
A BILL FOR AN ACT

RELATING TO ACCESS TO JUSTICE.

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

1 SECTION 1. This Act shall be known as the Hawaii Justice
2 League Program Act of 2014.

3 The legislature finds that there is a lack of access to
4 justice within the State in both civil and criminal contexts.
5 The supreme court of Hawaii access to justice commission,
6 established in 2008 to increase access to justice in civil legal
7 matters for low- and moderate-income residents, found that one
8 of the reasons for the severe disparity among citizens'
9 abilities to access the judicial system is the insufficient
10 number of attorneys choosing to practice public interest law.

11 The legislature finds that few new lawyers are able to
12 practice public interest law due to the high cost of attending
13 law school, the debt that law school graduates incur to finance
14 their legal education, the high cost of living in Hawaii, and
15 the compensation which is much lower than in other practice
16 areas. Because of these circumstances, new lawyers pursuing
17 public interest jobs often cannot service their student loan
18 debt. Lawyers that choose to serve in public interest law can



1 only do so by maintaining a "no-frills" subsistence level
2 lifestyle. The increasingly high cost of attending law school
3 requires lawyers to seek out higher paying jobs that allow for
4 repayment of student loans.

5 The legislature further finds that twenty-six other
6 jurisdictions nationwide have loan repayment assistance programs
7 to encourage lawyers to pursue public interest work within their
8 jurisdiction. Additionally, the legislature finds that the
9 current federal programs, although helpful, are inadequate to
10 incentivize public interest work in Hawaii because it is more
11 economically feasible for lawyers to live in jurisdictions that
12 offer a lower cost of living and higher salary levels.

13 Loan repayment programs have been successfully used in
14 Hawaii to increase the number of educators serving in hard-to-
15 fill teaching positions, and the legislature believes that loan
16 repayment programs can also be used to encourage and enable
17 lawyers to pursue public interest work in the State.

18 The legislature finds that encouraging law students and
19 lawyers to practice public interest law is essential to ensuring
20 access to the justice system. Therefore, it is the intent of
21 the legislature in enacting this legislation to provide for the



1 partial repayment of student loans of lawyers who provide public
2 interest legal services.

3 The purpose of this Act is to establish the Hawaii justice
4 league program, under the University of Hawaii William S.
5 Richardson school of law, to provide student loan repayment for
6 lawyers who agree to pursue public interest work in Hawaii.

7 SECTION 2. The Hawaii Revised Statutes is amended by
8 adding a new chapter to be appropriately designated and to read
9 as follows:

10 "CHAPTER

11 HAWAII JUSTICE LEAGUE PROGRAM

12 § -1 Definitions. As used in this chapter, unless the
13 context requires otherwise:

14 "Lawyer" means a person licensed to practice law in this
15 State and in good standing.

16 "Loan repayment" means the payment, per year, of up to
17 per cent of a Hawaii justice league program participant's legal
18 training costs, including but not limited to the cost of in-
19 state tuition at the University of Hawaii William S. Richardson
20 school of law, for a maximum of five years.



1 "Participant" means a lawyer who is receiving loan
2 repayment assistance through the Hawaii justice league loan
3 repayment assistance program established under section -3.

4 "Public interest work" means work for an organization that
5 has been granted tax exempt status as a charitable organization
6 by the Internal Revenue Service pursuant to section 501(c)(3),
7 501(c)(4), 501(c)(5), or 501(c)(6) of the Internal Revenue Code
8 of 1986, as amended; local, state, or federal government; Native
9 Hawaiian public interest organizations; and low-income community
10 based private practice.

11 § -2 Hawaii justice league program established. The
12 Hawaii justice league program is established to encourage
13 lawyers to pursue public interest work in Hawaii. The program
14 shall be administered by the University of Hawaii William S.
15 Richardson school of law. In administering the program, the
16 University of Hawaii William S. Richardson school of law shall:

- 17 (1) Adopt rules and develop guidelines to administer the
18 program pursuant to section -4;
19 (2) Identify and designate areas of the State and
20 populations with the greatest need for public interest
21 work;



- 1 (3) Establish criteria and a certification process for
2 what constitutes eligible public interest work;
- 3 (4) Establish criteria for the selection by the University
4 of Hawaii William S. Richardson school of law of
5 lawyers to participate in the program;
- 6 (5) Define and determine compliance with the service
7 commitments of the program;
- 8 (6) Collect and manage reimbursements from participants
9 who do not meet their service commitments under the
10 program;
- 11 (7) Publicize the program, particularly to maximize the
12 number of participants in areas of the State where
13 there is greatest need for public interest work; and
- 14 (8) Solicit and accept grants and donations from public
15 and private sources for the program, including
16 maximizing the use of federal matching funds.

17 § -3 Hawaii justice league loan repayment assistance
18 **program.** (a) There is created within the Hawaii justice league
19 program, the Hawaii justice league loan repayment assistance
20 program to be administered by the University of Hawaii William
21 S. Richardson school of law, in partnership with a lending
22 financial institution whose operations are principally conducted



1 in Hawaii. The Hawaii justice league loan repayment assistance
2 program shall provide loan repayments to lawyers who make the
3 service commitment under subsection (b). The University of
4 Hawaii William S. Richardson school of law shall make loan
5 repayments directly to a financial institution to offset the
6 loan repayment for which the Hawaii justice league program
7 recipient would otherwise be liable. The University of Hawaii
8 William S. Richardson school of law shall prioritize loan
9 repayments in accordance with the greatest need for public
10 interest work.

11 (b) The Hawaii justice league program shall provide loan
12 repayments on behalf of a lawyer who agrees to serve for a
13 maximum of five years as a lawyer pursuing public interest work
14 in Hawaii; provided that eligible lawyers, as applicable, shall
15 have graduated from a duly accredited law school within the
16 United States; provided further that preference shall be given
17 to graduates of the University of Hawaii William S. Richardson
18 school of law, as applicable.

19 (c) Eligible participants in the Hawaii justice league
20 loan repayment assistance program shall be determined by the
21 University of Hawaii William S. Richardson school of law on a
22 competitive basis and in accordance with subsection (b).



1 (d) If a participant in the Hawaii justice league loan
2 repayment assistance program fails to satisfy the recipient's
3 service commitment under subsection (b), the Hawaii justice
4 league loan repayment assistance program participant shall be
5 liable for the repayment of the outstanding balance of the loan
6 to the lending financial institution under subsection (a). In
7 addition, the University of Hawaii William S. Richardson school
8 of law may seek reimbursement for any loan repayment made by the
9 university on behalf of the Hawaii justice league program loan
10 repayment assistance participant.

11 (e) In accordance with chapter 103D, the University of
12 Hawaii William S. Richardson school of law may enter into
13 written contracts with collection agencies to collect delinquent
14 reimbursements of loan repayments. All payments collected,
15 exclusive of a collection agency's commissions, shall revert and
16 be credited to the Hawaii justice league special fund. A
17 collection agency that enters into a written contract with the
18 University of Hawaii William S. Richardson school of law to
19 collect delinquent reimbursements of loan repayments pursuant to
20 this section may collect a commission from the debtor in
21 accordance with the terms of and up to the amounts authorized in
22 the written contract.



1 § -4 **Rules.** The University of Hawaii William S.
2 Richardson school of law shall adopt rules to administer this
3 chapter. The rules shall be adopted pursuant to chapter 91, but
4 shall be exempt from public notice and public hearing
5 requirements.

6 § -5 **Hawaii justice league special fund.** (a) There is
7 established a Hawaii justice league special fund, which shall be
8 administered by the University of Hawaii William S. Richardson
9 school of law, and into which may be deposited:

10 (1) Any funds appropriated by the legislature for the
11 Hawaii justice league loan repayment assistance
12 program;

13 (2) Gifts, donations, and grants from public agencies and
14 private persons;

15 (3) Reimbursements of loan repayments under the Hawaii
16 justice league loan repayment assistance program;

17 (4) Proceeds of the operations of the Hawaii justice
18 league loan repayment assistance program;

19 (5) Interest earned or accrued on moneys deposited into
20 the fund; and

21 (6) Deposits from the University of Hawaii tuition and
22 fees special fund established in section 304A-2153.



(b) The University of Hawaii William S. Richardson school of law may expend moneys from the fund for the purposes of this chapter, including the operational expenses of the Hawaii justice league program.

§ -6 Report to the legislature. The dean of the University of Hawaii William S. Richardson school of law shall report to the legislature on the status of the Hawaii justice league program no later than twenty days prior to the convening of each regular session beginning with the regular session of 2016."

SECTION 3. The University of Hawaii William S. Richardson school of law shall implement the Hawaii justice league program no later than June 30, 2015.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2014-2015 for deposit into the Hawaii justice league special fund.

SECTION 5. There is appropriated out of the Hawaii justice league special fund the sum of \$ or so much thereof as may be necessary for fiscal year 2014-2015 for the purposes of establishing and administering the Hawaii justice league program.



1 The sum appropriated shall be expended by the University of
2 Hawaii for the purposes of this Act.

3 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Hawaii Justice League; Loan Repayment; Public Interest; Access to Justice; Appropriation

Description:

Establishes the Hawaii justice league program to provide loan repayments on behalf of eligible lawyers that pursue public interest work in Hawaii. Provides for loan repayments by the University of Hawaii, William S. Richardson School of Law. Creates the Hawaii justice league special fund. Effective 7/1/2050. (SD2)

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