, and housing issues such as mortgage foreclosure and unlawful eviction. Approximately half of all ATJ cases were resolved by attorneys providing counsel and advice to program applicants.

The distribution of ATJ funds is regulated by contracts and grant agreements that require PLAN to ensure compliance with both the law and the specific provisions outlined in the agreements. This includes reviewing annual reports and audited financial statements and conducting in-depth monitoring of each provider at least once every three years.

Findings

1. In response to a recommendation from the Legislative Budget and Finance Committee's 2017 report on Access to Justice fees and revenue, the Pennsylvania Legal Aid Network (PLAN) and its affiliates collected detailed applicant data over a six-week period, including acceptance rates and reasons for denial. However, PLAN and its providers do not consistently track reasons for denied services. This gap limits their ability to assess the unmet statewide need for civil legal aid and may distort funding decisions.

[46] PLAN has 14 affiliated LSPs, although one does not receive ATJ funds.

Recommendations

1. The Pennsylvania Legal Aid Network should develop a method that tracks the number and reasons why 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/ATJ grant requirements during its review period. Building upon this success, we recommend that PLAN make long-term compliance with IOLTA/ATJ grant requirements a formal focus of its future monitoring reports.

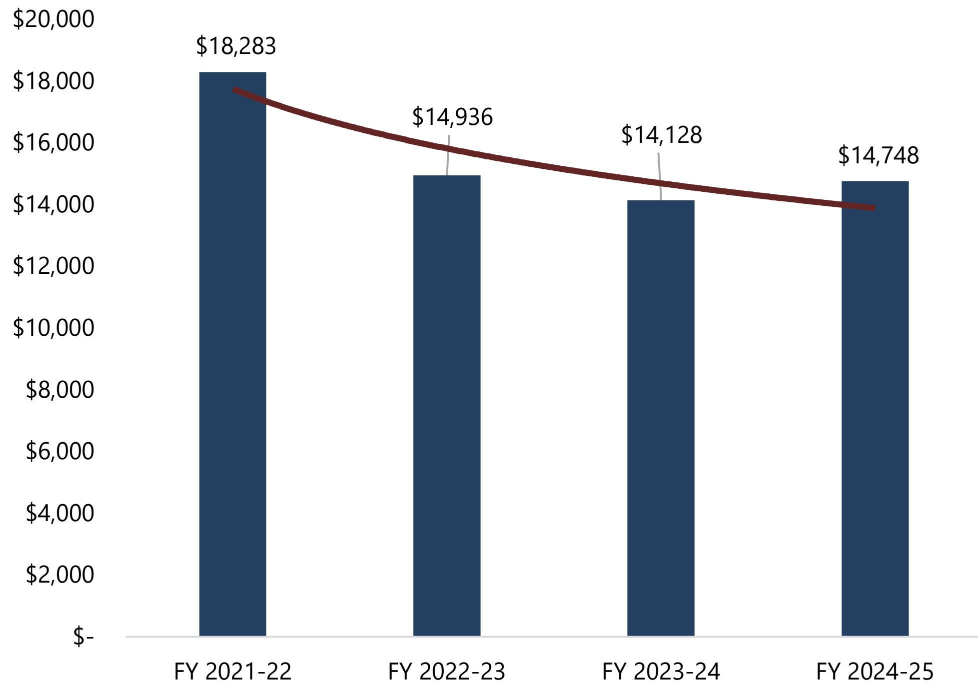
Issue Areas

A. Trends in ATJ Revenue

Since 2002, the ATJ account has distributed millions annually to support legal services for Pennsylvanians in need. Exhibit 26 displays the amount of ATJ funds IOLTA received for each fiscal year of our review period.

Exhibit 26

Access to Justice Funds Collected and Remitted to the Interest on Lawyers' Trust Accounts
FY 2021-22 to FY 2024-25
(in thousands)



Source: Developed by LBFC staff from information obtained from the Administrative Office of Pennsylvania Courts, the Department of Revenue, and Interest on Lawyers' Trust Accounts.

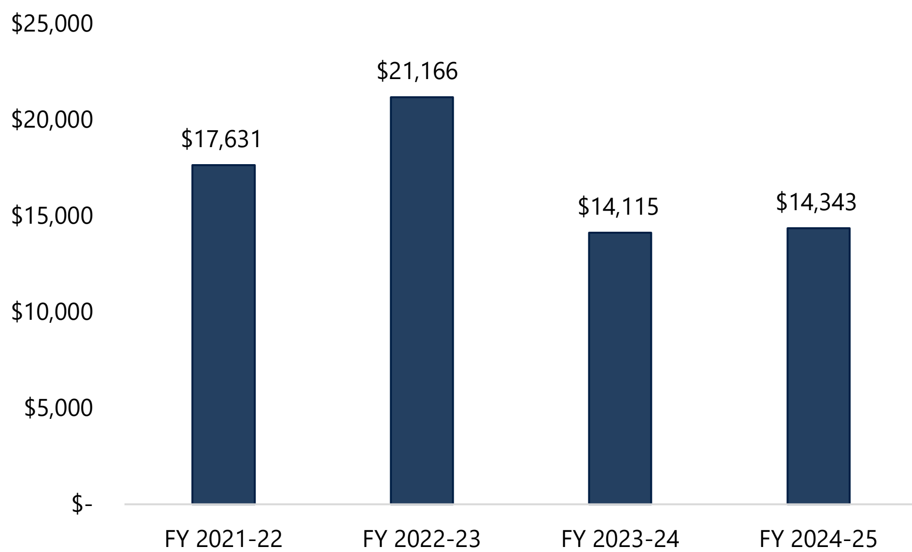
During our review period, total ATJ collections decreased each year, starting at approximately $18.3 million in FY 2021-22 and declining by 19.3 percent to $14.7 million in FY 2024-25.

Access to Justice Revenues and Expenses. As shown in Section III, the Administrative Office of Pennsylvania Courts (AOPC) remits ATJ revenue to the IOLTA Board monthly. IOLTA grants the ATJ funds to PLAN, which maintains a network of legal service providers (LSPs) across the state that serve Pennsylvanians who qualify for such services. A portion of ATJ funds granted to PLAN is also utilized for fund administration and operating costs.

Exhibit 27 displays total ATJ grants for each fiscal year from FY 2021-22 to FY 2024-25 based on a review of PLAN and LSP audited financial statements and grant agreements between IOLTA and PLAN.

Exhibit 27

Total Access to Justice Funding to Pennsylvania Legal Aid Network and Legal Service Providers[a/]
FY 2021-22 to FY 2024-25
(in thousands)



Note:
[a/]Amounts include ATJ funds granted to PLAN for administrative and operational expenses.

Source: Developed by LBFC staff from information obtained from Pennsylvania Legal Aid Network, Interest on Lawyers' Trust Accounts, Legal Service Providers.

Total ATJ grant expenditures decreased from $17.6 million in FY 2021-22 to $14.3 million in FY 2024-25, an 18.6 percent decline. If the amount of ATJ grant funding in FY 2021-22 had grown at the rate of inflation, it would have been $4.8 million higher in FY 2024-25 than the actual amount of $14.3 million.[47]

Over the course of our review period, ATJ fund expenditures matched revenues each year, as outlined in the grant agreements. However, the total amount of ATJ revenues granted to PLAN annually differs from the collections received in the same timeframe; for example, the ATJ funds granted in FY 2022-23 ($21.1 million) are 41.7 percent more than the collections received that same year ($14.9 million).

[47] We estimated the rate of inflation between June 2022 and June 2025, the end points of each fiscal year, to be around 8.9 percent, based on data from the United States Bureau of Labor Statistics. (US Bureau of Labor Statistics. *CPI Inflation Calculator*. https://www.bls.gov/data/inflation_calculator.htm. Accessed on March 17, 2026.)

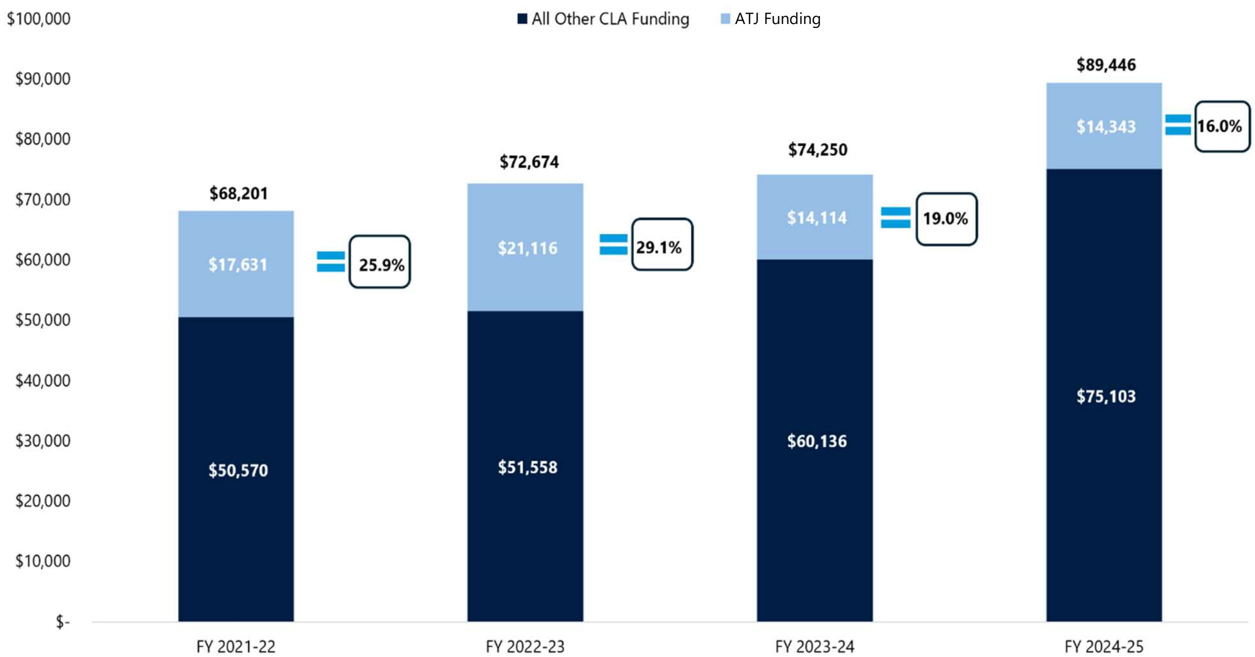
The disparity between the amount of ATJ funds collected and the amount granted in a given year is due to the one-year lag between ATJ revenue collection and the granting of funds to LSPs. The ATJ revenue IOLTA receives from July 1st to June 30th each year finances the ATJ grants the following year. This results in a lag between when IOLTA receives ATJ revenue and when PLAN grants it to the organizations providing civil legal aid services.

Additionally, according to IOLTA, during the COVID-19 pandemic, time-restricted emergency government grants were disbursed directly to LSPs, resulting in underspending of the IOLTA and ATJ grants. The IOLTA Board allowed LSPs to carry over and spend those unspent funds in subsequent years, FY 2021-22 and FY 2022-23.

ATJ's Portion of Civil Legal Aid Funding. Both PLAN and its partner LSPs receive a portion of revenues from ATJ funds; however, this represents a portion of all of PLAN's funding for civil legal aid programs in the commonwealth. Using financial audits, grant agreements, and funding reports, we compiled funding totals for these civil legal aid programs over our review period. Exhibit 28 outlines these totals along with the share of funds from ATJ.

Exhibit 28

Share of ATJ Funds to Total PLAN Civil Legal Aid Funding
FY 2021-22 to FY 2024-25
(in thousands)



Source: Developed by LBFC staff from information obtained from the Pennsylvania Legal Aid Network, Interest on Lawyers' Trust Accounts, Legal Service Providers, and Legal Services Corporation.

While overall civil legal aid funding in Pennsylvania increased from FY 2021-22 to FY 2024-25, the share of funds from ATJ declined. ATJ funds accounted for 25.9 percent of all civil legal aid program funding in FY 2021-22 but accounted for only 16.0 percent in FY 2024-25.

According to IOLTA, much of the increase in civil legal aid funding from sources other than ATJ revenue in FYs 2023-24 and 2024-25 was driven by high interest rates.[48] Between March 2022 and July 2023, the Federal Reserve increased the Federal Funds Target Range to a 22-year high, where it stayed until September 2024. With increased IOLTA revenue, the IOLTA Board created a grant stabilization fund to strategically allocate additional revenue over several years to sustain client services at a consistent level and mitigate a steep drop in grants when interest rates

[48] The other sources included direct grants by the IOLTA board to PLAN outside of ATJ funds and interest earned on statewide IOLTA/MJ-IOLTA accounts. In its meeting minutes, the IOLTA board stated that investment fund performance and higher interest rates generated increased funds for these additional grants. The majority of IOLTA's annual funding is interest income earned on deposits of nominal or short-term funds that attorneys hold for clients and others in a fiduciary capacity in interest-bearing accounts.

decline. This helped smooth year-over-year fluctuations in ATJ funds, enabling PLAN and its LSPs to better maintain staffing levels and allocate resources independently of ATJ funding.[49]

B. Civil Legal Aid Cases Covered by ATJ Funds

LSPs handle thousands of cases each year, and ATJ funds many of them. PLAN uses a few metrics to track cases, including the number of cases opened, handled, and closed.

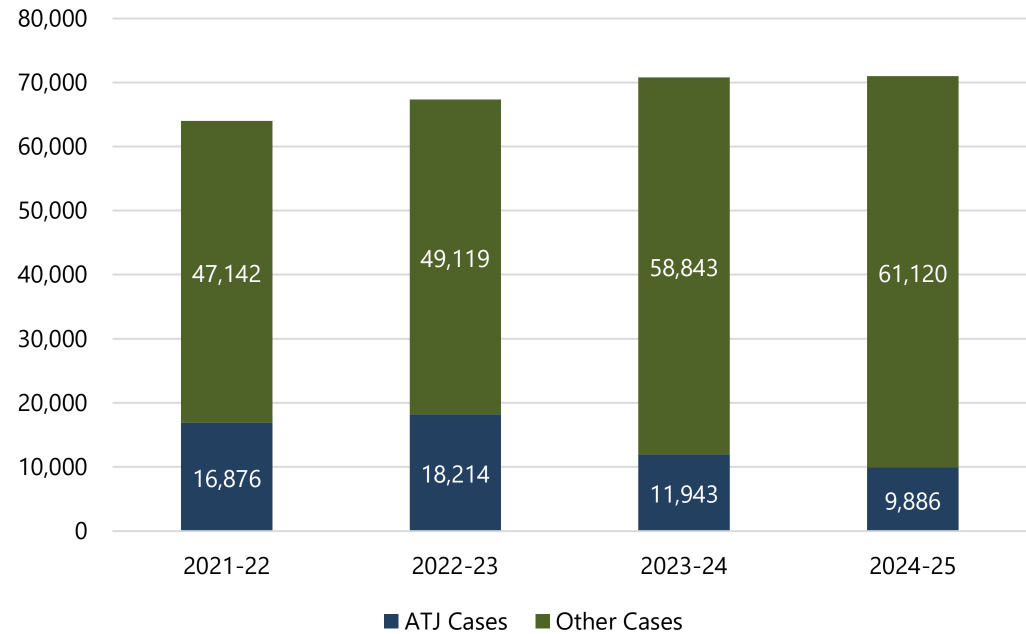
ATJ Cases Handled

PLAN and LSPs track the number of civil legal aid cases with which they assist applicants. According to PLAN, LSPs handled 219,531 unique civil legal aid cases from FY 2021-22 to FY 2024-25. PLAN considers cases handled if they are addressed at any point during a year. Cases may span multiple years while in litigation. Exhibit 29 shows the number of cases that LSPs handled from FY 2021-22 to FY 2024-25, and the annual share of ATJ-funded cases.

[49] The IOLTA grant stabilization program is not limited to serving just PLAN and its associated LSPs. However, these groups receive a significant portion of civil legal aid funding in addition to ATJ funds.

Exhibit 29

Total Cases Handled per Year[a/]
FYs 2021-22 to 2024-25



Note:
[a/]Since cases can span several years, these figures might include the same case multiple times.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Legal Aid Network.

The number of ATJ-funded cases handled increased from 16,876 in FY 2021-22 to 18,214 in FY 2022-23, then decreased in FYs 2023-24 and 2024-25. In FY 2022-23, ATJ cases accounted for 27.1 percent of the total number of PLAN cases handled but later dropped to 16.9 percent in FY 2023-24 and 13.9 percent in FY 2024-25.

The number of ATJ cases handled each year generally corresponded to the amount of ATJ funds IOLTA granted to PLAN. In FY 2022-23, the year in which PLAN affiliates handled the largest number of cases during our review period, PLAN received an ATJ grant of $21.1 million. However, in FYs 2023-24 and 2024-25, when ATJ funds decreased, PLAN received $14.0 million and $14.5 million, respectively.[50]

The federal Legal Services Corporation (LSC) mandates the use of specific categories and codes, or case types, to facilitate tracking, and PLAN uses

[50] LSPs can carry over up to 10 percent of their grants each year. This may be why FY 2023-24 has more cases handled than FY 2024-25 despite receiving less in grant funds.

the same system.[51] Below is a non-exhaustive list of common case types in each category:[52]

- **Consumer.** Illegal taking of property, wage garnishment, denial of credit, predatory and fraudulent consumer practices.
- **Education.** Special education, access to education, and financial aid.
- **Employment.** Income taxes, wage claims, and discrimination.
- **Family.** Child custody, domestic violence, and child support.
- **Health.** Healthcare coverage and eligibility, and Medicare/Medicaid/CHIP-related issues.
- **Housing.** Mortgage foreclosure, unlawful eviction, and denial of access to public subsidized housing.
- **Income Maintenance.** Unemployment compensation, veterans' benefits, and Social Security Disability.
- **Individual Rights.** Barriers to employment, including criminal records expungement and civil rights.
- **Juvenile.** Child abuse, guardianship of minors.
- **Miscellaneous.** Wills and estates, driver's license issues.

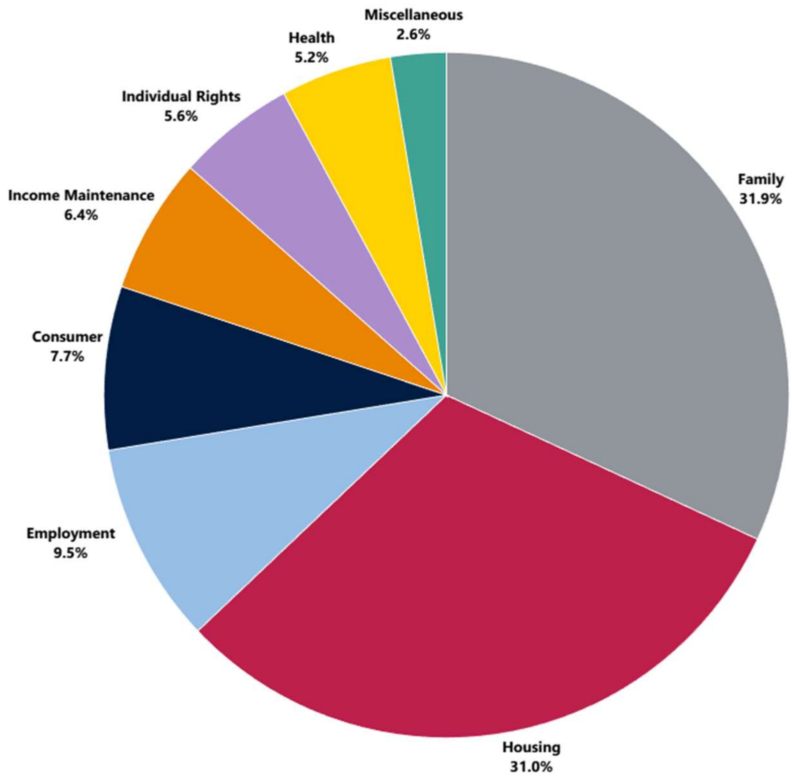
Each legal issue a client needs help with is a separate problem code and case. For instance, an applicant seeking help from an LSP for housing and employment issues would have two separate cases.

Exhibit 30 presents all ATJ cases handled from FYs 2021-22 to 2024-25, delineated by case code category. Most ATJ cases handled by PLAN and LSPs involve either family or housing.

[51] The Legal Services Corporation is a bipartisan, 501(c)(3) nonprofit established by Congress in 1974 to provide civil legal aid to Americans with lower incomes.
[52] More information about these case types can be found in Chapter IX of the LSC Manual.

Exhibit 30

Access to Justice Funded Cases by Problem Code[a/]
FYs 2021-22 to 2024-25



Note:
[a/]The education and juvenile problem codes represented 0.09 percent and 0.02 percent of cases handled, respectively.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Legal Aid Network.

ATJ Cases Closed

In addition to tracking the number and types of cases handled, LSPs also track the number of cases closed. Since cases can remain unresolved for months or years, closed cases may not always be resolved in the same year they are opened. PLAN and LSPs track and analyze closed cases by the type of case and the reason that the case was closed.

Close Reason. Like problem codes, LSC designates close reasons, identified by their assigned letters, to track case actions and outcomes. LSP services range from providing counsel and advice to working on a settlement or filing an appeal. Close categories A and B are limited service categories, while F through L are extended service categories.

- **A—Counsel and Advice.** Advocate reviewed facts and applied relevant law to them before counseling the client.

- **B—Limited Action.** Actions such as sending communication, preparation of a simple legal document, or giving legal assistance to a pro se client.

- **F—Negotiated Settlement Without Litigation.** Program negotiated and reached an actual settlement on behalf of a client without any court or administrative actions pending.

- **G—Negotiated Settlement With Litigation.** Program negotiated and reached an actual settlement on behalf of a client while a court or formal administrative action was pending.

- **H—Administrative Agency Decision.** Program represented a client in an agency action that resulted in a case-dispositive decision by the administrative agency after a hearing or formal process.

- **IA—Uncontested Court Decision.** Case dispositive court decision in which there is no adverse party or the adverse party does not contest the case.

- **IB—Contested Court Decision.** Case dispositive court decision in which there is an adverse party that contests the case.

- **IC—Appeals.** Appeals to an appellate court taken from a decision of any court or tribunal.

- **K—Other.** Closed cases that do not fit any other category.[53]

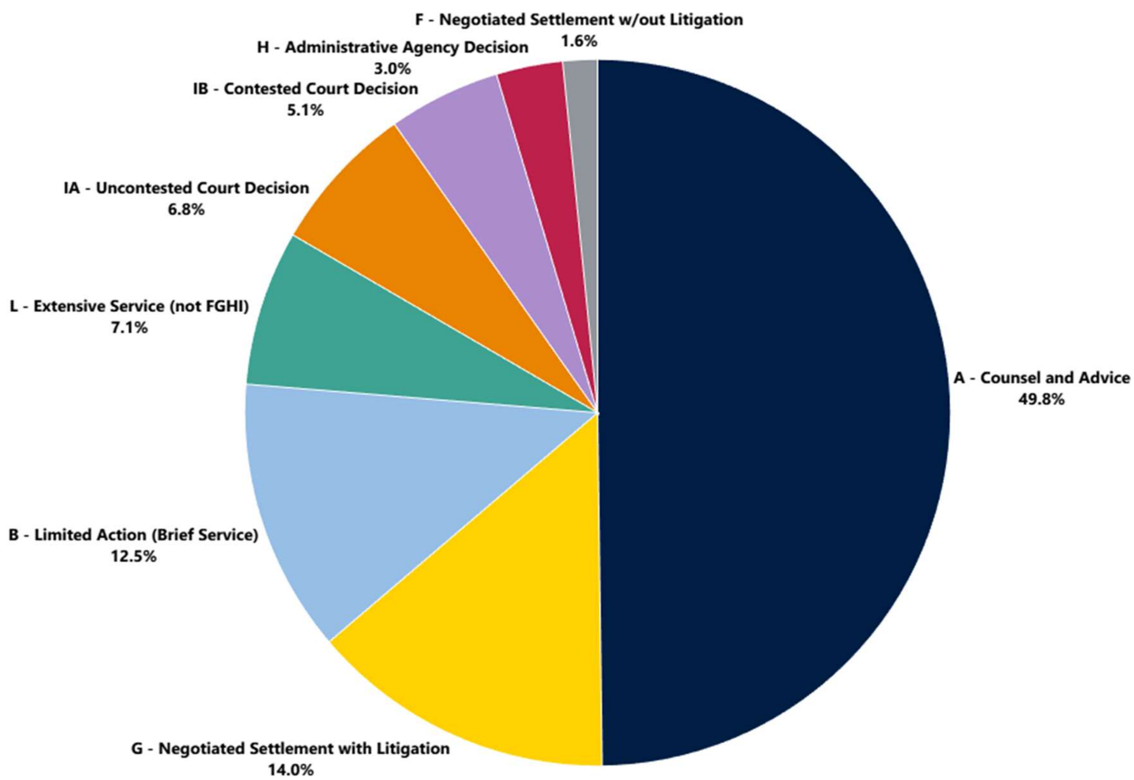
- **L—Extensive Service (not resulting in Settlement or Court or Administrative Action).** Program undertook extensive research, prepared complex legal documents, had extensive interaction with third parties, or provided extensive ongoing assistance to pro se clients.[54]

[53] Cases that fit in two or more categories must not be closed in K. Rather, they must be closed in the category best reflecting the level of service provided.
[54] Legal Services Corporation. *Case Service Report Handbook*. 2017 Cumulative Revision. p. 19.

Exhibit 31 illustrates the different ways that ATJ cases were closed during the period of our review.

Exhibit 31

Access to Justice Funded Closed Cases by Close Reason[a/]
FYs 2021-22 to 2024-25



Note:
[a/]Reason IC – Appeals and K – Other account for 0.1 percent and 0.2 percent of closed cases, respectively.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Legal Aid Network.

About half of all ATJ-funded cases were resolved by providing counsel and advice to the applicant, while the next most common outcome involved an LSP negotiating a settlement while a court proceeding or formal administrative action was pending. About 15 percent of all ATJ-funded cases were resolved via a court or administrative agency decision.

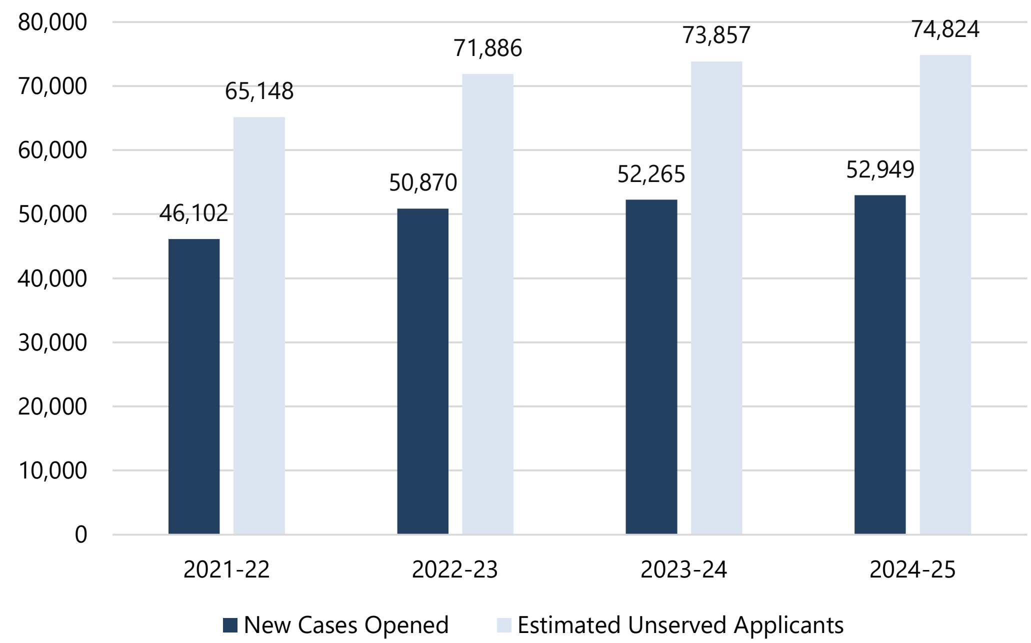
Unserved Applicants

Unserved applicants have applied but are not served for various reasons. Comparing new cases accepted to estimated unserved, about a third more applicants are rejected each year for reasons including legal conflicts of interest, ineligibility, program staffing capacity, program-established priorities, and funding restrictions.

Every few years, LSC conducts an intake census over a four-week period to estimate the gap between the number of people who need civil legal aid and those who receive it. Using intake census statistics, PLAN attempts to estimate how many applicants they were unable to serve. Exhibit 32 compares the number of new cases opened by fiscal year to the estimated unserved applicants.

Exhibit 32

New Cases Opened Compared to Estimated Unserved Applicants
FY 2021-22 to FY 2024-25



Source: Developed by LBFC staff from information obtained from the Pennsylvania Legal Aid Network.

In Pennsylvania, about 1.4 unserved applicants were added for every new case opened. The estimated unserved numbers do not include those who did not seek help for civil legal problems.[55]

2017 LBFC Study. LBFC's 2017 report on ATJ fees and civil legal aid recommended that PLAN collect data from LSPs regarding the number of potential applicants denied civil legal aid services and the reasons for those denials, to help determine unmet need for civil legal aid in Pennsylvania and, perhaps, inform funding decisions. In response to this recommendation, PLAN and its LSPs manually collected this data over a six-week period in March and April 2017. Staff at over 60 LSP offices documented whether an applicant was accepted for service and the reason for each rejected application.

During the six-week period review, 14,224 individuals applied for services at a PLAN-affiliated program and received a case acceptance decision. Of those, 8,160 (57.4 percent) were rejected for service. While some applicants were rejected for personal ineligibility, most were rejected due to the nature of their legal issues.[56] Of the applicants who were not accepted for service:

- 3,466 applicants (42.5 percent) were rejected because their civil legal problems fell outside the program's acceptance guidelines.

- 1,911 (23.4 percent) were rejected due to personal ineligibility for civil legal aid. The majority (58 percent) of these applicants were ineligible because their income exceeded the program's income guidelines.

- 1,599 (19.6 percent) had a civil legal problem that the program lacked sufficient resources to address.

IOLTA and PLAN management stated that while having data on the unserved was helpful, tracking client rejections can be burdensome for LSPs. Often, program personnel can quickly determine whether an applicant is calling about something outside the program's scope and direct the person to other resources. Additionally, LSPs are reluctant to keep someone on the phone to gather additional data for a tracking study, as this might require other callers to remain on hold for an extended period.

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[55] According to the 2022 LSC Justice Gap report, only 25 percent of Americans with limited income seek legal help for civil legal problems. (Legal Services Corporation. *The Justice Gap: The Unmet Civil Legal Needs of Low-income Americans*. April 2022. p. 8.)
[56] Additional information regarding the results of LBFC's 2017 study of rejected client data can be found in Appendix B.

While these concerns are legitimate, we continue to recommend that IOLTA and PLAN explore ways to capture data on the reasons prospective program applicants do not receive civil legal aid services. This data could help PLAN and LSPs expeditiously identify trends affecting the provision of civil legal aid services or adjust messaging to better match potential clients with the services they need.

While PLAN should ensure that a tracking method does not unnecessarily burden service delivery, even an imperfect system would provide stakeholders with statewide insight into areas where PLAN and LSPs could better serve additional applicants.

Internal Control Environment. As part of our review of how ATJ funds are distributed, we evaluated the internal control environment regarding the distribution and oversight of ATJ funds, which included:

- Obtaining and reviewing the annual audited financial statements of AOPC, IOLTA, and PLAN.
- Determining that PLAN conducted periodic and regular monitoring of its affiliated LSPs that provide services funded by ATJ.
- Reviewing PLAN's periodic monitoring reports for entities that received ATJ funds, including reviewing LSP services and transactions to verify that services were provided in accordance with ATJ requirements.
- Assessing that IOLTA grant agreements required fund recipients to expend ATJ grant funds only for the purposes set forth in the law, and specifying that PLAN and LSPs maintain adequate internal control environments.
- Verifying that independent accountants annually audited the financial statements of PLAN-affiliated LSPs and reviewing those reports.
- Determining that the financial statements of PLAN-affiliated LSPs included additional annual audits of internal control required under GAGAS for entities that receive government funds.

C. Legal Service Providers

There are 13 LSP organizations providing civil legal aid under ATJ that are affiliates of and administered by PLAN. Specifically, there are eight regional legal aid programs that serve residents in certain counties, and six specialized legal aid programs that offer services in specific areas of the law or to specific groups of eligible clients.

Exhibit 33 shows the 14 LSPs within PLAN, the areas they serve, and the services they provide.

Exhibit 33

Legal Service Providers

Legal Service Provider	Counties/Areas Served	Description of Services Provided
Regional Programs		
Northwestern Legal Services	Erie, Crawford, Mercer, Venango, Warren, McKean, Forest, Elk, Cameron, and Potter.	• Telephone legal advice. • Custody clinics. • Direct legal representation. • Central intake unit.
Neighborhood Legal Services	Allegheny, Beaver, Butler, and Lawrence.	Provides general legal assistance in issues including: • Family law. • Housing law. • Consumer law. • Public benefit law.
Summit Legal Aid[a/]	Armstrong, Cambria, Clarion, Fayette, Greene, Indiana, Jefferson, Somerset, Washington, and Westmoreland.	Provides general legal assistance in issues including: • Custody. • Housing disputes. • Unemployment compensation. • Domestic abuse.
MidPenn Legal Services	Adams, Bedford, Berks, Blair, Centre, Clearfield, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lancaster, Lebanon, Mifflin, Perry, Schuylkill, and York.	General legal assistance to low-income individuals and victims of domestic violence and sexual assault.
North Penn Legal Services	Bradford, Carbon, Clinton, Columbia, Lackawanna, Lehigh, Luzerne, Lycoming, Monroe, Montour, Northampton, Northumberland, Pike, Snyder, Sullivan, Susquehanna, Tioga, Union, Wayne, and Wyoming.	• Individual representation. • Telephone helpline. • Community legal education. • General legal support.
Legal Aid of Southeastern Pennsylvania	Bucks, Chester, Delaware, and Montgomery.	Provides general legal assistance in issues including: • Bankruptcy. • Consumer law and debt relief. • Child custody. • Pardon/record sealing.

Community Legal Services of Philadelphia	Philadelphia	Provides general legal assistance in issues including: • Tenant and housing issues. • Disability cases. • Public benefits.
Philadelphia Legal Assistance[b/]	Philadelphia	Provides general legal assistance hotlines for various civil law matters.
	Statewide Programs	
Community Justice Project	Statewide	Provides general legal assistance in issues including: • Housing law. • Public benefits. • Employment law. • Immigration law.
Justice at Work	Statewide	Provides general legal assistance in issues including: • Employment law. • Harassment cases. • Assisting ESL workers who lack English proficiency.
Pennsylvania Health Law Project	Statewide	Provides general legal assistance in issues including: • Health law. • Medicaid eligibility determinations. • Managed care cases.
Pennsylvania Institutional Law Project	Statewide	Provides general legal assistance to incarcerated individuals in issues including: • Excessive force. • Solitary confinement. • Visitation issues.
Pennsylvania Utility Law Project	Statewide	Provides general legal assistance in issues including: • Utility concerns. • Universal service programs. • Landlord/tenant-related energy issues.
Regional Housing Legal Service	Statewide	Provides general legal assistance in issues including: • Housing law. • Tenant disputes. • Non-profit development law.

Notes:
[a/] Laurel Legal Services merged with Southwestern Pennsylvania Legal Services and began operating as Summit Legal Aid in 2023.
[b/] Philadelphia Legal Assistance does not receive funds from PLAN but is still within the legal aid network.

Source: Developed by LBFC staff from information obtained from the LSP's websites and annual reports.

All regional programs provide services by telephone and in person, including brief advice, limited legal assistance, and full legal representation. In addition, all programs provide community outreach and education. While regional programs may emphasize services tailored to their local communities, all regional LSPs provide services across areas such as family law, housing, consumer affairs, public benefits, and employment.

PLAN allocates ATJ funds to the LSPs based on the IOLTA Board-approved grant funding amounts for each LSP. This allocation occurs initially as part of the annual IOLTA grant application and is updated as needed if ATJ funding levels are adjusted during the fiscal year.

Every year, using the Census Bureau's American Community Survey 5-year Estimates, IOLTA and PLAN adjust the funds allocated to each regional LSP based on the poverty population in each region. For the specialized statewide LSPs, which are not tied to a specific population count, funding is distributed using a formula based on a predetermined number of attorneys in each entity. LSC and PLAN also review the allocation formula for specialized LSPs after each census.[57]

Exhibit 34 shows the amount of ATJ funds granted to each LSP from FY 2021-22 to FY 2024-25.

[57] Pennsylvania Legal Aid Network. *Civil Legal Aid in Pennsylvania*. 2010.

Exhibit 34

Legal Service Providers Access to Justice Grant Distribution

FY 2021-22 to FY 2024-25

Legal Service Provider	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Regional Programs				
Northwestern Legal	$851,032	$1,016,250	$681,797	$684,263
Neighborhood Legal	1,703,091	2,031,173	1,356,661	1,382,062
Laurel Legal[a/]	823,060	981,570	-[a/]	-[a/]
Summit Legal[b/]	521,818	621,242	1,037,034	1,049,245
Mid Penn Legal	3,063,279	3,666,540	2,391,969	2,416,519
North Penn Legal	2,356,966	2,819,047	1,880,140	1,942,562
Legal Aid of SEPA	1,597,930	1,911,630	1,274,751	1,319,658
Community Legal Services PHL	3,343,832	3,972,795	2,614,767	2,648,647
Subtotal (Regional)	*$14,261,008*	*$17,020,247*	*$11,237,119*	*$11,442,956*
Statewide Programs				
Community Justice Project	$392,491	$469,608	$306,498	$312,263
Justice at Work	359,388	427,432	283,512	288,598
Pennsylvania Health Law Project	344,388	412,432	268,512	273,598
PA Institutional Law Project	662,029	796,342	459,287	469,739
PA Consumer Law Project[c/]	61,599	73,847	47,941	48,857
PA Welfare Law Project[c/]	59,199	71,447	45,541	46,457
PA Utility Law Project/Regional Housing Legal Services	624,898	749,645	485,790	495,115
Subtotal (Statewide)	*$2,503,992*	*$3,000,753*	*$1,897,081*	*$1,934,627*
Total	**$16,765,000**	**$20,021,000**	**$13,134,200**	**$13,377,583**

Note:
[a/]Laurel Legal Services merged with Southwestern Pennsylvania Legal Services and began operating as Summit Legal Aid in 2023.
[b/]Data prior to FY 2023-24 was for Southwestern Pennsylvania Legal Services. (see Note a/).
[c/]The PA Consumer Law Project and Welfare Law Project are separately funded statewide initiatives under Community Legal Services.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Legal Aid Network.

The two LSPs that annually receive the largest ATJ grants are Community Legal Services of Philadelphia and MidPenn Legal Services.

D. Administrative Expenses

Analysts of nonprofit organizations sometimes evaluate an entity's efficiency by reviewing its administrative spending. One way to assess these costs is to calculate the administrative expense ratio, which is the ratio of an organization's administrative expenses to total expenses. Nonprofit analysts have not reached a consensus on an entity's ideal administrative expense ratio. The Better Business Bureau Wise Giving Alliance's standard is less than 35 percent, while Charity Navigator separates their standard by size. Micro or small organizations should aim for less than 30 percent, and medium, large, and super organizations should aim for less than 15 percent.[58]

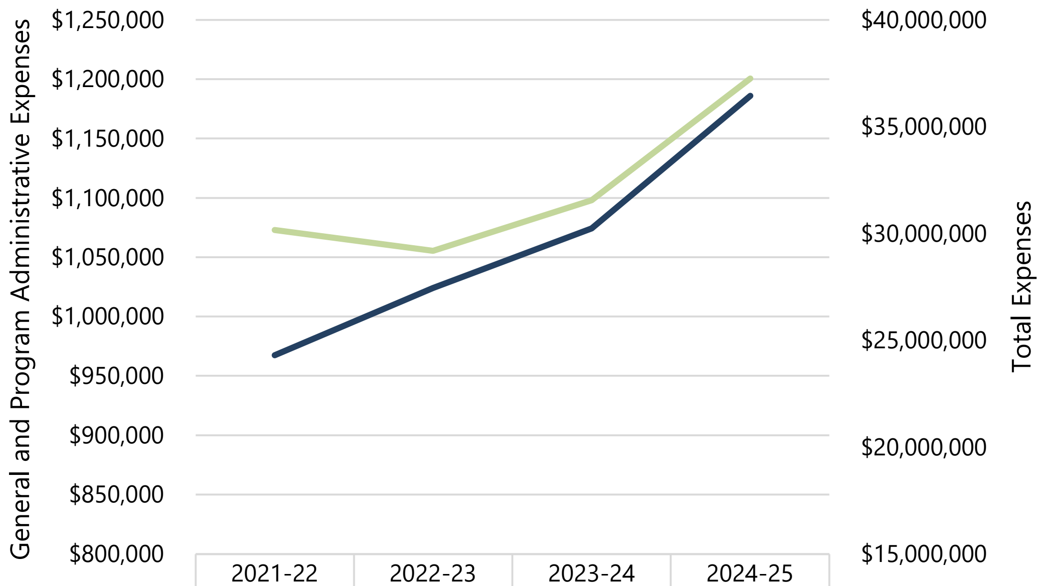
IOLTA's Administrative Expenses

IOLTA's average administrative expense ratio from FY 2021-22 to FY 2024-25 was 3.3 percent. While management and general expenses have risen slightly over time, the majority of IOLTA's expenditures are grants for civil legal aid. Exhibit 35 shows the trends in IOLTA's total and administrative expenses over our review period.

[58] Better Business Bureau Wise Giving Alliance. *BBB Standards for Charity Accountability*. Give.org. https://give.org/bbb-standards-for-charity-accountability. Accessed May 13, 2026; Charity Navigator. *Rating Methodology Guide*. March 2026. https://www.charitynavigator.org/about-us/our-methodology/ratings/?bay=content.view&cpid=8077. Accessed May 13, 2026. According to Charity Navigator's size classification, IOLTA and PLAN are super, and LSPs range from small to large.

Exhibit 35

Interest on Lawyers' Trust Accounts Expenses[a/]



	2021-22	2022-23	2023-24	2024-25
General and Program Administrative Expenses	$967,635	$1,023,999	$1,074,142	$1,186,138
Total Expenses	$30,157,704	$29,195,566	$31,551,604	$37,260,696

Note:
[a/]Total Expenses (green line) uses the right y-axis. General and Program Administrative Expenses (blue line) uses the left y-axis.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Legal Aid Network.

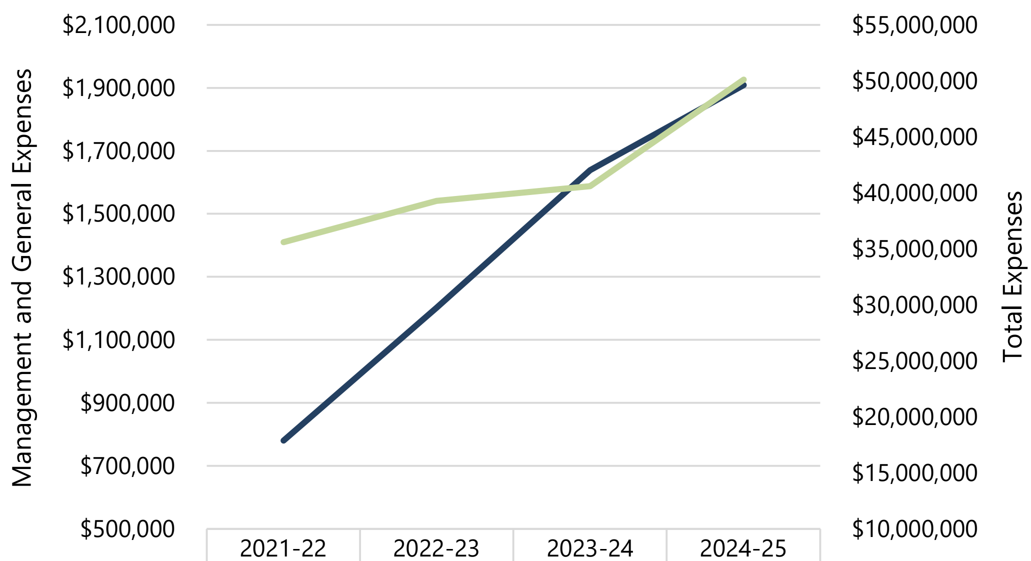
IOLTA's total expenses (which are primarily grants to PLAN and LSPs) increased from $30.2 million in FY 2021-22 to $37.3 million in FY 2024-25. During this period, general program and administrative expenses increased from just under $1.0 million to $1.2 million.

PLAN's Administrative Expenses

Almost all of PLAN's program expenses were grants to various LSPs. PLAN also had an average administrative expense ratio of 3.3 percent over our review period. Exhibit 36 shows total expenses compared to management and general expenses.

Exhibit 36

Pennsylvania Legal Aid Network Expenses[a/]



	2021-22	2022-23	2023-24	2024-25
Management and General Expenses	$780,644	$1,202,114	$1,638,744	$1,909,170
Total Expenses	$35,600,652	$39,290,008	$40,586,180	$50,111,739

Note:
[a/]Total Expenses (green line) uses the right y-axis. Management and General Expenses (blue line) uses the left y-axis.

Source: Developed by LBFC staff from information obtained from the Interest on Lawyers' Trust Accounts.

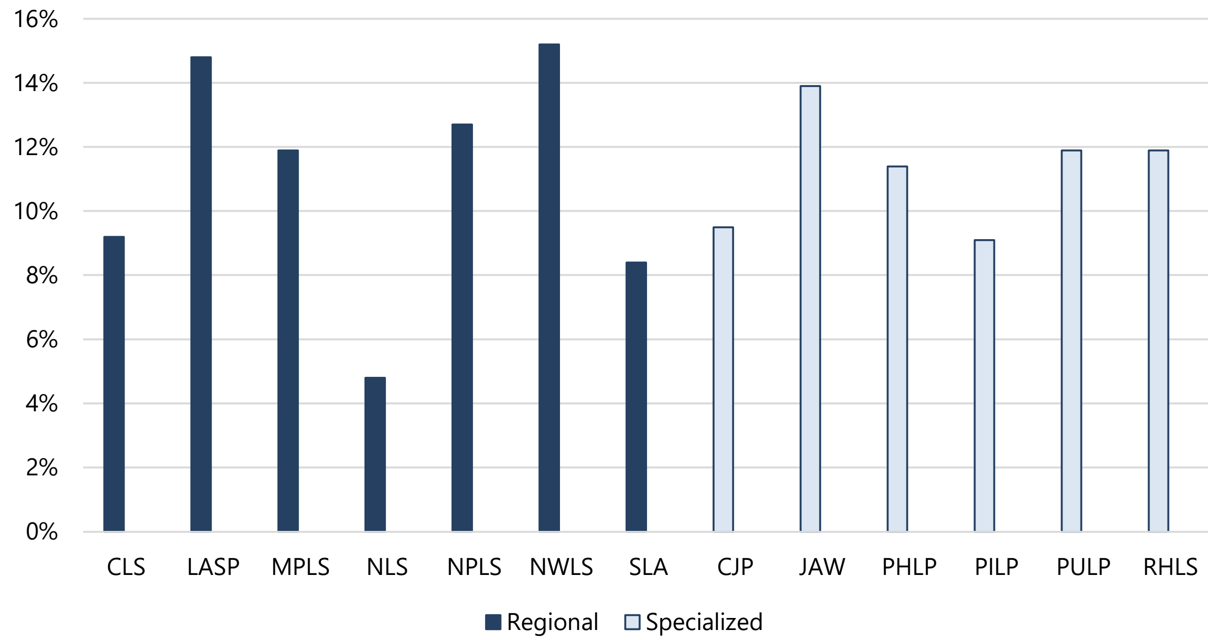
Management and general expenses increased from $780,644 in FY 2021-22 to about $1.9 million in FY 2024-25. During this period, total expenses increased by more than 140 percent, from $35.6 million to $50.1 million.

Legal Service Providers' Administrative Expenses

PLAN's contracted LSPs consistently maintained administrative expense ratios below 16 percent. From FY 2021-22 to FY 2024-25, the average LSP administrative expense ratio was 11.2 percent. Exhibit 37 highlights each LSP's ratio during the review period.

Exhibit 37

Average Legal Service Provider Administrative Expense Ratio[a/]
FY 2021-22 to FY 2024-25



Note:
[a/]Philadelphia Legal Assistance (PLA) is not included since it does not receive ATJ funds.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Legal Aid Network.

The differences in administrative expense ratios between regional and specialized LSPs were not significant. While Neighborhood Legal Services had the lowest expense ratio at 4.8 percent, 10 LSPs had expense ratios ranging from 8.4 to 13.9 percent. Overall, IOLTA and PLAN had administrative expense ratios below 4.0 percent, and all but one of the LSPs had ratios below 15.0 percent during our review period.

E. LSP Grant Agreements

The ATA requires that "[a]ll moneys in the account and any investment income accrued shall be used exclusively to provide civil legal assistance to poor and disadvantaged persons in this Commonwealth."[59]

The act prohibits fund recipients from using ATJ grant funds for political activities or lobbying. Recipients are permitted to engage in lobbying

[59] 42 Pa.C.S. § 4905(a).

activities in response to a request from a governmental agency, legislative body, committee, member, or staff, provided that such activities are consistent with the Rules of Professional Conduct. In addition, eligible LSPs may engage in lobbying activities in the provision of legal services, provided that the activities directly involve representing an eligible client's legal rights. However, LSPs cannot solicit a client for the purposes of engaging in lobbying activities in violation of the Rules of Professional Conduct.[60]

The IOLTA Board administers ATJ grant funding to PLAN, which provides advocate and client training, monitors contractual compliance, provides technical assistance to organizations on fiscal and contract compliance, and investigates client complaints related to grant-funded programs.

Before ATJ funds are disbursed, PLAN must apply to IOLTA for funding. We reviewed PLAN applications to IOLTA from FY 2021-22 to FY 2024-25 as part of our analysis. The IOLTA application requires a statement of need, along with answers to questions regarding efforts to build support for expanding resources and access, funding allocations, reporting and evaluation, grant-funded activities, prohibited activities, major cost initiatives, and other inquiries.

Once grant funds are awarded, PLAN executes a Statewide Legal Services Grant Agreement (LSGA) with the IOLTA Board. Per the LSGA, PLAN then executes grant subagreements with its contracted LSPs.

Statewide Legal Services Grant Agreement

The LSGA governs PLAN's use of IOLTA and ATJ grant funds and outlines major provisions, including grant amounts and terms, reporting obligations, use of grant funds, ATJ eligibility rules, and subgrants to LSPs.

In the LSGA, PLAN agrees to use ATJ grant funds exclusively for the purposes enumerated in § 4905 of the AJA. In addition, PLAN and the LSPs must ensure compliance with general grant administrative and financial provisions (GGAFPs), the grant application, and a grant service plan and budget.[61] Included in the GGAFPs are payment procedures, reporting requirements, evaluation and monitoring mechanisms, grantee financial standards, record maintenance and retention, and procedures governing suspension and termination of grants.

Under the GGAFPs, PLAN and the LSPs must complete audits in accordance with current Generally Accepted Government Auditing

[60] 42 Pa.C.S. § 4905(b)(1)-(2).
[61] The GGAFPs are standard rules that apply to IOLTA Board grant recipients and sub-recipients.

Standards. Grantee evaluation and monitoring requirements under the GGAFPs may include internal performance evaluations, site visits, interviews with grant fund recipients, and submission of monitoring and evaluation reports.

Grant subagreements specify the rights and requirements for LSPs' use of ATJ grant funds. Under these provisions, PLAN serves as the grantor of the ATJ funds and enforces the LSP's compliance with the GGAFPs and subagreements.

PLAN Oversight and Compliance Monitoring of LSPs. As part of the application process, PLAN must inform the IOLTA Board of its oversight measures to ensure that it and the contracted LSPs provide effective, efficient, and grant-compliant services. According to PLAN, it monitors and assesses organizations' compliance in several ways. For example, PLAN receives LSPs end-of-year reports describing major accomplishments, other legal services programs, client involvement, and other areas of organizational development.

Each LSP is monitored every third year and provides interim follow-up when significant compliance concerns are identified. Monitoring typically includes case self-evaluation, requiring LSPs to conduct internal reviews of a randomly selected sample of cases. Monitoring is conducted by PLAN staff, including a team composed of the PLAN Director of Finance, Compliance Consultant, Legal Director of Grants and Compliance, and the Grants Manager.

In addition, PLAN conducts regular policy and procedure reviews to ensure compliance with its requirements and completes comprehensive checklists to document the details and outcomes of its monitors' reviews. Beyond its monitoring process, PLAN informed IOLTA that it collects reports and updates on program projects, including public benefits and employment projects.

PLAN documented the measures it has taken to improve its oversight of LSPs' use of grant funds. For example, while LSPs perform their own hiring and staff supervision, PLAN helps ensure staffing levels are appropriate, that staff evaluations are conducted, and that formal supervisory structures are in place.

PLAN noted other measures in its recent applications to IOLTA, including the following items described during our review period:

- **FY 2021-22 PLAN Application**. PLAN hired a new Grants Coordinator and updated the case self-evaluation form to improve efficiency. PLAN also implemented a new report template at the beginning of FY 2019-20.

- **FY 2022-23 PLAN Application**. PLAN stated that its Executive Director remains involved in the monitoring report phase of the process, along with the Administrative Officer, Controller, Compliance Consultant, and Grants Coordinator.
- **FY 2023-24 PLAN Application**. As an effort to advance its commitment to compliance and monitoring, PLAN created a new position, Legal Director of Grants and Compliance.

F. PLAN's Quality Visit Reports

After PLAN grants ATJ funds to LSPs, it conducts recurring compliance monitoring to ensure funds are spent appropriately. As described in PLAN's FY 2024-25 application to IOLTA for continued use of ATJ funds:

> PLAN, Inc. conducts in-depth monitoring of the legal services programs, with each organization monitored every third year and interim follow-up [monitoring] when compliance concerns of significance are identified. Monitoring includes a case self-evaluation component that requires the LSP to conduct an internal review of a randomly selected case sample in advance of monitoring. Other areas within the scope of monitoring include contract, regulatory, and administrative compliance; LegalServer internal controls; reporting and data integrity; and financial compliance.[62] LSPs' policies and procedures are reviewed to ensure that they are compliant with requirements of PLAN, Inc. and its funders. Comprehensive checklists document the details of monitors' reviews and results of testing for compliance. A sample of financial records and case files within the self-evaluation are selected and an extensive review is done during monitoring. Written draft and final reports are issued to the programs, and the final reports are sent to the program's board chair, DHS [Pennsylvania Department of Human Services], and IOLTA.[63]

[62] LegalServer is a cloud-based, web-accessible case management platform developed specifically for non-profit civil legal aid organizations, public interest law firms, pro bono programs, public defenders, and government legal agencies.
[63] PLAN, Inc. IOLTA and Access to Justice Act Funding Application for Re-funding on behalf of the Programs of the Pennsylvania Legal Aid Network 2024-2025. January 2024.

In addition to PLAN personnel comprising the monitoring team, a member of IOLTA's executive staff is typically on hand as an observer for the in-person portions of each review.[64]

We reviewed the 17 monitoring reports issued by PLAN between FYs 2021-22 and 2024-25. Overall, we found that LSP reviews adhered to the triennial cycle outlined in PLAN's agreements with the IOLTA Board. Additional comments from follow-up monitoring are included in the LSPs' final reports where applicable.

During monitoring visits, PLAN selects a sample of each LSP's cases for evaluation. Findings from these cases are categorized as follows:

- **Corrective action (CA).** Issues of material non-compliance with IOLTA grant requirements or PLAN directives that require immediate remedy.

- **Follow-up request (FR).** Issues that require additional information or action to be documented by PLAN.

- **Recommendation (REC).** Issues that warrant PLAN-suggested improvement based on best practices, but are not mandatory for the LSP.

- **Reminder (REM).** Issues that receive minor procedural comments for actions that remain in compliance but slightly deviate from IOLTA's or PLAN's expectations.

We identified 149 unique findings reported by PLAN among the 17 monitoring reports. While it is beneficial to see PLAN's monitoring report findings displayed annually, we caution that our analysis should primarily be used for informational purposes.

Due to the scope of our report, we only reviewed data for one complete triennial monitoring visit cycle. As a result, the LSPs evaluated by PLAN differed over our observation period, except for FYs 2021-22 and 2024-25 (discussed further below). Exhibit 38 shows the number of unique findings by category (CA, FR, REC, REM) for each year since FY 2021-22.

[64] PLAN's monitoring team includes the organization's Director of Finance, Compliance Consultant, Legal Director of Grants and Compliance, and the Grants Manager.

Exhibit 38

Findings Identified by Pennsylvania Legal Aid Network Monitoring Visits
FY 2021-22 to FY 2024-25

Fiscal Year	Number of LSPs Reviewed[a, b]	Number of Findings Identified			
		Corrective Action	Follow-Up Request	Recommendation	Reminder
2021-22	4	3	8	0	7
2022-23	4	13	2	7	0
2023-24	5	19	0	16	0
2024-25	4	26	14	22	12
Total Findings by Category		61	24	45	19

Notes:
a/ Since PLAN conducts its reviews on a triennial basis, the LSPs evaluated differ for each year of our observation period, with the exception of FYs 2021-22 and 2024-25.
b/ Laurel Legal and Southwestern Pennsylvania Legal Services were reviewed individually in early 2023, prior to their merger as Summit Legal later that year. RHLS and PULP were reviewed jointly in FY 2021-22 and FY 2024-25, as the two are partner organizations. Philadelphia Legal Assistance did not receive any ATJ funds from FY 2021-22 through FY 2024-25.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Legal Aid Network.

Of the 149 monitoring report findings, corrective actions (61 findings, 41 percent) and recommendations (45 findings, 30 percent) were the two most common outcomes. Some of the corrective actions relate to PLAN compliance requirements rather than to a funder's regulatory requirements. Together, these outcomes accounted for 71 percent (106 of 149) of PLAN's documented findings during our review period. Follow-up requests (24 findings, 16 percent) and reminders (19 findings, 13 percent) were less common outcomes, occurring in only 29 percent of the 149 total findings.

In addition, we analyzed PLAN's 149 documented findings to better understand frequently occurring issues among the LSPs during our review period. We grouped each finding into one of five categories:[65]

[65] While our categorization of findings closely resembles the segmentation used by PLAN in its monitoring reports, it is important to note that we organized each finding by its relevant topic, not the area of evaluation that led to the finding. Additionally, we assigned each finding a single label, but we recognize that some findings may fit into multiple categories (e.g., compliance reporting related to financial metrics).

- **Administrative policies.** Issues related to an LSP's internal office procedures (e.g., strategic plans, compliance reporting, cybersecurity practices, etc.).

- **Case supervision.** Issues related to an LSP's handling of legal cases funded by IOLTA/ATJ grant monies (e.g., client intake/closing procedures, reviewing open cases, case file maintenance, etc.).

- **Equal access to services.** Issues related to an LSP's distribution of clientele across geographic, racial, ethnic, impoverished, or other underserved populations.

- **Financial or fiscal policies.** Issues related to an LSP's financial management procedures, particularly those pertaining to IOLTA/ATJ grant funds (e.g., status of IOLTA bank account, billing practices, office expenditure policies, etc.).

- **Personnel policies.** Issues related to an LSP's staffing practices (e.g., employee evaluations, staff recruitment and retention, managing attorney caseloads, etc.).

Exhibit 39 shows findings by category.

Exhibit 39

Pennsylvania Legal Aid Network Monitoring Visit Findings by Category
FY 2021-22 to FY 2024-25

Finding Category	Corrective Action	Follow-Up Request	Recommendation	Reminder
Administrative Policies	8	9	11	0
Case Supervision	30	2	11	18
Equal Access to Services	3	4	3	0
Financial/Fiscal Policies	10	3	14	1
Personnel Policies	10	6	6	0
Total Findings by Category	61	24	45	19

Source: Developed by LBFC staff from information obtained from the Pennsylvania Legal Aid Network.

Issues related to case supervision were more than twice as common as any other topic category, accounting for 61 (41 percent) of the 149 total findings. Furthermore, 30 case supervision-related issues required corrective action, more than the total number of findings in any other category. Common findings in case supervision included improper coding of closed cases in the LSP's records, failure to review open cases, delayed case closure, and missing documentation on client intake forms.

There were 28 total findings related to the specific LSP's financial or fiscal policies, including 10 that required corrective action. All 10 pertained to IOLTA grants, primarily cost allocation errors, the failure to use separate bank accounts for IOLTA/ATJ revenue, and the late submission of audited financial statements. In all instances, the LSP was required to provide PLAN with documentation that the issue had been corrected.[66]

Finally, as discussed above, PLAN evaluated different LSPs each year of our four-year observation period.[67] There was a fourfold increase in findings from the 18 total items identified by PLAN in FY 2021-22 to the 74 findings identified in FY 2024-25. However, only three findings identified in FY 2021-22 recurred with the same LSP in 2024-25. Of these three repeat findings, only one was directly related to the use of IOLTA/ATJ funds.[68]

While these findings suggest that PLAN's monitoring is effective in overseeing LSP compliance with IOLTA/ATJ grant requirements, we caution against drawing a definitive conclusion from our analysis, given the limited longitudinal data available. We recommend that PLAN make long-term compliance with IOLTA/ATJ grant requirements a formal focus of its future monitoring reports.

G. LSP Financial Audits

LSPs also receive grant funding from other governmental and nongovernmental sources, including private foundations and federal, municipal, and county government departments. Each donor provides funding to LSPs under specific conditions regarding how the money should be used, the eligibility of recipients, and specific reporting requirements.

All LSPs receiving ATJ funds are audited annually by independent accountants. These audits include a determination that the LSP's financial statements have been prepared in accordance with Generally Accepted Accounting Principles. Almost all auditors' reports also

[66] All 10 corrective actions resulted from findings for two LSPs during reviews in FY 2021-22 and FY 2024-25, including six identified for one LSP during a single monitoring period.
[67] As previously noted, the same four LSPs that PLAN evaluated in FY 2021-22 were also reviewed in 2024-25 as part of a new triennial monitoring visit cycle.
[68] One LSP was identified as not reaching its annual threshold IOLTA or ATJ case goals in FY 2021-22 and again in FY 2024-25. The other recurring findings included missing documentation in client intake forms and the lack of a professional evaluation for the LSP's executive director. These recurring findings affected three of the four LSPs evaluated in these years, while one LSP had no recurring issues.

included an additional report titled "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards."

This supplemental report regarding internal control was first introduced in the 1988 revision of Generally Accepted Government Auditing Standards (GAGAS). Those standards required auditors to report on internal control and compliance as part of audits of financial statements for governmental entities and other entities receiving government funding.

In the latest edition of these standards, issued in 2024, this requirement is specified in section 2.16: "When auditors are required to conduct an engagement in accordance with GAGAS or are representing to others that they did so, they should cite compliance with GAGAS in the audit report as set forth in paragraphs 2.17 through 2.19."

The exact language used in the independent auditors' report on internal controls is discussed in the American Institute of Certified Public Accountants (AICPA) Audit Guide, "Government Auditing Standards and Single Audits." This publication describes the audit considerations and suggested procedures accountants should use and summarizes the audit responsibilities of these engagements:

> In conducting audits of financial statements in accordance with Government Auditing Standards, the auditor assumes certain responsibilities beyond those of audits performed in accordance with GAAS. The standards and guidance applicable to financial audits, including audits of financial statements, are contained in chapters 1–6 of Government Auditing Standards and include ethical principles, general standards, and additional standards for performing and reporting on financial audits. For example, in an audit of financial statements, in addition to an auditor's report that expresses an opinion or disclaimer of opinion on the financial statements as required by GAAS, 10 Government Auditing Standards requires reporting on internal control; compliance with provisions of laws, regulations, contracts, and grant agreements; and instances of fraud.[69] [70]

To better evaluate the internal control environment of LSPs receiving ATJ funds, we reviewed the Independent Auditors' Reports on Internal

[69] United States Government Accountability Office. Government Auditing Standards. 2024 Edition. Section 1.14.
[70] In this excerpt, *GAAS* refers to Generally Accepted Auditing Standards.

Control over Financial Reporting and on Compliance and Other Matters contained in each LSP's audited financial statements. This review covered 60 such reports for 12 LSPs over the five-year period from FYs 2021-22 through 2024-25.[71] All but one audit report stated that the auditors noted no instances of noncompliance that should be disclosed under GAGAS. In addition, all but one report included the following exact language:[72]

> As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements....The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Only one Independent Auditor Report on Internal Control over Financial Reporting and on Compliance and Other Matters identified a noncompliance item. In this instance, auditors noted that a specific LSP had not complied with the terms of one grant agreement with a municipal government donor. Specifically, the audit determined that the LSP had billed the donor a fixed hourly rate for services performed, whereas the grant agreement required the LSP to bill for the actual salaries and wages incurred. Therefore, the LSP's billing was not in accordance with the contract terms due to a misunderstanding of the contract's provisions. This issue was not related to the LSP's work with IOLTA or PLAN and did not involve ATJ funds.

[71] LBFC did not review the audited financial statements for two LSPs discussed in this report. Pennsylvania Utility Law Project (PULP) is a part of Regional Housing Legal Services (RHLS) and is consolidated with that entity for auditing and financial statement purposes. Therefore, PULP is covered by the RHLS audit. Additionally, Philadelphia Legal Assistance did not receive any ATJ funds from FY 2021-22 through FY 2024-25.
[72] This is standard language for an auditor's unqualified report regarding this compliance. The standard language also states that evaluating this compliance was not an objective of the audit.

SECTION V
OPPORTUNITIES TO IMPROVE CIVIL LEGAL AID FUNDING

Fast Facts…

- *Lenders originated more than 1.3 million residential mortgages in Pennsylvania from CY 2021 to CY 2024.*
- *Other states rely on a combination of funding for civil legal aid that includes court fees/surcharges, Interest on Lawyers' Trust Accounts, state appropriations, federal funding, attorney contributions, cy pres awards, public/private partnerships, and philanthropic funding.*
- *There were over 900,000 traffic-related guilty pleas and convictions annually from CY 2021 to CY 2024.*

Overview

Civil legal aid is a component of the justice system that helps Pennsylvanians with lower incomes navigate legal processes in matters that can significantly affect their stability and security. Act 1 directed the Legislative Budget and Finance Committee to present options to improve civil legal aid funding. We reviewed concerns over mortgage filings at the county level and calculated the potential impact of repealing the $2 fee exemption on traffic guilty pleas and convictions. We also reviewed funding sources used in other states.

Findings

1. Due to state and federal court rulings, an estimated 2.64 million mortgage filings were not filed with the county recorders of deeds in Pennsylvania, and therefore, $15.8 million in potential Access to Justice revenue was not collected from Calendar Year (CY) 2021 to CY 2024.

2. An estimated $7.5 million in fees could have been collected between CY 2021 and CY 2024, had the extra $2 Access to Justice surcharge been applied to traffic guilty pleas and convictions.

Recommendations

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.

Issue Areas

A. The Impact of Federal and State Court Rulings on Recorder of Deeds Filings

Historically, over 50 percent of Access to Justice (ATJ) funding comes from county row office fees, with Pennsylvania recorders of deeds (RODs) accounting for the largest share of revenue; however, ATJ revenue from RODs has declined during our review period. In Section III, we note that ATJ funding from ROD fees decreased by 44.1 percent over four years, from FY 2021-22 to FY 2024-25. According to RODs we spoke with, higher mortgage interest rates influence the decrease in filings; however, the timing of several related court rulings also coincides with the downward trend. We reviewed these court rulings and evaluated their estimated effect on ROD recording fee revenue.

Overview of Mortgage Filings

RODs collect recording fees and remit a portion of those fees to the commonwealth. County recording fees are levied on the recordation of real property deeds, as well as financing instruments, such as mortgage promissory notes, which are of particular relevance to this section.

When buyers purchase real estate, they typically obtain a mortgage from a lender, usually a financial institution. The buyer executes a promissory note to repay the lender, the ROD records it in the county where the real estate is situated, and the buyer pays a recording fee to the county. The purpose of recordation is to allow individuals seeking to purchase real estate to investigate whether the seller or mortgagor rightfully owns the land they are attempting to sell.[73]

Mortgage lenders or mortgagees record their mortgages because state laws incentivize recordation and disincentivize non-recordation. For example, if a mortgagee assigns (sells ownership) a mortgage to another party, that party would record the assignment documents to protect against the original mortgagee fraudulently assigning the same mortgage to a different party.[74] Typically, each mortgage assignment

[73] Peterson, Christopher, L., *Two Faces: Demystifying the Mortgage Electronic Registration System's Land Title Theory*, 53 Wm. & Mary L. Rev. 111, 114-115 (2011).
[74] A mortgagor is the borrower who takes out a mortgage loan to buy property. A mortgagee is the lender, typically a financial institution that provides funds for the mortgage. Both are common parlance used in real estate transactions. (Ibid)

would be filed and subsequently recorded by local governments to protect a mortgagee's interest.

In the mid-1990s, a consortium of public and private entities, including the Mortgage Bankers Association of America, the Federal National Mortgage Association (Fannie Mae), and the Federal Home Loan Mortgage Corporation (Freddie Mac), developed a concept in which a single company would own all mortgages. One hoped-for benefit was that mortgage companies would not have to record assignments with local governments, since the same company would technically own the mortgages.[75] In 1995, Mortgage Electronic Registration Systems, Inc. (MERS) was established. MERS is a company that owns and operates a national electronic loan registry system that tracks and indexes ownership of promissory notes secured by residential real estate mortgages for a consortium of entities, which are its members.[76]

The process for MERS members is straightforward. The initial MERS mortgage (origination) is recorded at the ROD's office, with MERS named as the lender's nominee of record on the promissory note executed between the lender and the borrower.[77] During the lifetime of the mortgage, the beneficial ownership interest or servicing rights may be transferred or assigned among MERS members, but these assignments are not publicly recorded with the county; instead, they are tracked electronically in MERS's private system. Mortgage promissory notes are frequently assigned to different financial institutions several times over the life of the loan.

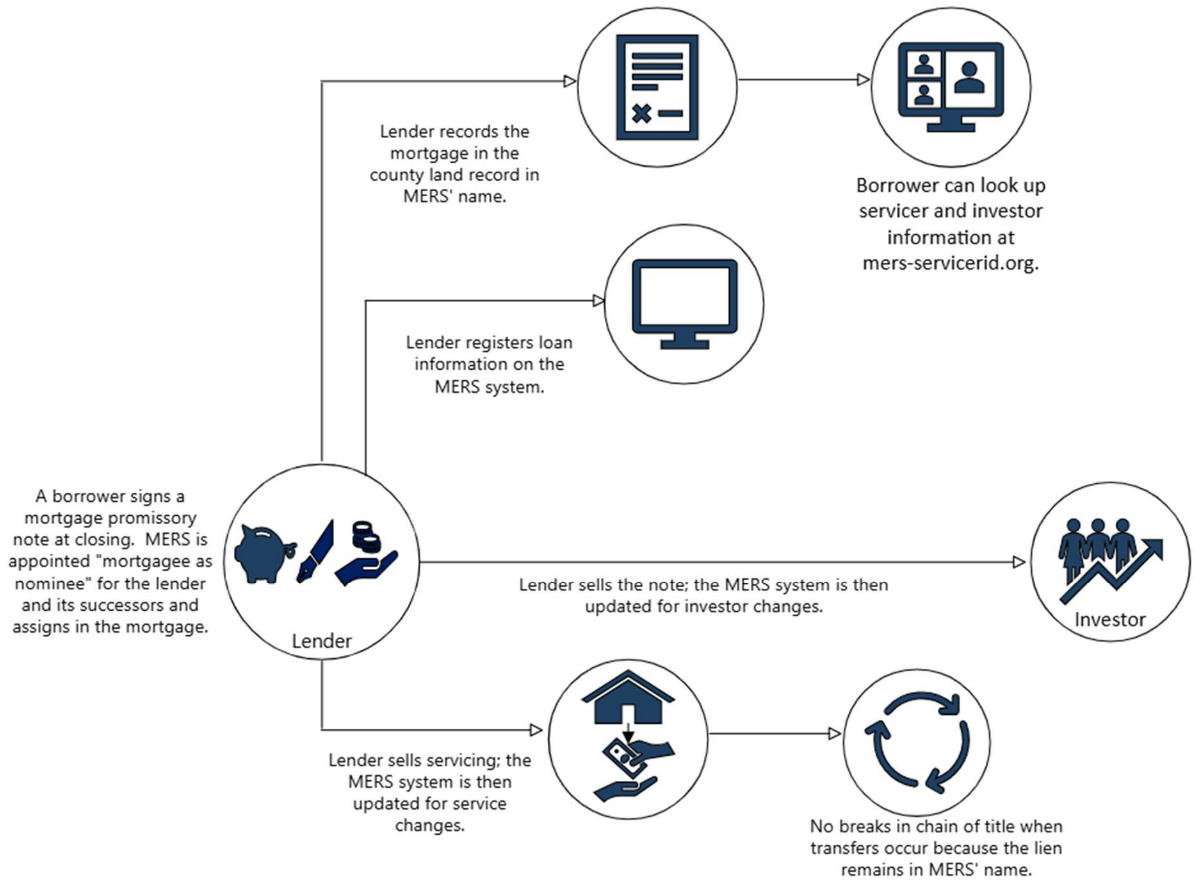
Since MERS remains the mortgagee of record in public land records as nominee for the note holder and its successors and assignments, there are no breaks in the chain of title when assignments occur. Furthermore, because note assignments are tracked internally with MERS rather than through county recording offices, members avoid paying county recording fees for every subsequent assignment.

Instead, MERS members pay membership and per-transaction fees for access to the MERS database, as well as compensation to MERS for serving as the owner of record for the mortgages registered on its database. If the servicing for a loan is sold to an institution outside of the MERS system, the mortgage loan must be assigned out of MERS' name. For a visual of the MERS indexing process, see Exhibit 40.

[75] The MERS System also facilitates a secondary market in mortgage-backed debt and securities.
[76] Peterson, Christopher, L. *Two Faces: Demystifying the Mortgage Electronic Registration System's Land Title Theory*. 53 Wm. & Mary L. Rev. 111, 114-115 (2011).
[77] As nominee, MERS is designated as the mortgagee of record in the public land records, but it is not the actual owner of the loan nor the entity collecting payments. MERS holds the mortgage in its own name for the benefit of the lender and its successors. The lender owns the promissory note and retains the legal right to payment and control over the loan. MERS serves as a legal proxy to streamline the transfer of mortgage ownership without requiring a new public recording with the county each time the loan is transferred.

Exhibit 40

Overview of the Mortgage Electronic Registration System



Source: Developed by LBFC staff from information obtained from Mortgage Electronic Registration Systems, Inc.

RODs have expressed concerns that fewer mortgage assignments are being recorded, resulting in fewer recording fees collected and, consequently, less revenue. This concern is underscored by the fact that the number of mortgages MERS records has climbed significantly over the past two decades.[78]

ROD offices in Pennsylvania have sought court intervention to halt MERS's recording system. Both federal and state lawsuits were filed against MERS, alleging a violation of state law requiring that all written agreements to grant, bargain, sell, or convey any lands must be recorded in the ROD of the county where the property is located. State law specifies the recording requirements:

[78] Lewellen, Stefan and Emily Williams. *Did technology contribute to the housing boom? Evidence from MERS*. Journal of Financial Economics. September 2021.

> [a]ll deeds, conveyances, contracts, and other instruments of writing… to grant, bargain, sell, and convey any lands… in this Commonwealth… **shall be recorded** in the office for the recording of deeds in the county where such lands… are situate.[79]

Montgomery County v. MERSORP, Inc.

In 2011, the Montgomery County ROD filed a class-action lawsuit against MERS seeking to recover millions of dollars in unpaid recording fees. The ROD contended that MERS members unlawfully failed to pay those fees in violation of Pennsylvania's recording statute. The lawsuit alleged that approximately 65 million mortgages in the US name MERS as the original mortgagee as nominee, including at least 130,000 mortgages in Montgomery County.[80]

The US Court of Appeals for the Third Circuit sided with MERS, holding that the recording statute does not create a mandatory duty to record all land conveyances or mortgage assignments. Instead, the statute's "shall be recorded" language is directional rather than mandatory, meaning it instructs how to record if one chooses to do so, but does not require it. For example, if someone chooses to record their mortgage assignment, this language requires them to do so in the county where the property is situated. Hence, MERS was not in violation of the recording statute.[81]

MERSCORP, Inc. v. Delaware County

Around the same time Montgomery County's case was proceeding in federal court, four southeastern Pennsylvania RODs (Delaware, Chester, Bucks, and Berks) filed four separate but similar lawsuits against MERS in the Court of Common Pleas of Delaware County in 2015. In 2019, the case eventually reached the Pennsylvania Supreme Court, which agreed with the Third Circuit's holding in *Montgomery County* that Pennsylvania law does not impose a duty to record all land conveyances.[82]

The court opined that the purpose of the recording statute provision is to protect subsequent bona fide purchasers by providing notice of conveyances and other restrictions on land and guarding against fraudulent title. The court echoed the Third Circuit ruling, noting that the recording process, as developed within the commonwealth over its long history, is essentially a service that purchasers and mortgage holders

[79] Act of May 12, 1925 (P.L.613, No.327), § 1 as amended 21 P.S. § 351 (Emphasis Added).
[80] Ibid.
[81] Ibid.
[82] *MERSCORP, Inc. v. Delaware County*, 207 A.3d 855 (Pa. 2019).

have a right to accept or decline.[83] Although the RODs emphasized that MERS' failure to record results in a loss of county recording fees, the court held that there is nothing in the recording statute indicating the General Assembly's purpose of recording was revenue generation.[84]

Estimated Financial Effect on ATJ Funding

When mortgage ownership transfers are processed solely through MERS rather than recorded with ROD, ATJ fees are not collected. Although individuals can search within MERS for their mortgage servicers and investors, data on the volume of MERS mortgage purchases, sales, and transfers are not publicly available. We developed an estimate of potential uncollected ATJ fees by analyzing the broader Pennsylvania mortgage market.

Our estimate relies on three components: (1) the number of residential mortgages originated in Pennsylvania, (2) the proportion of those mortgages registered with MERS, and (3) the number of recording events that would have occurred for each loan if all ownership transfers associated with securitization had been filed with RODs. The resulting estimate of unrecorded transactions is then multiplied by the applicable ATJ fee to approximate the total amount of fees not collected due to MERS-related activity.

Residential Mortgage Originations. We estimated the number of mortgages originated in Pennsylvania from CYs 2021 to 2024 using Home Mortgage Disclosure Act (HMDA) data released by the Federal Financial Institutions Examination Council.[85, 86] The HMDA was originally enacted by Congress in 1975 and requires financial institutions to maintain, report, and disclose information about mortgage loans and applications. Using this information for Pennsylvania, Exhibit 41 displays the number of new mortgage originations from CY 2021 through CY 2024.[87]

[83] Ibid. 866.
[84] Ibid. 869 citing *Salter v. Reed*, 15 Pa. 260, 263 (1850).
[85] Pub. L. 94-200, 89 Stat 1124; 12 U.S.C. §§ 2801-2811.
[86] https://ffiec.cfpb.gov/data-browser/data/2024?category=states&items=PA&actions_taken=. Accessed April 27, 2026.
[87] Home Mortgage Disclosure Act data by state for 2025 were not yet available in April 2026.

Exhibit 41

Residential Mortgage Originations in Pennsylvania
CY 2021 to CY 2024

Year	Mortgage Loans Originated
2021	507,990
2022	329,774
2023	233,972
2024	245,926
Total	**1,317,662**

Source: Developed by LBFC staff from information obtained from the Federal Financial Institutions Examination Council.

In total, from CY 2021 to CY 2024, lenders originated more than 1.3 million residential mortgages in the state.

Estimated MERS Share of New Mortgages. While the actual number of Pennsylvania mortgages registered with MERS during this period is not publicly available, we estimated it from MERS's promotional materials. A one-page summary of facts about the platform on MERS's website notes that "[m]ore than two-thirds of all newly originated residential loans in the United States are registered on the MERS system."[88]

If two-thirds of Pennsylvania's newly originated residential mortgages from 2021 through 2024 are registered to MERS, that equals approximately 879,000 such mortgages.

Estimated Unrecorded Transactions. One of the main purposes of the MERS system is to facilitate the aggregation of mortgages into mortgage-backed securities (MBS), which generally requires multiple stages of ownership transfers by the mortgager.

An overview of these ownership transfers was presented in Delaware County's 2013 lawsuit against MERS. Delaware County's complaint outlined the sequence of these transactions:[89]

> 40. Residential mortgage loans are typically securitized as follows:
>
> > (a) Mortgage originators sell mortgage loans to warehouse lenders called "Sellers" which bundle the mortgage loans.

[88] https://www.ice.com/publicdocs/MERS_Quick_Facts.pdf. Accessed April 27, 2026.
[89] *MERSCORP, Inc. v. Delaware County*, Complaint Docket No. 2013 – 010139.

> (b) The Sellers then sell the bundled mortgage loans to large financial institutions, such as investment banks, called "Sponsors."
>
> (c) The Sponsors then initiate the securitization process by selling the portfolio of mortgage loans to a "Depositor" pursuant to purchase and sale agreements.
>
> (d) The Depositors, in turn, transfer the portfolio of mortgage loans to trusts, which are typically special purpose vehicles, pursuant to pooling and servicing agreements. Each trust holds a number of mortgage loan portfolios and is the legal owner of the trust's assets. The trustee of the trust issues MBS for eventual sale to investors.
>
> (e) MBS, which represent partial beneficial interests in the trust's assets, are then sold to investors, who have the right to receive the principal and interest payments from borrowers on the mortgage loans in the mortgage loan portfolio that is held in the trust.

> 41. The securitization of a single mortgage loan – from loan origination to being "bundled" with other mortgages and placed in a trust that issues MBS to investors who have rights to the principal and interest on the mortgage – entails at least three assignments of the mortgage or deed of trust, all of which must be recorded with Plaintiff [Delaware County] and recording fees paid where the real property is located in Delaware County, Pennsylvania.

If Delaware County's assertion is correct, then the securitization of MERS mortgages would have resulted in additional transactions filed with RODs equal to three times the estimated amount of MERS mortgages. This equates to 2.64 million such filings.

Using the ATJ fee of $6 per filing, the 2.64 million potential unrecorded mortgage transactions could have generated an additional $15.8 million in ATJ fee revenue from CY 2021 through CY 2024.

B. The Potential Increase in ATJ Funds from the Repeal of the Surcharge Specified in 42 Pa.C.S. § 3733.1 (b)

Annually, the Administrative Office of Pennsylvania Courts (AOPC) publishes caseload statistics for the Pennsylvania Unified Judicial System.

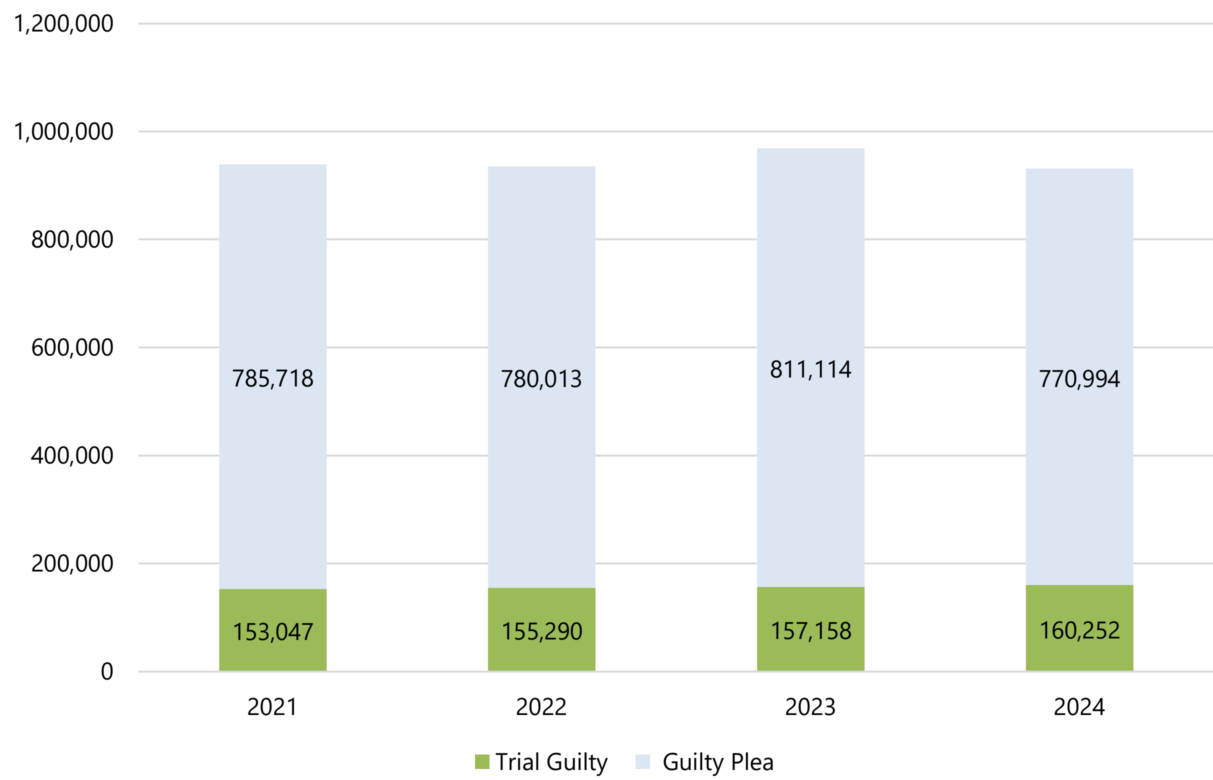
To estimate the potential increase in ATJ funds if the current surcharge exemption, as specified in 42 Pa.C.S. § 3733.1(b), were repealed, we reviewed magisterial district judge statewide totals for traffic citations across the commonwealth.[90]

Notably, under Section 3733.1(b), certain citations are exempt from the $2 surcharge following a conviction or guilty plea. In this context, payments on traffic citations are treated as guilty pleas, while disputed citations go to trial. At trial, a judge or jury reviews the evidence, and if guilt is found, the conviction is reported as "trial guilty."

Exhibit 42 below shows processed traffic cases and those that resulted in a conviction (trial guilty) or guilty plea.[91]

Exhibit 42

Magisterial District Judge Traffic Guilty Pleas and Trial Guilty
CY 2021 to CY 2024



Source: Developed by LBFC staff from information obtained from the Administrative Office of Pennsylvania Courts.

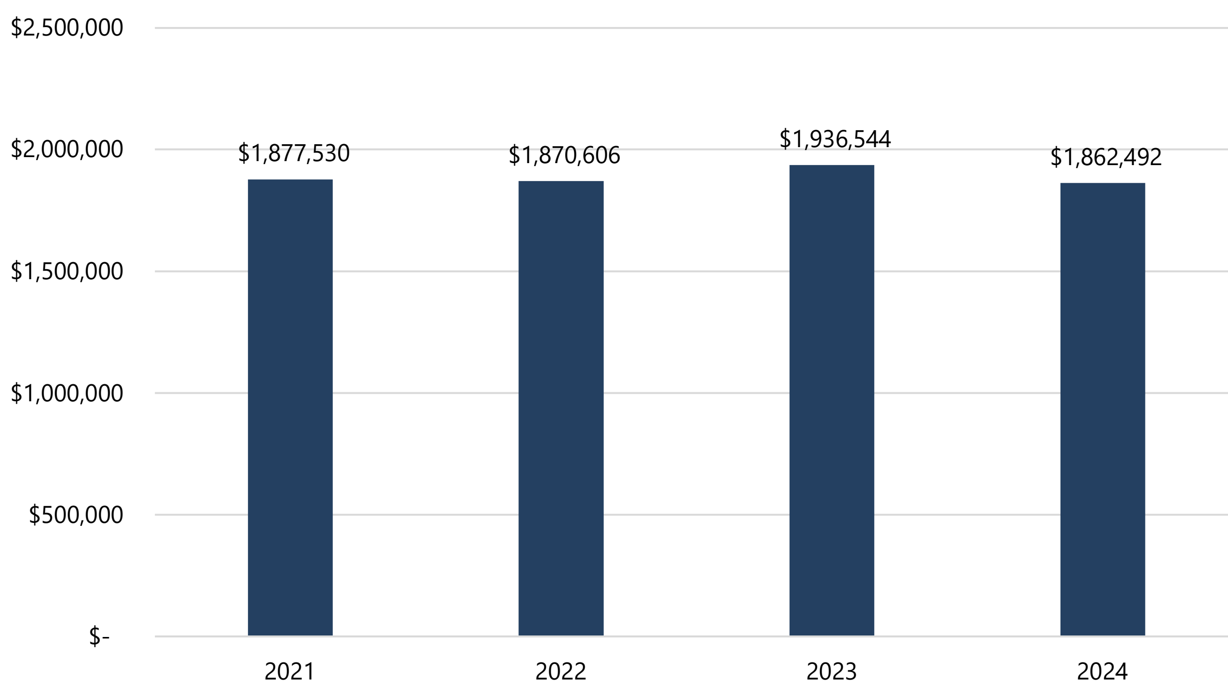
[90] A traffic citation initiates summary proceedings for offenses under the Pennsylvania Vehicle Code, or for violations of local parking ordinances not covered by the Vehicle Code.
[91] For Philadelphia County, 2024 data was unavailable due to the migration to a new case management system by the Philadelphia Traffic Court. We used the county's 2023 totals to estimate statewide totals and revenue.

From CY 2021 to CY 2024, the number of traffic convictions and guilty pleas remained steadily over 900,000.

Exhibit 43 shows the estimated revenue that would have been collected from total traffic convictions and guilty pleas, categorized by CY, had they been subject to the additional $2 surcharge.

Exhibit 43

Estimated Revenue from An Additional $2 Surcharge for Traffic Convictions and Guilty Pleas
CY 2021 to CY 2024



Source: Developed by LBFC staff from information obtained from the Administrative Office of Pennsylvania Courts.

From CY 2021 to CY 2024, if Pennsylvania had required the collection of the additional $2 fee on traffic convictions and guilty pleas, there would have been approximately $7.5 million in additional ATJ revenue.

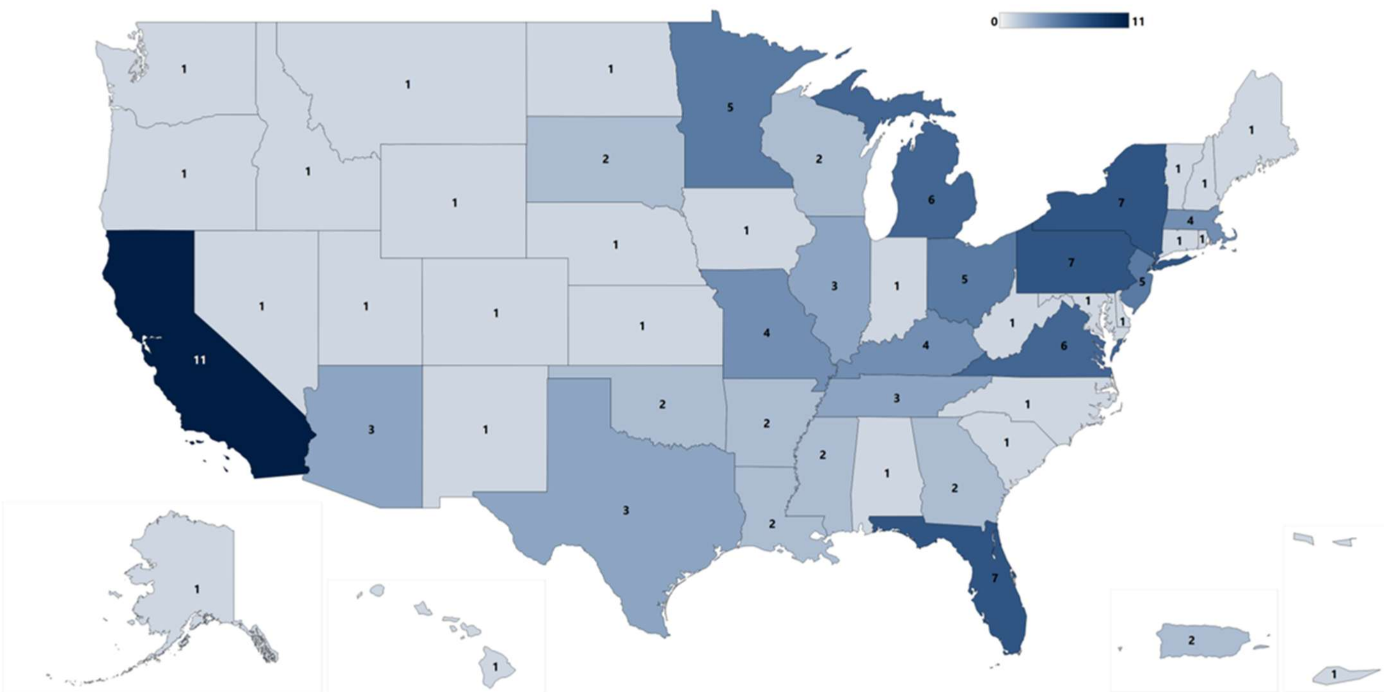
C. Civil Legal Aid in Other States

Civil legal aid programs across the US display significant variation in organizational structure, governance, and funding mechanisms. While all states provide some level of civil legal aid, delivery systems range from decentralized networks of multiple independent providers to more consolidated statewide entities. Funding sources similarly differ, with most states relying on a combination of federal Legal Services Corporation (LSC) grants, state Interest on Lawyer Trust Account (IOLTA) programs, court filing fees, and attorney registration fees, among other mechanisms.

As noted in Section II, the Legal Services Corporation Act of 1974 created the LSC to provide federal funding for civil legal aid primarily through grants to local legal service providers (LSPs).[92] Today, the number of LSC grantees varies by state, with larger, more populous states having multiple grantees and smaller, less populous states relying on a single primary grantee. Exhibit 44 shows the number of LSC grantees by state.

Exhibit 44

LSC Grantees by State
2025



Source: Developed by LBFC staff from information obtained from the Pennsylvania Interest on Lawyer Trust Accounts Board.

[92] Pub. L. 88-452, Title X, § 1003; 42 U.S.C. § 2996b.

Many states have established designated ATJ commissions to coordinate civil legal aid services within their jurisdictions. According to the American Bar Association (ABA), designated ATJ commissions must meet the following criteria:[93]

- It is a high-level commission or similar formal entity composed of leaders representing, at a minimum, the state (or equivalent jurisdiction) courts, the organized bar, and legal aid providers. Its membership may also include representatives of law schools, legal aid funders, the legislature, the executive branch, and federal and tribal courts, as well as stakeholders from outside the legal and government communities.

- Its core charge is to expand access to civil justice at all levels for low-income and disadvantaged people in the state by assessing their civil legal needs, developing strategies to meet them, and evaluating progress. Its charge may also include expanding access for moderate-income people.

- Its charge is from and/or recognized by the highest court of the state; the highest court and the highest levels of the organized bar(s) are engaged with the commission's efforts, and the commission reports regularly to one or both of them.

- Its primary activities relate to planning, education, resource development, coordination, delivery system enhancement, and oversight; it is not primarily a funder or direct provider of legal assistance.

- It meets on a regular basis and has ongoing responsibility for carrying out its charge.

In jurisdictions where it is unlikely that the highest court will authorize or recognize an official ATJ commission, the ABA can also recognize de facto ATJ commissions for entities that carry out the other necessary functions of ATJ commissions.[94]

Pennsylvania is one of the few jurisdictions without a designated ATJ commission, following the state Supreme Court's 2016 decision not to create such a statewide body.[95] However, many entities other than ATJ commissions work to increase and improve access to civil legal aid, including committees created by state bar associations, non-profit corporations, and task forces formed by attorneys, judges, or other legal aid service providers. Appendix D shows current ATJ commissions as

[93] ABA. *Access to Justice Initiatives, Definition of an Access to Justice Commission*. January 2026.
[94] Ibid.
[95] For additional detail on the Supreme Court's decision, see the LBFC's 2016 Access to Justice Act study.

designated by ABA, along with a selection of other organizations that improve access to civil legal aid.

Every state uses IOLTA programs to help fund civil legal aid services; however, how these initiatives are created and operate can vary. IOLTA programs are created either by order of a jurisdiction's highest court or by state statute. Attorney participation in these programs can be grouped into one of three categories:

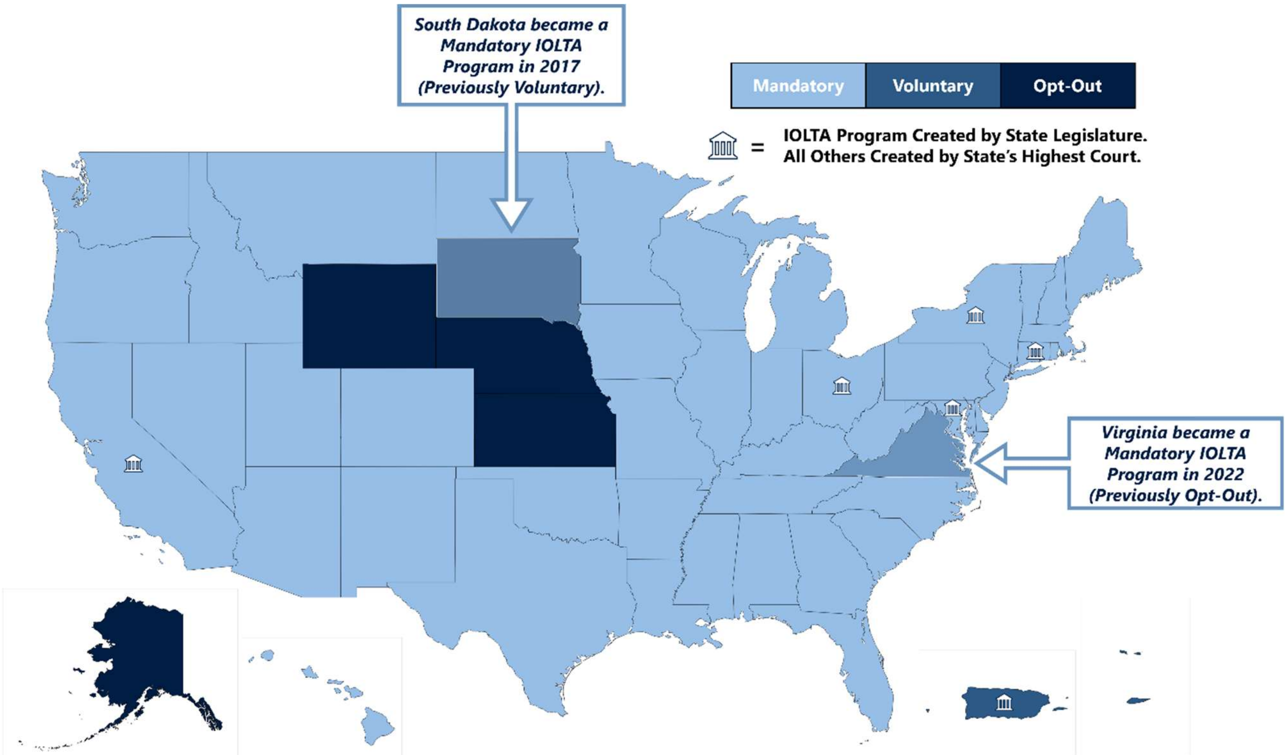
- **Mandatory.** All lawyers in the jurisdiction who maintain client trust accounts must participate.
- **Opt-Out.** All lawyers in the jurisdiction participate unless they affirmatively choose not to participate.
- **Voluntary.** Lawyers in the jurisdiction must affirmatively decide to participate.

Mandatory IOLTA programs are becoming increasingly common across the nation. Of note, since LBFC's last ATJ report in 2016, two states, South Dakota and Virginia, have changed from voluntary and opt-out programs, respectively, to mandatory programs.

As shown in Exhibit 45, Pennsylvania is currently one of 47 mandatory IOLTA programs in the country, 42 of which were created by the state's highest court.

Exhibit 45

IOLTA Program Status by State
2025



Source: Developed by LBFC staff from information obtained from the Pennsylvania Interest on Lawyer Trust Accounts Board and the American Bar Association.

However, outside of IOLTA programs, the funding mechanisms states use for civil legal aid can vary significantly. To support these services, states use a combination of legislative appropriations, fees on court system document filings, pro hac vice fees, cy pres rules or statutes, and bar fees, among other funding sources.[96] Exhibit 46 provides an overview of these funding sources by state.

[96] Pro hac vice fees are those imposed on out-of-state attorneys for occasional appearances in the state's court, usually assessed on a per-case basis. A cy pres rule is a legal principle that allows courts to modify charitable trusts or distribute residual funds from class action settlements when the original purpose becomes impossible, impracticable, or illegal to fulfill.

Exhibit 46

Civil Legal Aid by State
2025

State	Legislative Appropriation	Court Filing Fees and/or Fines	Pro Hac Vice Fee Proceeds	Cy Pres Rule or Statute	Annual Bar Dues and/or Attorney Registration Fees			State ATJ Commission	IOLTA Funds		Fundraising	Court Funds	Abandoned Property
					Required	Voluntary Add-on	Opt-out		Unclaimed	Unidentified			
Alabama			X					X			X		
Alaska	X					X		X					
Arizona	X		X	X			X	X					
Arkansas		X						X	X	X	X		
California	X	X		X		X	X	X					
Colorado	X	X		X		X		X	X	X			
Connecticut	X	X	X	X				X			X	X	
Delaware	X							X					
District of Columbia	X						X	X			X		
Florida				X		X		X			X		
Georgia	X	X	X			X							
Hawaii	X	X		X			X	X					
Idaho													
Illinois	X	X	X	X	X			X		X			
Indiana	X	X		X	X			X	X	X	X	X	
Iowa	X							X					
Kansas		X						X			X		
Kentucky	X	X		X				X	X	X	X		
Louisiana	X	X	X	X		X		X	X	X	X		
Maine	X	X		X		X		X			X		
Maryland	X	X						X				X	X
Massachusetts	X		X	X		X	X	X	X	X			

State	Legislative Appropriation	Court Filing Fees and/or Fines	Pro Hac Vice Fee Proceeds	Cy Pres Rule or Statute	Annual Bar Dues and/or Attorney Registration Fees			State ATJ Commission	IOLTA Funds		Fundraising	Court Funds	Abandoned Property
					Required	Voluntary Add-on	Opt-out		Unclaimed	Unidentified			
Michigan	X	X				X					X		
Minnesota	X		X		X								
Mississippi		X	X			X		X					
Missouri		X	X		X								
Montana		X		X				X	X	X	X		
Nebraska		X		X		X							
Nevada		Late Fees/Penalties				X		X			X		
New Hampshire	X					X		X			X		
New Jersey	X												
New Mexico	X	X	X	X		X		X					
New York	X							X					
North Carolina	X	X		X				X					
North Dakota		X											
Ohio	X	X	X	X	X	X			X		X		
Oklahoma	X			X		X		X	X		X		
Oregon	X	X	X	X									
Pennsylvania	X	X	X	X	X	X			X	X			
Puerto Rico	X			X									
Rhode Island	X	X							X	X	X		
South Carolina		X		X			X	X			X		
South Dakota		X		X			X				X		
Tennessee		X		X				X			X		
Texas	X	X	X		X	X		X			X		
Utah	X					X				X			
Vermont	X			X				X			X		
Virgin Islands													

State	Legislative Appropriation	Court Filing Fees and/or Fines	Pro Hac Vice Fee Proceeds	Cy Pres Rule or Statute	Annual Bar Dues and/or Attorney Registration Fees			State ATJ Commission	IOLTA Funds		Fundraising	Court Funds	Abandoned Property
					Required	Voluntary Add-on	Opt-out		Unclaimed	Unidentified			
Virginia	X	X, Late Fees/Penalties						X					
Washington	X			X			X	X					
West Virginia	X	X						X	X	X			
Wisconsin	X		X	X	X			X			X		
Wyoming		X	X			X		X			X		

Source: Developed by LBFC staff from information obtained from the Pennsylvania Interest on Lawyer Trust Accounts Board.

Due to variations in funding and service delivery models, national comparisons can be difficult. For uniformity, we used data from the LSC's 2024 annual report to provide a benchmark for civil legal aid services nationwide.[97]

Appendix E shows a breakdown of civil legal aid funding by state for 2024. In that year, Pennsylvania was the fifth-most well-funded state by the LSC. The commonwealth also ranked in the top 10 for IOLTA funding and total civil legal aid funding.

Finally, to assess the productivity of civil legal aid services nationwide, we reviewed the LSC's data documenting the number of cases closed by state in 2024, compared with the previous year, as shown in Appendix F. Pennsylvania was among the top five states for total closed cases in 2023 and 2024, with over 35,000 cases each year. However, the commonwealth was one of 32 states and territories to close fewer cases in 2024 than in 2023.

[97] The LSC's 2024 annual report was the most recent data available at the time of this report's publishing.

Appendices

Appendix A – Act 1

SENATE AMENDED

PRIOR PRINTER'S NOS. 286, 2718, 2848 PRINTER'S NO. **2859**

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 331 Session of 2025

INTRODUCED BY BRIGGS, SCHLOSSBERG, HANBIDGE, GIRAL, CEPEDA-FREYTIZ, FREEMAN, DOUGHERTY, SANCHEZ, PIELLI, HILL-EVANS, HOWARD, DONAHUE, KHAN, NEILSON, WARREN, CIRESI, FLEMING, OTTEN, CERRATO, WAXMAN, GREEN, K. HARRIS AND SOLOMON, JANUARY 27, 2025

SENATOR PITTMAN, RULES AND EXECUTIVE NOMINATIONS, IN SENATE, RE-REPORTED AS AMENDED, FEBRUARY 3, 2026

AN ACT

Amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, in budget and finance, further providing for expenses; ~~and,~~ in facilities and supplies, further providing for deposits into account ~~and for surcharge.~~; AND, IN ACCESS TO JUSTICE, PROVIDING FOR PERFORMANCE AUDIT OF ACCOUNT. <-- <-- <--

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 3532 of Title 42 of the Pennsylvania Consolidated Statutes is amended to read:

§ 3532. Expenses.

The Office of the Court Administrator of Pennsylvania shall pay the annual registration fee of [$200] $400 to the Special Court Judges of Pennsylvania Association for each magisterial district judge, Philadelphia Municipal Court Judge and Philadelphia Traffic Court Judge position authorized as of January 31 of each year. Payment shall be made on the first day of a new fiscal year including July 1, 1988. In addition the Office of the Court Administrator of Pennsylvania shall pay the annual cost for the publishing of a monthly journal containing the update and revision of laws and State Supreme Court rule changes. Except for the funding of the publication of the monthly journal which shall be a direct cost of the Office of the Court Administrator of Pennsylvania, all other funding for the other expenses set forth in this section shall come from the annual appropriation made [to the] for magisterial district judges education.

Section 2. Section 3733(a) of Title 42 is amended by adding a paragraph to read:

§ 3733. Deposits into account.

(a) General rule.--

* * *

(3) Beginning July 1, 2025, and notwithstanding section 3571 (relating to Commonwealth portion of fines, etc) or this section, any costs charged by magisterial district judges under section 1725.1 (relating to costs) otherwise paid to the Commonwealth shall be deposited into the restricted account established in section 3731 (relating to establishment of restricted receipt account). Nothing in this paragraph shall be construed as affecting the amount payable to counties under section 3572 (relating to county portion of fines, etc). THIS PARAGRAPH SHALL EXPIRE JUNE 30, 2028. <--

* * *

~~Section 3. Section 3733.1(a) introductory paragraph and (b) of Title 42 are amended to read:~~ <--

~~§ 3733.1. Surcharge.~~

~~(a) Imposition of surcharge. In addition to each fee~~

~~imposed under section 3733(a.1) (relating to deposits into account), [except as set forth in subsection (b),] the following apply:~~

~~* * *~~

~~[(b) Exceptions. Subsection (a) does not apply to a conviction or guilty plea based on the filing of a traffic citation charging an offense under 75 Pa.C.S. (relating to vehicles) which is classified as summary under a State statute or local ordinance as provided in the Pennsylvania Rules of Criminal Procedure.]~~

~~* * *~~

SECTION 3. TITLE 42 IS AMENDED BY ADDING A SECTION TO READ: **<--**

§ 4908. PERFORMANCE AUDIT OF ACCOUNT.

(A) DUTY OF LEGISLATIVE BUDGET AND FINANCE COMMITTEE.--THE LEGISLATIVE BUDGET AND FINANCE COMMITTEE SHALL, NO LATER THAN JUNE 15, 2026, CONDUCT AND SUBMIT TO THE GENERAL ASSEMBLY A PERFORMANCE AUDIT OF THE ACCOUNT WITH THE PURPOSE OF EXAMINING THE PROVISIONING OF CIVIL LEGAL AID SERVICES IN THIS COMMONWEALTH. THE AUDIT SHALL, AT MINIMUM, CONTAIN INFORMATION RELATING TO:

(1) THE CURRENT SCOPE OF CIVIL LEGAL AID SERVICES PROVIDED IN THIS COMMONWEALTH FROM MONEY COLLECTED UNDER THIS CHAPTER AND OTHER FUNDING SOURCES.

(2) THE ORGANIZATIONS WHICH RECEIVE MONEY COLLECTED UNDER THIS CHAPTER AND THE SERVICES THE ORGANIZATIONS PROVIDE.

(3) INFORMATION RELATING TO THE ASSESSMENT AND COLLECTION OF ANY FEE OR SURCHARGE REQUIRED TO BE DEPOSITED INTO THE ACCOUNT, INCLUDING:

(I) IDENTIFYING THE NUMBER OF CASES IN WHICH THE FEE

OR SURCHARGE WAS REQUIRED BY LAW TO BE ASSESSED BUT WAS NOT ASSESSED; AND

(II) THE RATE OF COLLECTION FOR FEES AND SURCHARGES THAT HAVE BEEN ASSESSED.

(4) THE POTENTIAL INCREASE IN DEPOSITS INTO THE ACCOUNT THAT WOULD RESULT FROM THE REPEAL OF SECTION 3733.1(B) (RELATING TO SURCHARGE).

(5) AN IDENTIFICATION OF ALTERNATIVE FUNDING SOURCES FOR CIVIL LEGAL AID SERVICES.

(B) CONSULTATION.--THE LEGISLATIVE BUDGET AND FINANCE COMMITTEE SHALL COMPLETE THE PERFORMANCE AUDIT UNDER SUBSECTION (A) IN CONSULTATION WITH THE COURT ADMINISTRATOR OF THE SUPREME COURT, THE PENNSYLVANIA INTEREST ON LAWYERS' TRUST ACCOUNTS BOARD AND ANY ELIGIBLE LEGAL SERVICES PROVIDER RECEIVING MONEY UNDER THIS CHAPTER.

Section 4. The AMENDMENT OR addition of 42 Pa.C.S. ~~§~~ §§ 3532 <-- AND 3733(a)(3) shall apply retroactively to July 1, 2025.

Section 5. This act shall take effect ~~in 60 days~~ <-- IMMEDIATELY. <--

Appendix B – Status of LBFC's 2017 Report

Recommendation 1: The General Assembly should consider eliminating the sunset provision of the AJA.

Given that the need for civil legal aid has continued to increase since the establishment of the Act, a sunset provision does not seem necessary to determine if there is continuing justification for the services supported by the AJA. Additionally, as revenues from IOLTA interest rates and LSC funding have continued to decline, the AJA funds provide an important, consistent funding mechanism. The Legislative Budget and Finance Committee could still be directed to conduct a performance audit of the AJA in the absence of a statutory sunset review provision.

Status. Act 44 of 2017 eliminated the sunset provision of the Access to Justice Act.

Recommendation 2: The IOLTA Board, working through PLAN, should collect data from the LSPs on clients rejected for services to determine the actual unmet need for civil legal aid in Pennsylvania in order to better inform funding decisions.

The LSPs may be able to add a screen to LegalServer that could identify whether the rejection was based on the client exceeding the income limits, the subject matter of the legal matter not being one for which the services are available, e.g., criminal matter or matter outside the LSP's priorities, or whether the client appeared to have a reasonable case but that funds were simply not available to pursue the matter.

Status. In response to LBFC's recommendation, PLAN and its subgrantees collected rejected client data for a six-week period (March 6 - April 14, 2017) within an Excel spreadsheet. Over the six-week period, staff at 64 offices covering PLAN's nine regional and six statewide legal aid programs documented whether an applicant was accepted for service and the reason for each rejected application.

The following "not accepted" reasons were available for intake staff to select:

- Not financially eligible.
- Not a citizen.
- Criminal matter.
- Otherwise ineligible due to LSC or other funding source.
- Conflict of interest.
- Legal problem falls outside the program's case acceptance guidelines.
- Legal problem is restricted by DHS or IOLTA.
- Insufficient Resources.
- Loss of client contact.

During the six-week period, 14,224 individuals applied for services at a PLAN-affiliated program and received a case acceptance decision. Of the 14,224 applicants that had a case acceptance decision at the time of the data analysis, 8,160, or 57.4 percent, were not accepted for service.

Of the 8,160 applicants that were not accepted for service, 1,911, or 23.4 percent, were rejected for their own personal ineligibility for civil legal aid:

- 1,107, or 58.0 percent, were ineligible due to their income exceeding the program's income guidelines.
- 637, or 33.0 percent, were ineligible due to their legal problem being a criminal matter.
- 137, or 7.0 percent, were ineligible due to LSC's or another funding source's restrictions.
- 30, or 2.0 percent, were ineligible due to non-citizenship.

While many applicants were rejected for their own personal ineligibility, most rejections were due to the nature of their legal issues or loss of contact. Of the 8,160 applicants that were not accepted for service:

- 3,466, or 42.5 percent, presented a civil legal problem that fell outside the program's case acceptance guidelines.
- 1,599, or 19.6 percent, presented a civil legal problem that the program did not have sufficient resources to take on.
- 548, or 6.7 percent, were unable to be served because the client did not follow through or contact with the client was lost.
- 342, or 4.2 percent, presented a civil legal problem restricted by the Pennsylvania Department of Human Services or the IOLTA Board.
- 294, or 3.6 percent, presented a conflict of interest for the program.

PLAN and its subgrantee have not consistently and uniformly collected rejected client data since the six-week period in 2017. For more information regarding rejected client data, see Section IV of this report.

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Appendix C – Additional Information About the Clean Slate Law

Clean Slate Limited Access. On June 28, 2018, the Clean Slate Law (CSL) was enacted as part of a set of omnibus amendments to the Crimes Code (18 Pa.C.S.) and the Judicial Code (42 Pa.C.S.).[98] CSL established a system of automatic limited access to certain criminal and non-conviction records, including qualifying misdemeanors, ungraded offenses, and, following its 2023 amendment, certain qualifying felonies. This "limited access" shields certain qualifying records from public view while allowing criminal justice agencies access. Criminal justice agencies are defined under the Crimes Code as follows:

> [a]ny court, including the minor judiciary, with criminal jurisdiction or any other governmental agency, or subunit thereof, created by statute or by the State or Federal constitutions, specifically authorized to perform as its principal function the administration of criminal justice, and which allocates a substantial portion of its annual budget to such function. Criminal justice agencies include, but are not limited to: organized State and municipal police departments, local detention facilities, county, regional and State correctional facilities, probation agencies, district or prosecuting attorneys, parole boards, pardon boards, the facilities and administrative offices of the Department of Public Welfare[1] that provide care, guidance and control to adjudicated delinquents, and such agencies or subunits thereof, as are declared by the Attorney General to be criminal justice agencies as determined by a review of applicable statutes and the State and Federal Constitutions or both.[99]

Pennsylvania passed the first law in the country to use automated technology to seal eligible cases without requiring a court petition. CSL also expanded the number of misdemeanor convictions that can be sealed upon a court petition. Shortly after its enactment in 2018, CSL provisions of the Crimes Code were amended in 2020 and again in 2023, with the most current version (at the time of writing this report) effective June 11, 2024.[100]

Excluding certain convictions or circumstances where a court vacates an order for limited access, CSL permits the automatic sealing of criminal history records for qualifying misdemeanors, qualifying felonies, non-

[98] 18 Pa.C.S. § 9122.2.
[99] 18 Pa.C.S. § 9102.
[100] Act of October 29, 2020 (P.L.718, No.83), § 2; Act of December 14, 2023 (P.L.334, No.36), § 4.

convictions, summary convictions, and convictions for which a conditional pardon was granted.[101] The process for marking eligible criminal history records as limited access is driven by AOPC. AOPC automatically identifies the eligibility of all offenses statewide and transmits their records to the Pennsylvania State Police (PSP) central repository in monthly batches.[102]

Once the record is received, PSP has 30 days to validate it, determine whether it is ineligible for limited access relief or simply does not match data held in the repository, and notify AOPC.[103] Upon the expiration of the 30-day period, AOPC removes from the list of eligible records any record for which AOPC receives a notification of ineligibility or nonmatch.[104]

Each county court of common pleas will then receive the validated batches of offenses on cases adjudicated in their county on the Clean Slate Administration screen in the Commonwealth of Pennsylvania Common Pleas Case Management System (CPCMS). Larger counties with more eligible cases may require two batches per month.[105]

Batches of records are processed in CPCMS in the following way:

- Generating a blank order for the judge to sign and a report listing all eligible offenses in the batch.
- Completing the batch by designating it as approved.[106]

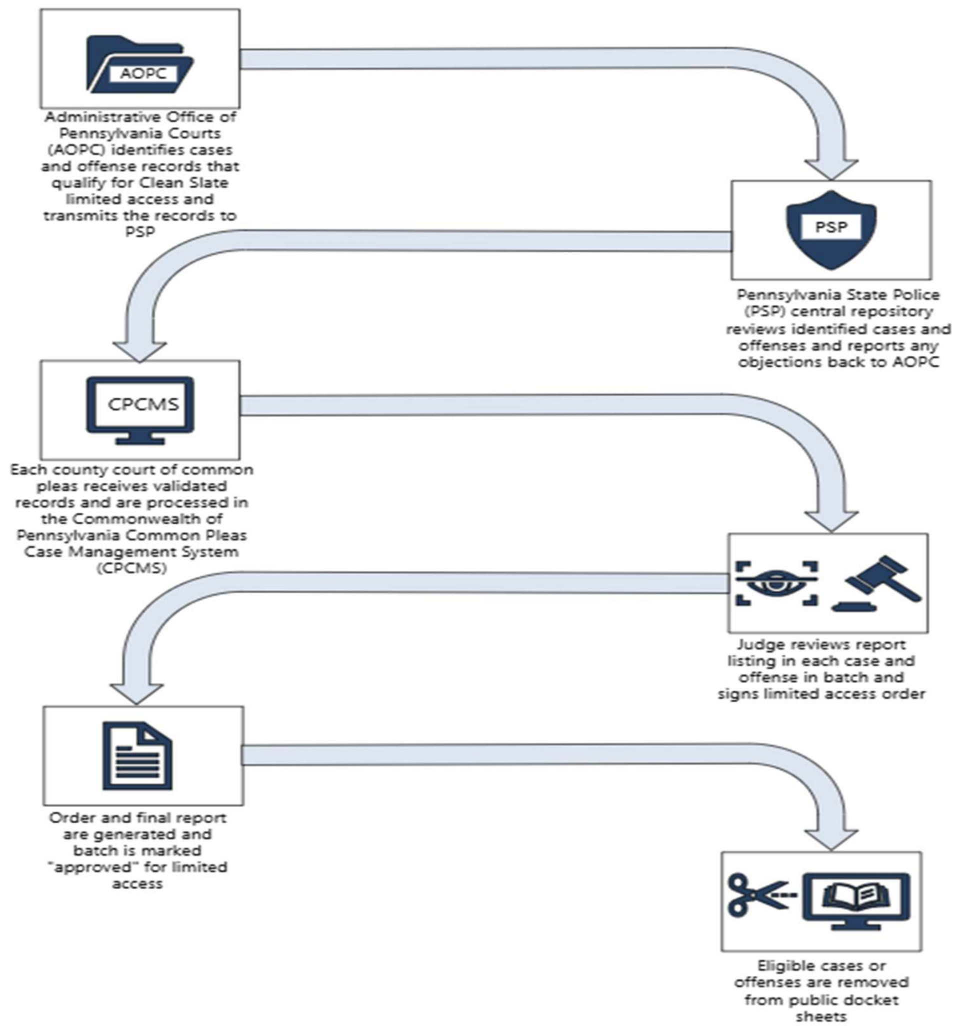
An Administrative Docket case is created during processing. Counties using an electronic records management system can save the report and order to the Administrative Docket case. When the batch is approved in CPCMS, docket entries for the order are recorded on each case, each eligible offense is marked as "Limited Access" and removed from docket sheets in CPCMS, and all appropriate offenses are updated with the Magistrate's District Judge System.[107]

For a simplified illustration of this automatic process, see Exhibit 47 below.

[101] 18 Pa.C.S. § 9122.2(a)(1).
[102] 18 Pa.C.S. § 9122.2(b)(1)-(2).
[103] 18 Pa.C.S. § 9122.2(b)(3).
[104] 18 Pa.C.S. § 9122.2(b)(4).
[105] Administrative Office of Pennsylvania Courts, *The Path to Clean Slate*, (May 15, 2019).
[106] Ibid.
[107] Ibid.

Exhibit 47

Clean Slate Law Automatic Record Sealing Process



Source: Developed by LBFC staff.

Petition-Based Limited Access. For individuals who do not qualify for the automatic sealing of their criminal history records, Pennsylvania law provides a petition-based route. Upon the filing of a petition in the court of common pleas in the jurisdiction where the conviction occurred, a person with no conviction for a period of seven years for an offense punishable by one or more years in prison, and who has paid all court-ordered restitution and all limited access fees, may receive limited access relief by court order.[108] The court may enter a

[108] 18 Pa.C.S. § 9122.1(a),(b). In 2016, the General Assembly enacted Act 5 of 2016, amending the Crimes Code (18 Pa.C.S.) and the Judicial Code (42 Pa.C.S.) to authorize limited access orders for certain qualifying criminal history record information. The Crimes Code was then amended by the Clean Slate Law (CSL) in 2018, which, among other

limited access order that criminal records for certain qualifying misdemeanors or ungraded offenses and certain qualifying felonies.[109] The order allows the records to be disseminated only to a criminal justice agency. Some exceptions to an order for limited access by petition include a conviction for murder, a conviction for a felony of the first degree, or an offense punishable by imprisonment of 20 years or more.[110]

Once the petition is filed, the court notifies the district attorney of the filing within 10 days. Within 30 days of receipt of notice, the district attorney can file objections to the petition. If no objection is timely filed, the court may grant the petition without further hearing if all requirements are met. Notice of an order for limited access is submitted to the PSP central repository, which then notifies all criminal justice agencies that have received criminal history record information related to the conviction that access to the record has been limited by the order.[111] For an illustration of the automatic sealing process, see Exhibit 48 below.

things, updated the provision language to "petition-based limited access" and created automatic or "Clean Slate" limited access orders.

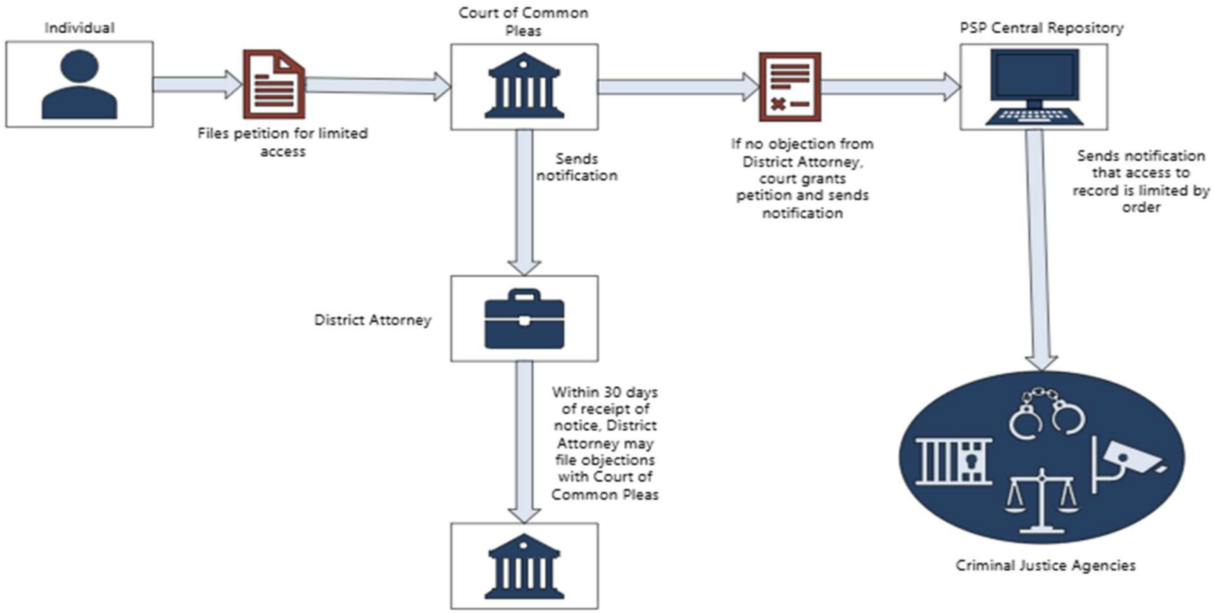
[109] 18 Pa.C.S. § 9122.1(a.1)(1)-(6).

[110] 18 Pa.C.S. § 9122.1(b)(2)(i).

[111] 18 Pa.C.S. § 9122.1(c)-(d).

Exhibit 48

Petition-Based Record Sealing Process



Source: Developed by LBFC staff.

Unless disclosure to noncriminal justice agencies is authorized or required by the Crimes Code, an individual cannot be required or requested to disclose information about the individual's criminal history record that has been expunged or subject to a limited access order (automatic or petition-based). In fact, individuals required or requested to provide information in violation of this section of the law can respond as if the offense never occurred.[112]

[112] 18 Pa.C.S. § 9122.5(a)(1).

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Appendix D – Designated Access to Justice Commissions, State Bar Committees, and Other Civil Legal Aid Organizations

State	Designated ATJ Commission	State Bar Committees	Other Civil Legal Aid Organizations
Alabama	Alabama Access to Justice Commission	Alabama State Bar Pro Bono and Access to Justice Committee	Alabama Law Foundation; Alabama Civil Justice Foundation
Alaska	Alaska Fairness and Access Commission	Alaska Bar Association Access to Justice efforts	Alaska Bar Foundation
Arizona	Arizona Access to Justice Commission	State Bar of Arizona Access to Justice Committee	Arizona Bar Foundation
Arkansas	Arkansas Access to Justice Commission	Arkansas Bar Association Access initiatives	Arkansas Access to Justice Foundation
California	California Access to Justice Commission	State Bar of California Office of Access & Inclusion / Pro Bono Committee	California Bar Foundation; various county bar nonprofits
Colorado	Colorado Access to Justice Commission	Colorado Bar Association Access to Justice Committee	Colorado Bar Foundation; Colorado Lawyer Trust Account Foundation
Connecticut	Connecticut Access to Justice Commission	Connecticut Bar Association Access to Justice efforts	Connecticut Bar Foundation
Delaware	Delaware Access to Justice Commission	Delaware State Bar Association committees	Delaware Bar Foundation
District of Columbia	District of Columbia Access to Justice Commission	D.C. Bar Pro Bono and Access to Justice Committee	D.C. Bar Foundation
Florida	Florida Access to Justice Commission	The Florida Bar Access to Justice efforts	The Florida Bar Foundation
Georgia	Georgia Access to Justice Commission (De Facto)	State Bar of Georgia Access to Justice initiatives	Georgia Bar Foundation
Hawaii	Hawaii Access to Justice Commission	Hawaii State Bar Association committees	Hawaii Justice Foundation
Idaho	Idaho Access to Justice Commission	Idaho State Bar Access initiatives	Idaho Law Foundation IOLTA Program
Illinois	Illinois Access to Justice Commission	Illinois State Bar Association Access to Justice Committee	Lawyers Trust Fund of Illinois (nonprofit funding arm)
Indiana	Indiana Access to Justice Commission	Indiana State Bar Association committees	Indiana Bar Foundation

State	Designated ATJ Commission	State Bar Committees	Other Civil Legal Aid Organizations
Iowa	Iowa Access to Justice Commission	Iowa State Bar Association Access efforts	Iowa Lawyer Trust Account Commission (nonprofit aspects)
Kansas	Kansas Access to Justice Commission	Kansas Bar Association Pro Bono Committee	Kansas Bar Foundation
Kentucky	Kentucky Access to Justice Commission	Kentucky Bar Association Access initiatives	Kentucky IOLTA Fund; Kentucky Bar Foundation
Louisiana	Louisiana Access to Justice Commission	Louisiana State Bar Association committees	Louisiana Bar Foundation
Maine	Maine Justice Action Group	Maine Bar Association Access to Justice efforts	Maine Justice Foundation
Maryland	Maryland Access to Justice Commission	Maryland State Bar Association Pro Bono Committee	Maryland Legal Services Corporation (nonprofit)
Massachusetts	Massachusetts Access to Justice Commission	Massachusetts Bar Association Access initiatives	Massachusetts Legal Assistance Corporation; Boston Bar Foundation
Michigan	Michigan Access to Justice Commission	State Bar of Michigan Access to Justice Committee	Michigan State Bar Foundation
Minnesota	Minnesota Access to Justice Commission	Minnesota State Bar Association committees	Minnesota IOLTA Program
Mississippi	Mississippi Access to Justice Commission	Mississippi Bar Association efforts	Mississippi Bar Foundation IOLTA Program
Missouri	Missouri Access to Justice Commission	Missouri Bar Association Access initiatives	Missouri Lawyer Trust Account Foundation
Montana	Montana Access to Justice Commission	Montana Bar Association committees	Montana Justice Foundation
Nebraska	Nebraska Access to Justice Commission	Nebraska State Bar Association Access efforts	Nebraska Lawyers Trust Account Foundation
Nevada	Nevada Access to Justice Commission	State Bar of Nevada committees	Nevada Bar Foundation
New Hampshire	New Hampshire Access to Justice Commission	New Hampshire Bar Association Access Committee	New Hampshire Bar Foundation
New Jersey	New Jersey Access to Justice Commission	New Jersey State Bar Association Access initiatives	IOLTA Fund of the Bar of New Jersey
New Mexico	New Mexico Access to Justice Commission	State Bar of New Mexico committees	New Mexico State Bar Foundation

State	Designated ATJ Commission	State Bar Committees	Other Civil Legal Aid Organizations
New York	New York Permanent Commission on Access to Justice	New York State Bar Association Committee on Legal Aid	IOLA Fund of the State of New York (statutory nonprofit aspects)
North Carolina	North Carolina Access to Justice Commission	North Carolina Bar Association Access efforts	North Carolina IOLTA
North Dakota	North Dakota Access to Justice Commission	State Bar Association of North Dakota committees	North Dakota Bar Foundation IOLTA Program
Ohio	Ohio Access to Justice Commission	Ohio State Bar Association Access initiatives	Ohio Access to Justice Foundation
Oklahoma	Oklahoma Access to Justice Commission (De Facto)	Oklahoma Bar Association committees	Oklahoma Bar Foundation
Oregon	Oregon Access to Justice Commission	Oregon State Bar Access to Justice efforts	Oregon Law Foundation
Pennsylvania	No Formal or De Facto Commission)	Pennsylvania Bar Association Access to Justice Committee (standing committee coordinating pro bono and initiatives)	Pennsylvania Legal Aid Network (PLAN, Inc.)
Rhode Island	Rhode Island Access to Justice Commission	Rhode Island Bar Association efforts	Rhode Island Bar Foundation
South Carolina	South Carolina Access to Justice Commission	South Carolina Bar Association committees	South Carolina Bar Foundation
South Dakota	South Dakota Access to Justice Commission	South Dakota Bar Association efforts	South Dakota Bar Foundation
Tennessee	Tennessee Access to Justice Commission (Supreme Court)	Tennessee Bar Association Access to Justice Committee	Tennessee Alliance for Legal Services
Texas	Texas Access to Justice Commission	State Bar of Texas Access to Justice efforts	Texas Access to Justice Foundation (nonprofit funding arm)
Utah	Utah Access to Justice Commission	Utah State Bar Access initiatives	Utah Bar Foundation
Vermont	Vermont Access to Justice Commission	Vermont Bar Association committees	Vermont Bar Foundation
Virginia	Virginia Access to Justice Commission	Virginia State Bar Access to Justice efforts	Legal Services Corporation of Virginia

State	Designated ATJ Commission	State Bar Committees	Other Civil Legal Aid Organizations
Washington	Washington Access to Justice Board	Washington State Bar Association Access initiatives	Legal Foundation of Washington
West Virginia	West Virginia Access to Justice Commission	West Virginia State Bar committees	West Virginia State Bar IOLTA Program
Wisconsin	Wisconsin Access to Justice Commission	State Bar of Wisconsin Access efforts	Wisconsin Trust Account Foundation (WisTAF)
Wyoming	Wyoming Access to Justice Commission	Wyoming State Bar committees	Equal Justice Wyoming Foundation
American Samoa	No Formal or De Facto Commission)	Limited Local Jurisdiction Bar Efforts	N/A
Guam	No Formal or De Facto Commission)	Limited Local Jurisdiction Bar Efforts	N/A
Northern Mariana Islands	No Formal or De Facto Commission)	Limited Local Jurisdiction Bar Efforts	N/A
Puerto Rico	No Formal or De Facto Commission)	Puerto Rico Bar Association Efforts	Fundación Fondo de Acceso a la Justicia (nonprofit IOLTA administrator)
Virgin Islands	No Formal or De Facto Commission)	Limited Local Jurisdiction Bar Efforts	Virgin Islands Legal Assistance Foundation

Appendix E – Civil Legal Aid Funding by State – 2024 (in Thousands)

State	LSC					Other Federal Grants	State and Local Grants	Filing Fees	IOLTA	Private Grants	Non-LSC Derivative	Non-LSC Carryover Funding	Other Non-LSC Funding	Total Non-LSC Funding	Total Funding
	Grants	Derivative Income	Carryover	Other Funding	Total Funding										
Alabama	$8,573.7	$296.0	$1,299.7	$342.9	$10,512.4	$1,442.0	$631.2	$0.0	$155.0	$612.0	$0.0	$0.0	$237.5	$3,077.7	$13,590.1
Alaska	2,014.5	27.4	1,228.8	157.0	3,427.8	1,126.1	1,864.2	0.0	32.3	814.5	5.7	1,988.1	999.4	6,830.2	10,258.0
Arizona	16,569.6	333.6	1,644.0	56.6	18,603.7	3,077.0	4,345.4	0.0	70.9	910.3	15.0	0.0	826.3	9,244.8	27,848.5
Arkansas	5,328.8	18.9	0.0	0.0	5,347.7	2,205.4	284.9	198.9	442.5	999.1	20.9	0.0	11.3	4,162.9	9,510.6
California	56,787.6	877.9	9,747.7	1,087.0	68,500.2	50,637.4	80,417.6	0.0	28,591.0	33,900.5	7,704.1	13,825.0	7,016.5	222,092.2	290,592.4
Colorado	6,563.6	827.3	640.0	0.0	8,031.0	4,345.0	1,860.8	0.0	0.0	400.1	0.0	0.0	10,820.9	17,426.7	25,457.7
Connecticut	4,169.6	26.5	1,679.6	7.5	5,883.2	562.1	22.4	155.7	79.8	106.3	53.0	0.0	(107.8)	871.5	6,754.7
Delaware	1,295.8	39.5	0.0	0.0	1,335.3	37.5	1,412.0	0.0	1,223.5	394.8	0.0	0.0	0.0	3,067.9	4,403.1
District of Columbia	1,102.8	166.2	0.0	316.1	1,585.1	0.0	241.1	0.0	50.0	4,350.9	0.0	0.0	331.9	4,973.9	6,559.0
Florida	32,243.5	442.6	2,728.9	3,764.7	39,179.7	12,089.5	8,628.5	1,685.3	10,789.5	7,183.9	854.1	0.0	830.4	42,061.2	81,240.9
Georgia	16,734.8	51.9	1,168.8	199.6	18,155.2	6,763.1	4,863.9	450.4	5,450.0	3,514.8	494.6	0.0	1,159.0	22,695.7	40,850.9
Hawaii	2,150.3	1.0	0.0	78.8	2,230.2	1,909.5	2,217.6	554.2	450.0	485.5	143.2	0.0	193.3	5,953.2	8,183.4
Idaho	2,485.1	0.0	250.5	0.0	2,735.6	2,175.2	0.0	0.0	186.0	20.1	0.0	0.0	395.5	2,776.8	5,512.4
Illinois	17,302.8	353.4	1,053.5	654.2	19,363.9	11,208.9	18,373.5	10.9	9,975.5	10,089.1	1,159.8	13,071.4	4,794.0	68,683.1	88,047.0
Indiana	9,449.9	69.1	92.2	0.0	9,611.1	3,979.2	969.3	0.0	475.0	8,205.2	54.0	598.2	116.2	14,396.9	24,008.1
Iowa	4,161.0	118.4	831.6	594.9	5,705.9	1,872.4	3,137.5	0.0	503.4	2,989.3	4.4	0.0	0.0	8,507.0	14,212.9
Kansas	3,936.6	11.1	0.0	102.7	4,050.4	1,219.5	2,014.1	926.1	124.7	1,114.4	185.0	0.0	348.9	5,932.7	9,983.1
Kentucky	8,245.8	254.8	1,313.7	1,157.1	10,971.4	6,853.4	1,468.0	2,761.2	1,000.0	1,591.6	68.5	9,491.9	775.3	24,009.9	34,981.3
Louisiana	10,094.6	9.6	0.0	2,987.1	13,091.3	2,006.0	5,015.3	560.1	3,499.9	5,553.8	0.0	4,254.3	48.5	20,937.9	34,029.1
Maine	2,114.7	12.1	131.2	232.4	2,490.3	1,618.8	5,692.9	0.0	443.8	2,693.9	56.4	0.0	269.3	10,775.2	13,265.5
Maryland	6,482.9	17.6	223.6	0.0	6,724.2	1,334.8	11,626.2	0.0	24,370.7	1,118.9	93.8	0.0	1,338.4	39,882.8	46,607.0
Massachusetts	7,530.8	141.1	683.4	207.0	8,562.4	5,663.9	28,603.6	0.0	2,387.4	2,187.6	3,265.0	10,554.9	3,674.5	56,336.9	64,899.2
Michigan	15,705.9	144.5	2,313.2	919.5	19,083.1	4,248.1	8,793.1	5,513.3	957.9	4,763.4	39.2	7,262.4	3,969.1	35,546.5	54,629.6
Minnesota	6,385.7	58.7	654.6	538.7	7,637.7	1,528.4	19,888.3	0.0	388.1	2,015.2	162.3	0.0	1,498.4	25,480.7	33,118.4
Mississippi	6,611.9	52.5	1,287.5	10.4	7,962.3	733.9	377.3	497.2	52.3	322.5	31.0	225.7	139.9	2,379.8	10,342.2
Missouri	9,381.1	213.5	74.1	82.3	9,750.9	4,803.7	8,221.1	3,560.4	1,765.6	4,919.1	510.2	38,455.4	8,973.3	71,208.8	80,959.7
Montana	1,846.4	5.7	164.8	429.6	2,446.5	6,627.4	33.9	129.4	450.1	406.4	75.4	0.0	460.4	8,182.9	10,629.4
Nebraska	2,312.5	0.0	0.0	31.7	2,344.1	1,426.6	4,080.6	1,238.2	914.7	1,195.8	0.0	0.0	1,553.8	10,409.7	12,753.8
Nevada	4,823.8	0.0	0.0	0.0	4,823.8	531.5	313.6	189.4	1,656.0	80.4	0.0	0.0	1.4	2,772.4	7,596.1

State	LSC Grants	LSC Derivative Income	LSC Carryover	LSC Other Funding	LSC Total Funding	Other Federal Grants	State and Local Grants	Filing Fees	IOLTA	Private Grants	Non-LSC Derivative	Non-LSC Carryover Funding	Other Non-LSC Funding	Total Non-LSC Funding	Total Funding
New Hampshire	1,127.8	16.3	261.6	0.0	1,405.7	341.5	161.8	0.0	480.0	228.5	32.5	0.0	0.0	1,244.3	2,650.1
New Jersey	9,723.2	92.9	2,285.5	230.9	12,332.5	4,831.6	37,034.6	3,021.3	10,502.3	283.6	9.1	9,795.2	783.1	66,260.8	78,593.3
New Mexico	5,280.9	45.6	701.2	859.5	6,887.2	1,912.8	4,379.0	0.0	27.1	927.4	19.6	0.0	201.8	7,467.7	14,354.9
New York	29,952.9	159.1	5,219.8	282.4	35,614.3	59,380.6	100,286.7	0.0	12,456.1	10,151.0	503.8	24,244.7	815.0	207,838.1	243,452.3
North Carolina	17,212.6	695.2	882.3	1,835.3	20,625.4	9,024.0	4,019.5	834.1	4,370.4	4,407.5	382.2	6,971.0	417.7	30,426.4	51,051.8
North Dakota	1,357.5	16.9	81.4	229.6	1,685.4	735.0	212.4	386.0	50.0	271.8	0.0	0.0	0.0	1,655.3	3,340.7
Ohio	18,086.3	18.6	392.3	432.6	18,929.8	7,777.4	7,815.3	4,728.2	26,664.2	10,578.5	159.4	11,023.2	3,681.2	72,427.4	91,357.2
Oklahoma	8,336.0	176.2	143.4	994.8	9,650.3	11,481.8	5,986.5	0.0	140.0	3,320.3	49.6	7,462.9	1,071.5	29,512.6	39,162.9
Oregon	6,011.0	46.5	0.0	50.0	6,107.4	888.6	2,304.7	1,498.1	276.3	724.1	2,167.4	0.0	329.3	8,188.6	14,296.0
Pennsylvania	18,140.8	122.6	4,459.3	227.4	22,950.1	11,535.4	9,324.2	7,065.9	7,704.3	2,920.6	148.9	3,573.7	1,843.7	44,116.7	67,066.8
Rhode Island	1,333.7	8.6	0.0	0.0	1,342.3	722.9	4,570.5	298.9	617.0	216.9	20.0	0.0	21.7	6,467.9	7,810.2
South Carolina	8,437.9	167.1	3,641.7	0.5	12,247.2	2,046.8	48.2	1,345.8	1,375.2	252.3	0.0	0.0	378.3	5,446.6	17,693.8
South Dakota	2,649.5	0.1	576.7	87.4	3,313.7	524.9	912.0	0.0	0.0	128.4	0.0	15.2	39.0	1,619.6	4,933.3
Tennessee	9,919.9	701.1	107.4	856.4	11,584.7	10,030.7	4,942.4	857.7	1,625.3	1,491.4	66.5	1,431.4	189.1	20,634.6	32,219.3
Texas	49,344.9	355.8	11,997.9	817.7	62,516.3	14,698.7	46,538.7	0.0	7,750.9	3,887.1	27.2	6,866.3	2,130.0	81,899.0	144,415.2
Utah	3,550.2	3.3	0.0	0.0	3,553.5	387.2	1,210.0	0.0	201.2	1,535.2	62.5	2,421.1	43.5	5,860.7	9,414.2
Vermont	672.3	0.0	158.9	403.1	1,234.3	84.5	416.0	0.0	113.1	17.5	0.0	0.0	518.4	1,149.5	2,383.8
Virginia	10,021.8	105.0	336.1	261.4	10,724.3	2,509.9	15,958.6	717.4	0.0	2,921.9	15.1	1,490.9	1,136.9	24,750.6	35,474.8
Washington	9,324.1	390.7	2,080.2	0.0	11,795.0	3,234.3	39,860.0	0.0	500.0	542.4	139.7	10,924.6	515.4	55,716.4	67,511.4
West Virginia	3,395.1	0.0	585.0	89.1	4,069.2	443.3	5,101.9	725.8	610.7	620.9	736.4	2,264.0	122.9	10,626.0	14,695.2
Wisconsin	7,438.4	80.8	0.0	350.2	7,869.5	6,493.6	4,802.6	0.0	324.7	3,013.0	80.1	4,637.8	457.9	19,809.6	27,679.0
Wyoming	954.1	0.0	0.0	0.0	954.1	240.5	533.5	0.0	0.0	0.0	7.0	0.0	28.4	809.4	1,763.5
American Samoa	387.4	0.0	0.0	0.0	387.4	41.0	0.0	0.0	0.0	1.6	0.0	128.4	0.0	170.9	558.4
Guam	436.6	0.0	0.0	30.3	466.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	59.3	59.3	526.2
Micronesia	2,189.8	0.0	0.0	0.0	2,189.8	8.1	512.1	0.0	0.0	1.2	0.0	0.0	150.0	671.4	2,861.2
Puerto Rico	16,770.2	50.8	4,801.3	206.3	21,828.5	138.7	5,804.7	0.0	130.7	48.4	0.0	13,476.9	222.0	19,821.4	41,649.9
Virgin Islands	287.7	8.7	0.0	54.1	350.6	991.1	2,007.8	0.0	0.0	0.0	0.0	0.0	0.0	2,998.8	3,349.4

Appendix F – Closed Civil Legal Aid Cases by State – 2023 vs. 2024

State	Number of Cases Closed		Change from 2023	
	2023	2024	Number of Cases	Percent
Alabama	12,493	11,803	(690)	(5.5)
Alaska	4,743	3,898	(845)	(17.8)
Arizona	9,278	8,877	(401)	(4.3)
Arkansas	15,345	13,500	(1,845)	(12.0)
California	68,973	71,139	2,166	3.1
Colorado	7,904	7,669	(235)	(3.0)
Connecticut	2,860	2,978	118	4.1
Delaware	1,395	1,510	115	8.2
District of Columbia	1,412	1,270	(142)	(10.1)
Florida	31,942	34,521	2,579	8.1
Georgia	23,137	24,051	914	4.0
Hawaii	4,986	5,711	725	14.5
Idaho	3,544	3,217	(327)	(9.2)
Illinois	31,008	28,511	(2,497)	(8.1)
Indiana	14,006	14,389	383	2.7
Iowa	12,148	11,652	(496)	(4.1)
Kansas	9,377	7,975	(1,402)	(15.0)
Kentucky	23,044	20,461	(2,583)	(11.2)
Louisiana	12,868	13,591	723	5.6
Maine	4,600	4,760	160	3.5
Maryland	9,724	10,811	1,087	11.2
Massachusetts	8,495	8,185	(310)	(3.6)
Michigan	39,096	36,055	(3,041)	(7.8)
Minnesota	19,816	21,024	1,208	6.1
Mississippi	6,582	6,441	(141)	(2.1)
Missouri	10,853	11,161	308	2.8
Montana	3,051	2,878	(173)	(5.7)
Nebraska	10,155	9,512	(643)	(6.3)
Nevada	5,227	4,738	(489)	(9.4)
New Hampshire	1,068	1,051	(17)	(1.6)
New Jersey	24,384	24,493	109	0.4
New Mexico	5,030	4,679	(351)	(7.0)
New York	49,946	55,705	5,759	11.5
North Carolina	16,590	17,483	893	5.4
North Dakota	2,058	2,520	462	22.4
Ohio	24,924	28,307	3,383	13.6
Oklahoma	13,047	13,135	88	0.7
Oregon	3,801	3,255	(546)	(14.4)
Pennsylvania	35,883	35,386	(497)	(1.4)
Rhode Island	4,725	4,336	(389)	(8.2)
South Carolina	9,171	9,588	417	4.5

State	Number of Cases Closed		Change from 2023	
	2023	2024	Number of Cases	Percent
South Dakota	2,531	2,644	113	4.5
Tennessee	15,615	14,451	(1,164)	(7.5)
Texas	66,113	67,433	1,320	2.0
Utah	8,425	7,892	(533)	(6.3)
Vermont	806	1,039	233	28.9
Virginia	22,431	22,295	(136)	(0.6)
Washington	8,555	8,370	(185)	(2.2)
West Virginia	5,343	4,994	(349)	(6.5)
Wisconsin	9,667	10,138	471	4.9
Wyoming	2,841	2,591	(250)	(8.8)
American Samoa	1,626	1,397	(229)	(14.1)
Guam	319	88	(231)	(72.4)
Micronesia	4,870	4,020	(850)	(17.5)
Puerto Rico	22,460	22,559	99	0.4
Virgin Islands	760	374	(386)	(50.8)
Total	**771,051**	**772,511**	**1,460**	**0.2**

Appendix G – IOLTA Report Response

Pennsylvania IOLTA Board Response to the
Performance Audit of the Access to Justice Account required by Act 1 of 2026

June 2026

The Pennsylvania IOLTA ("PA IOLTA") Board appreciates the professionalism and diligence with which the Legislative Budget and Finance Committee ("LBFC") staff conducted the audit of the Access to Justice Act ("ATJ") program pursuant to Act 1 of 2026. Since 2002, when Act 122 was enacted, the PA IOLTA Board has taken very seriously our responsibility to administer this important source of funding transparently and in accordance with the legislative intent, rules, and regulations. We have a great respect for and a deep understanding of the trust that has been placed in us as a fiduciary and grantor of public funds.

The audit report identifies the various entities through which ATJ revenue passes before reaching the PA IOLTA Board, as well as those responsible for ensuring the fee is properly assessed, collected, and remitted. We extend our gratitude to these entities for their essential role in ensuring that the correct amount of ATJ funding is available to assist individuals and families facing a civil legal crisis without the means to afford private counsel.

We are proud of our long-standing partnership with the Pennsylvania Legal Aid Network ("PLAN") as our grantee for the statewide delivery of free civil legal aid to low-income Pennsylvanians in need. Across Pennsylvania, in rural, suburban and urban communities, residents rely on PLAN to help them resolve serious legal problems that impact their most basic needs, including accessing healthcare, maintaining basic income, and ensuring personal safety. In fact, housing and family law are the most common legal problem types handled by PLAN Network organizations. Housing issues include, but are not limited to, representing residents facing property tax issues, mortgage foreclosure, reverse mortgages, tangled titles, and bankruptcy—keeping families in their homes. Family law matters include obtaining safety for survivors of domestic violence, child support, and child custody orders, as well as other family law matters that impact children's wellbeing. Employment-related issues—including employment discrimination, wage theft, unsafe working conditions, and unemployment compensation matters—also represent a significant area of need.

Without the high-quality legal representation provided by the more than 750 staff employed across PLAN's 13 legal services programs in 71 offices throughout the Commonwealth, low-income individuals and families would be left to try to navigate a complex court system on their own. Moreover, unrepresented litigants can place a strain on judicial resources, increase administrative costs, and slow down the court system for everyone.

Funding for civil legal aid is a wise investment in our communities. When families are safely housed with access to food and healthcare, children achieve better academic and social outcomes, adults remain employed, and communities save money. According to a 2020 study[1] conducted by economists at Franklin & Marshall College in Lancaster, Pennsylvania, every dollar invested in civil legal aid produces $12 in combined economic benefits to legal aid clients and the communities where they live. Domestic violence prevention alone generated $16,988,056 over 12 months.

Last, but certainly not least, this report suggests exciting opportunities to increase the amount of ATJ revenue available to further support civil legal aid services. As this report details, the inclusion of traffic convictions and guilty pleas in the $2 fee from which they are currently exempt would provide an additional $1.8 million annually. Separately, if all mortgage transactions were required to be recorded at the county recorder of deeds offices, an estimated $4 million would be available annually. ATJ funds are an important revenue source for Pennsylvania's civil legal aid delivery system because the amount generated annually is relatively steady as compared to IOLTA revenue which fluctuates with interest rates driven by the economy.

PLAN's Response to Recommendations

1. "The Pennsylvania Legal Aid Network should develop a method that tracks the number and reasons why civil legal aid applicants are denied service to better assess statewide trends regarding service delivery statewide. 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."

PLAN, Inc. will work with the LSPs to improve data collection on unmet needs, which includes developing a better understanding of applicants denied services across the Commonwealth.

2. "Our limited analysis of PLAN's quality visit reports found that the organization effectively monitors LSP compliance with IOLTA/ATJ grant requirements during its review period. Building upon this success, we recommend that PLAN make long-term compliance with IOLTA/ATJ grant requirements a formal focus of its future monitoring reports."

PLAN, Inc. takes compliance monitoring very seriously and welcomes the opportunity to continue to focus on this essential function that ensures the strength of our legal aid system and our Commonwealth.

[1] Flaherty, S., Meyers, J., Yost, B. (2020, January) *Economic Impact of Civil Legal Aid in Pennsylvania*, https://paiolta.org/wp-content/uploads/2026/02/Economic-Impact-of-Civil-Legal-Aid-in-Pennsylvania_2020.pdf.

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Appendix H – AOPC Report Response

Supreme Court of Pennsylvania
ADMINISTRATIVE OFFICE OF PENNSYLVANIA COURTS
Pennsylvania Judicial Center
P.O. Box 61260
Harrisburg, PA 17106-1260
(717) 231-3326
www.pacourts.us

ANDREA B. TUOMINEN, ESQ.
COURT ADMINISTRATOR
OF PENNSYLVANIA

June 3, 2026

Mr. Christopher R. Latta
Executive Director
Legislative Budget and Finance Committee
613 North Street
207 Finance Building
Harrisburg, PA 17105

Dear Mr. Latta:

Please allow this letter to serve as a formal response to Recommendation 3 in Section III – Collection of Access to Justice Funds. The recommendation states:

> The Administrative Office of Pennsylvania Courts (AOPC) should perform ongoing analysis of Access to Justice (ATJ) funding to more promptly identify shortfalls in fee collection and corresponding revenue that would merit further investigation, review, or referral to the Department of Auditor General (DAG).

As specifically noted in the recommendation, it is ultimately the DAG through its statutory compliance audit function that determines whether these monies collected have been correctly assessed and remitted. The AOPC has always and will continue to provide Judicial Computer System data and other information to facilitate the compliance audits, including any expanded access granted to the DAG through future amendments to Clean Slate.

Given that Pennsylvania law grants the DAG with the authority to conduct reviews and audits of fiscal operations, and not the AOPC, and more importantly that the AOPC is not structurally able to perform ongoing analysis of the ATJ funding, I am providing this formal response to the recommendation. Even if the AOPC had the legal authority to conduct such reviews, it does not have access to all of the data necessary to facilitate the same, nor does it have the fiscal or personnel resources to do so.

Mr. Christopher R. Latta
June 3, 2026
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Should the committee, or you or your staff have any questions, please do not hesitate to contact me. I am willing to discuss this matter further with you at your convenience.

Sincerely,

Andrea B. Tuominen
Court Administrator of Pennsylvania

Appendix I – DOR Report Response

On May 13, 2026, as a standard LBFC practice and as required by Act 195 of 1959, we sent a letter to the Department of Revenue with a confidential draft of Section III of this report to allow for comment. On May 28, 2026, a representative from the Department notified us via email that the Department reviewed the recommendation and is planning to review their internal processes to identify improvements.