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JOHN JAY WATKINS

GERALD S. ANDERSON

Florida Supreme Court
Tallahassee, Florida 32304

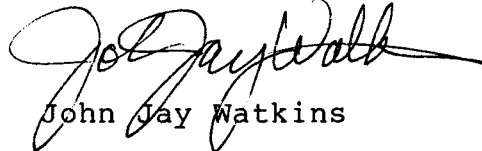
IN RE: Petition of the Florida Bar
Re: Interest on Trust Accounts (IOTA)

Sirs:

I am writing to oppose the Petition of the Florida Bar to require mandatory interest on trust accounts (IOTA). I enclose herewith a copy of a letter published in the July 1, 1988, edition of the Florida Bar News written by Harvey M. Alper and Joe Little, a former professor of mine.

I agree with the contents of their letter in toto, and urge the Court to deny the petition requiring mandatory IOTA.

Respectfully submitted,


John Jay Watkins

enclosure

FCA. BAR # 287911

Oppose IOTA petition

Believing as we do that the proponents of mandatory IOTA are asking the Florida Supreme Court to overreach its power to regulate the practice of law and, in doing so, to trample the freedoms of clients and lawyers who do not agree with mandatory IOTA, the undersigned, active members of The Florida Bar, oppose the proposed petition that was published in the June 1 *News*. We also do so because we believe it is impossible to lawfully separate the laudable goals of IOTA from the constitutional imperative that private property not be expropriated without just compensation; moreover, we question the intervention of the state's judicial power to direct private money to a private albeit Bar-related foundation, for such uses and purposes as the private foundation may see fit. Surely, the fact the foundation has among its directors members of the Florida Supreme Court and Board of Governors makes it no more a legitimate recipient of such largess than the Ford or Rockefeller Foundations.

We do, however, support the measure to the limited extent that it clarifies the existing voluntary IOTA rule to permit, but not require, lawyers to open trust accounts that pay interest for the benefit of clients or The Florida Bar Foundation with client consent.

Therefore, the undersigned intend to oppose the rule published on June 1 and to offer a substitute to confirm that trust accounts *may* be invested at interest for client benefit. We invite like minded members of the Bar to join in our response to the published rule by informing one of the undersigned of your desire to do so or by filing an individual response in the Supreme Court at the appropriate time . . . on and after July 1st.

We applaud the work of The Florida Bar Foundation and the beneficial ends sought by the proponents of the proposed new IOTA rule, but oppose the view that the ultimate good justifies what may appear to some, but not to us, as small overreachings of power and encroachments on individual freedoms.

We believe that the proper way to obtain revenues from trust funds for the public good is for the legislature to impose a tax. An excise tax on banks, in proportion to the amount of funds maintained in noninterest bearing trust accounts, with the proceeds dedicated to public purposes for the public good is one such possible lawful response to the ends sought here. Alternatively, if such monies are to be taken from trust generated revenues, the client must give their consents.

HARVEY M. ALPER

Altamonte Springs

JOE LITTLE

Gainesville