TESTIMONY BY KALBERT K. YOUNG DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE SENATE COMMITTEE ON WAYS AND MEANS ON SENATE BILL NO. 2255, S.D. 1

February 26, 2014

RELATING TO ACCESS TO JUSTICE

Senate Bill No. 2255, S.D. 1, establishes the Hawaii Justice League and loan repayment assistance program, under the University of Hawaii William S.

Richardson School of Law, to support eligible lawyers in pursuit of public interest work in Hawaii. Senate Bill No. 2255, S.D. 1, creates the Hawaii Justice League Special Fund for the repayment program that would generate revenues through legislative appropriations; gifts, donations, and grants; reimbursements of loan repayments; proceeds from program operations; interest earnings; and deposits from the University of Hawaii Tuition and Fees Special Fund. The bill appropriates \$10,000,000 in general funds and an unspecified sum of special funds for FY 2015 to establish and administer the program.

The Department of Budget and Finance takes no position on the establishment of a loan repayment program to stimulate public interest legal work within Hawaii. However, as a matter of general policy, the department does not support the creation of any revolving fund which does not meet the requirements of Section 37-52.3, HRS. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of

the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to Senate Bill No. 2255, S.D. 1, it is difficult to determine whether the proposed special fund will be self-sustaining.

Written Testimony Presented Before the Senate Committee on Ways and Means February 26, 2014, 10:35 a.m. by Aviam Soifer, Dean William S. Richardson School of Law University of Hawai'i at Mānoa

SB 2255, S.D.1 RELATING TO ACCESS TO JUSTICE

Chairperson Ige, Vice Chairperson Kidani, and Members of the Committee:

SB 2255, S.D.1 is a bill authored and introduced by the law students of the William S. Richardson School of Law. Richardson students have strongly demonstrated their commitment to public service in many forms, including their formation of Advocates for Public Interest Law (APIL) in 1985, creating and implementing the pro bono requirement for graduation, their participation in clinical outreach work and post graduation employment in areas dedicated to serving the most vulnerable in our community in countless ways.

We recognize the clear need for greater access to justice, and the need to address the serious, burdensome debt that students face after graduation. The SB 2255, S.D.1 initiative could act as a vital supplement to the current federal loan forgiveness programs already in existence.

While we support the intent of the bill, we have grave reservations regarding the bill in its current form.

Again, the Law School is not opposed to the intent of SB 2255, S.D.1 and we recognize the potential that it holds as a big step in the right direction to address the concerns of access to justice and the burdensome loans shouldered by graduates. Thank you for the opportunity to comment on this matter.



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Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Supporting SB 2255 Relating to Access to Justice
Senate Committee on Ways and Means
Scheduled for Hearing Wednesday, February 26, 2014 10:35 AM, Room 211

Hawai'i Appleseed Center for Law and Economic Justice is a nonprofit, 501(c)(3) law firm created to advocate on behalf of low-income individuals and families in Hawai'i on civil legal issues of statewide importance. Our core mission is to help our clients gain access to the resources, services, and fair treatment that they need to realize their opportunities for self-achievement and economic security.

Thank you for the opportunity to testify in **strong support** of Senate Bill 2255, which would establish a program to provide loan repayments for eligible lawyers pursuing public interest work in Hawai'i. As a nonprofit legal organization dedicated to promoting social justice for Hawai'i's low-income and other vulnerable residents, we strongly believe in the need to support attorneys seeking to serve their community in public interest law.

The creation of a meaningful Loan Repayment Assistance Program (LRAP) would replicate successful existing programs in a number of stated and law schools in the nation. The costs of loan repayment by graduates of law schools remains an almost insurmountable barrier to many who have a passion to provide public service through employment at a legal services program. That is a tragedy. The need has been recognized in numerous studies on the unavailability of critical legal assistance when low-income residents are confronted with a legal challenge that will impact on their ability to stop illegal eviction, inappropriate terminations from critical benefits, custody of their children and so many other barriers to survival and self-achievement.

The most recent study conducted by the Hawai'i Legal Services Hui indicated that the justice gap is so wide that less than one in four low-income residents in Hawaii were able to find assistance when confronted with a legal challenge. An effective LRAP program would provide a significant tool for legal aid programs and prospective employees to use in overcoming the economic barriers to public service that high loan repayment obligations impose.

Again, thank you for an opportunity to testify in strong support of SB 2255.



Hon. Daniel R. Foley Associate Judge Intermediate Court of Appeals Chair

Jill M. Hasegawa Vice Chair

HAWAI'I ACCESS TO JUSTICE COMMISSION

Commissioners:

Hon. Simeon R. Acoba, Jr. Rep. Della Au Belatti Hon. Joseph Cardoza Victor Geminiani Moses Haia Sen. Clayton Hee Hon. Ronald Ibarra R. Elton Johnson, III Jean Johnson Tracy Jones M. Nalani Fujimori Kaina Michelle Acosta Derek Kobayashi Mary Anne Magnier Patricia McManaman Scott S. Morishige Darien Nagata Hon. Trudy Senda Gary M. Slovin Dean Aviam Soifer

February 24, 2014

To: Senator David Y. Ige Chair, Senate Committee on Ways and Means

Re: Senate Committee on Ways and Means

Hearing Date: Wednesday, February 26, 2014

Hearing Time: 10:35 a.m.

Testimony in **Support** of SB 2255, SD1, portion relating to loan repayment assistance for attorneys who pursue public interest work through non-profit legal service providers

Dear Chair Ige and Members of the Senate Committee Ways and Means:

The Hawaii Access to Justice Commission (the "Commission"), **supports** the creation and funding of a loan repayment assistance program for attorneys who pursue public interest work through *non-profit legal service providers*.

The Commission, which was created by Rule 21 of the Rules of the Supreme Court of Hawaii on May 1, 2008, was established with the purpose of substantially increasing access to justice in civil legal matters for low- and moderate-income residents of Hawaii ("low income Hawaii residents"), including developing initiatives designed to enhance recruitment and retention of attorneys who work for nonprofit civil legal services providers in Hawai'i and to encourage law students to consider, when licensed, the practice of poverty law in Hawai'i.

The Commission was created in response to the 2007 Assessment of Civil Legal needs and Barriers of Low- and Moderate-Income People of Hawaii (2007 Assessment), which found that four out of five low income Hawaii residents do not have their legal needs met and that legal service providers are only able to assist one in three persons who contact them for assistance. The Commission

recognizes that in order to increase delivery of legal services to low income Hawaii residents, more resources, including increasing the number of attorneys who practice public interest law is needed.

Many law students enter law school with the desire and passion to assist the public through public interest work. However, several barriers exist which deter those individuals from pursing this aspiration. Chiefly among them is the financial reality of having to immediately payoff their student loans.

One crucial step towards increasing the number of public interest attorneys is to lessen some of the financial burdens of those attorneys through a loan repayment assistance program. With such a program, those attorneys interested in practicing public interest law would have one less financial obstacle.

The Commission strongly supports the passage of that portion of SB 2255, SD1, which calls for the creation of a loan repayment assistance program for attorneys who pursue public interest work through non-profit legal service providers. Thank you for your attention to this matter.

Jill M. Hasegawa, Esq.

Vice-Chair

Hawaii Access to Justice Commission

To: WAM Testimony
Cc: kat.caphi@gmail.com

Subject: Submitted testimony for SB2255 on Feb 26, 2014 10:35AM

Date: Tuesday, February 25, 2014 8:40:58 AM

SB2255

Submitted on: 2/25/2014

Testimony for WAM on Feb 26, 2014 10:35AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Kat Brady	Community Alliance on Prisons	Support	No

Comments: Please support our law students who are committed to helping Hawai`i's underserved communities. Please pass this measure to make it possible for young attorneys to do the meaningful work that our communities so desperately need! Mahalo.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

To: WAM Testimony
Cc: mkyching@gmail.com

Subject: *Submitted testimony for SB2255 on Feb 26, 2014 10:35AM*

Date: Tuesday, February 25, 2014 4:12:42 AM

SB2255

Submitted on: 2/25/2014

Testimony for WAM on Feb 26, 2014 10:35AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Michelle Ching	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

To: WAM Testimony
Cc: bphanson@GMail.com

Subject: Submitted testimony for SB2255 on Feb 26, 2014 10:35AM

Date: Tuesday, February 25, 2014 10:54:09 AM



SB2255

Submitted on: 2/25/2014

Testimony for WAM on Feb 26, 2014 10:35AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
pookela hanson	Individual	Support	No

Comments: It is important to malama individuals that devote their career and life to public service. Especially those who service our native Hawaiian population. The socio-economic status of Hawaiians limit their ability and access to social and legal services that are available. By supporting this bill, you support your 'ohana, culture, and people by providing them the means to bring awareness and assistance of these services.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

To: WAM Testimony
Cc: jannaahu@hawaii.edu

Subject: *Submitted testimony for SB2255 on Feb 26, 2014 10:35AM*

Date: Tuesday, February 25, 2014 7:38:24 AM

SB2255

Submitted on: 2/25/2014

Testimony for WAM on Feb 26, 2014 10:35AM in Conference Room 211

Subn	nitted By	Organization	Testifier Position	Present at Hearing
We	ehi ahu	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



To: WAM Testimony
Cc: bjtcjtsoup@aol.com

Subject: *Submitted testimony for SB2255 on Feb 26, 2014 10:35AM*

Date: Tuesday, February 25, 2014 2:15:12 PM



Submitted on: 2/25/2014

Testimony for WAM on Feb 26, 2014 10:35AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Bobby-John Campbell	Individual	Support	No

Comments:

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To: WAM Testimony

Cc: <u>Richardson4ChildrensRights@gmail.com</u>

Subject: *Submitted testimony for SB2255 on Feb 26, 2014 10:35AM*

Date: Tuesday, February 25, 2014 8:38:46 AM

SB2255

Submitted on: 2/25/2014

Testimony for WAM on Feb 26, 2014 10:35AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Christiaan Mitchell	Individual	Support	No

Comments:

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To: WAM Testimony
Cc: chefg@maui.net

Subject: *Submitted testimony for SB2255 on Feb 26, 2014 10:35AM*

Date: Tuesday, February 25, 2014 10:51:17 AM



SB2255

Submitted on: 2/25/2014

Testimony for WAM on Feb 26, 2014 10:35AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel J. Southmayd	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

To: WAM Testimony
Cc: omorgan@hawaii.edu

Subject: *Submitted testimony for SB2255 on Feb 26, 2014 10:35AM*

Date: Tuesday, February 25, 2014 9:57:27 AM

SB2255

Submitted on: 2/25/2014

Testimony for WAM on Feb 26, 2014 10:35AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Leimomi Morgan	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.