

JAN 21 2011

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# A BILL FOR AN ACT

RELATING TO THE JUDICIARY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. Chapter 601, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4       "§601-       Access to justice trust fund. (a) There is  
5 established the access to justice trust fund as a separate fund  
6 of the judiciary. All funds contributed to the trust fund,  
7 including income and capital gains earned therefrom, shall be  
8 used exclusively for the purposes described in subsection (d).

9       (b) The trust fund shall be administered by a nonprofit  
10 entity having a board of directors and qualifying under section  
11 501(c)(3) of the Internal Revenue Code of 1986, as amended. The  
12 administrative director of the courts, with the approval of the  
13 chief justice and the associate justices of the supreme court,  
14 shall select the entity, in accordance with this section, based  
15 upon the proven record of accomplishment of the entity in  
16 administering a similar trust fund. The administrative director  
17 of the courts, with the approval of the chief justice and the  
18 associate justices of the supreme court, may in the



1 administrative director's sole discretion rescind the selection  
2 of the entity. If the entity selected under this subsection is  
3 dissolved or the selection of the entity is rescinded, the  
4 administrative director of the courts, with the approval of the  
5 chief justice and the associate justices of the supreme court,  
6 shall select a successor entity to administer the trust fund.

7 (c) There shall be an endowment component of the trust  
8 fund, consisting of the principal of the trust fund. Interest  
9 generated from the investment of the trust fund shall be  
10 expended pursuant to subsection (d) or reinvested pursuant to  
11 subsection (e).

12 (d) The entity selected pursuant to subsection (b) shall  
13 have the responsibility for the expenditure of moneys from the  
14 trust fund for the purposes of funding legal services for the  
15 poor, indigent, and other vulnerable populations. The entity  
16 shall disburse funds in the manner described in subsection (e)  
17 to nonprofit legal services organizations to assist with legal  
18 service needs of the poor, indigent, and other vulnerable  
19 populations. Funds may also be expended to administer the trust  
20 fund, as approved by the administrative director of the courts.

21 (e) Any funds deposited into the trust fund shall be  
22 invested by the entity selected pursuant to subsection (b) in a



1 manner intended to maximize the rate of return on investment of  
2 the trust fund consistent with the objective of preserving the  
3 trust fund's principal. Interest and capital gains earned  
4 therefrom that are not expended as authorized pursuant to  
5 subsection (c) shall be reinvested.

6 (f) The administrative director of the courts, subject to  
7 the direction of the chief justice, shall have oversight  
8 authority over the fund and shall conduct an annual financial  
9 audit of the fund; provided that the administrative director may  
10 contract with a certified public accountancy firm for this  
11 purpose. The fundings and recommendations of the audit shall be  
12 annually reported to the chief justice and the legislature.

13 (g) The trust fund may receive appropriations,  
14 contributions, grants, endowments, or gifts in cash or otherwise  
15 from any source, including the State, corporations or other  
16 businesses, foundations, government, individuals, and other  
17 interested parties.

18 (h) If the trust fund is terminated, the moneys remaining  
19 in the trust fund shall revert back to the State and shall be  
20 deemed to be trust moneys."

21 SECTION 2. Section 601-3, Hawaii Revised Statutes, is  
22 amended by amending subsection (b) to read as follows:



1           " (b) The administrative director shall, subject to the  
2 direction of the chief justice, perform the following functions:

3           (1) Examine the administrative methods of the courts and  
4           make recommendations to the chief justice for their  
5           improvement;

6           (2) Examine the state of the dockets of the courts, secure  
7           information as to their needs of assistance, if any,  
8           prepare statistical data and reports of the business  
9           of the courts and advise the chief justice to the end  
10          that proper action may be taken;

11          (3) Examine the estimates of the courts for appropriations  
12          and present to the chief justice the administrative  
13          director's recommendations concerning them;

14          (4) Examine the statistical systems of the courts and make  
15          recommendations to the chief justice for a uniform  
16          system of judicial statistics;

17          (5) Collect, analyze, and report to the chief justice  
18          statistical and other data concerning the business of  
19          the courts;

20          (6) Assist the chief justice in the preparation of the  
21          budget, the six-year program and financial plan, the



1 variance report and any other reports requested by the  
2 legislature;

3 (7) Carry out the duties and responsibilities assigned to  
4 the administrative director regarding the access to  
5 justice trust fund specified in section 601- ;

6 ~~(7)~~ (8) Carry out all duties and responsibilities that  
7 are specified in title 7 as it pertains to employees  
8 of the judiciary; and

9 ~~(8)~~ (9) Attend to such other matters as may be assigned  
10 by the chief justice."

11 SECTION 3. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 4. This Act shall take effect on July 1, 2011.  
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INTRODUCED BY: Shiranne Chun Oakland

*Will Grew*

**Report Title:**

Judiciary; Access to Justice Trust Fund

**Description:**

Establishes the access to justice trust fund under the judiciary as an endowment, to be administered by a nonprofit entity. Requires investment of the principal. Authorizes disbursement of interest earned to fund nonprofit legal service organizations to assist with the legal services needs of the poor, indigent, and other vulnerable populations.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

