H.B. NO. 1531

A BILL FOR AN ACT

RELATING TO PUBLIC SERVICE LEGAL LOAN REPAYMENT ASSISTANCE.

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

1 SECTION 1. Chapter 304A, Hawaii Revised Statutes, is amended by adding a new subpart to part IV to be appropriately 2 3 designated and to read as follows: Public Service Legal Loan Repayment 4 5 Assistance Program 6 \$304A-A Short title. This subpart shall be known as the 7 "Public Service Legal Loan Repayment Assistance Program Act". 8 §304A-B Findings and purpose. It is the intent of the legislature to increase access to legal education and to meet 9 the needs of the State in areas of law related to public 10 11 service, more specifically, to provide direct and indirect services to indigent persons. Given the high cost of law school 12 13 and the debt that law school graduates often incur to finance their legal education, the legislature finds that few lawyers 14 can afford to provide legal services to the indigent because the 15 compensation associated with these services can be substantially 16 lower than the pay in other areas of practice, including legal 17

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1 employment in government agencies. The legislature also finds
2 that encouraging law students and lawyers to provide legal
3 services to indigent persons is essential to ensuring access to
4 the justice system by the indigent. Therefore, it is the
5 purpose of this subpart to provide assistance to law school
6 graduates who work in areas where they will provide those
7 services.

§304A-C Public service legal loan repayment assistance 8 program; established. The public service legal loan repayment 9 assistance program is established to provide loan repayment 10 assistance to licensed lawyers who practice in public service 11 positions. The program shall provide grants to participants for 12 the purpose of assisting in the repayment of law school 13 14 educational loans. The Hawaii justice foundation and the William S. Richardson school of law at the University of Hawaii 15 16 shall jointly administer the program.

17 §304A-D Definitions. As used in this subpart, the
18 following terms shall mean as follows:

19 "Applicant" means an individual who applies for assistance20 from the public service legal loan repayment assistance program.



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"Eligible educational debt" means school-approved law 1 2 school loans owed to government and commercial lending institutions or educational institutions. "Eligible educational 3 4 debt" does not include educational loans extended by a private individual or family. 5 "Eligible employment" means those legal positions providing 6 direct legal assistance to indigent persons through a nonprofit 7 8 organization. "Licensed lawyer" means a lawyer licensed to practice law 9 10 in the State. "Participant" means a lawyer who is receiving loan 11 repayment assistance through the public service legal loan 12 13 repayment assistance program. "Program" means the public service legal loan repayment 14 15 assistance program. "Public service legal loan repayment assistance fund" or 16 "fund" means the fund created in section 304A-H and established 17 in the treasury of the State to support the public service legal 18 loan repayment assistance program. 19

20 §304A-E Guidelines. (a) The Hawaii justice foundation
21 and the William S. Richardson school of law shall adopt



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guidelines necessary to implement this Act. The guidelines 1 shall not be deemed rules that are subject to chapter 91. Upon 2 3 creation of the public service legal loan repayment assistance program, the Hawaii justice foundation and the William S. 4 Richardson school of law shall appoint an advisory board, whose 5 6 members shall include at least: 7 (1) One representative from the Hawaii state bar 8 association; One representative from the Hawaii access to justice (2) 9 10 commission; One representative from the Hawaii justice foundation; 11 (3) 12 and (4) One representative from the William S. Richardson 13 14 school of law; provided that Hawaii justice foundation and the William S. 15 16 Richardson school of law may each appoint up to two additional 17 members as each entity deems necessary. Within ninety days after July 1, 2016, the Hawaii 18 (b) justice foundation and the William S. Richardson school of law 19 shall appoint the advisory board with whom they shall work to 20 establish guidelines to administer the program, including: 21



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1	(1)	Elig	ibility criteria for participation in the program
2		base	d upon the following:
3		(A)	The applicant's need, which shall be based upon
4			salary and eligible educational debt;
5		(B)	The applicant's eligible employment; and
6		(C)	The applicant's good standing in the Hawaii state
7			bar association; and
8	(2)	Guid	elines pertaining to:
9		(A)	The maximum amount of annual assistance to be
10			provided to each participant, which shall be no
11			greater than \$10,000 per year, adjusted for
12			inflation;
13		(B)	The maximum amount of cumulative total assistance
14			for each program participant, which shall be no
15			greater than \$50,000, adjusted for inflation;
16		(C)	A procedure and schedule for the provision of
17			program assistance to participants; and
18		(D)	An annual review of the eligibility of each
19			participant.
20	(c)	The	Hawaii justice foundation and the William S.
21	Richardsc	on sch	nool of law shall adopt any other guidelines



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necessary to implement this subpart, and may expend those moneys
 placed at their disposal pursuant to the provisions and purposes
 of the program.

§304A-F Obligations of recipients. (a) Participants in
the program who are awarded loan repayment assistance shall
receive amounts from the program for the purpose of repaying
both the principal and interest on eligible educational debt.

8 (b) Participants shall agree to meet the required service9 obligation by providing legal services in eligible employment.

10 (c) Participants shall agree to allow the Hawaii justice 11 foundation and the William S. Richardson school of law to review 12 their loan records and to obtain information from lenders that 13 is necessary to verify eligibility and to determine assistance 14 payment amounts.

Payment of loan repayment assistance under this 15 (d) 16 subpart shall begin no later than ninety days after an individual is approved as a participant by the program. Unless 17 18 there is a lack of sufficient funding in the public service legal loan repayment assistance fund, assistance payments shall 19 20 be made guarterly to the participant until the earlier of: 21 The eligible educational debt is repaid; (1)



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1 (2)The participant is no longer engaged in eligible 2 employment; or The end of the fifth year after the first payment. 3 (3) 4 Assistance payments under the program shall cease on (e) 5 the date that the participant discontinues eligible employment. 6 The Hawaii justice foundation and the William S. Richardson 7 school of law shall determine the amount, if any, that is owed 8 to the program by participants who serve less than the required 9 service obligation period. 10 Applicants shall present evidence that they have (f) 11 participated in loan counseling. §304A-G Participant obligations. (a) The program is 12 13 intended to enhance, and not to replace, existing loan repayment programs from other sources, such as law schools and the federal 14 government. An applicant shall first apply for any educational 15 loan assistance from the applicant's educational institution, 16 the federal government, the applicant's employer, or other 17 sources for which the applicant may qualify. 18 19 No law student or graduate may apply to the program (b) for assistance in repaying the balance of the student's or 20

21 graduate's eligible educational debt unless the student or



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graduate has received no loan repayment assistance, or only
 partial assistance, from other sources.

3 (c) A participant shall contribute at least five per cent
4 of the participant's gross monthly income toward the repayment
5 of the participant's loans. The exact percentage obligation
6 shall be determined by the Hawaii justice foundation and the
7 William S. Richardson school of law.

§ §304A-H Public service legal loan repayment assistance
fund; established. (a) The public service legal loan repayment
assistance fund is established in the treasury of the State to
fund the public service legal loan repayment assistance program.
Moneys in the fund may be expended without legislative
appropriation and may be expended only to fund the program and
its administration.

(b) The Hawaii justice foundation and the William S.
Richardson school of law shall deposit in the fund all moneys
received for the program. The fund shall be self-sustaining and
shall consist of funds initially appropriated by the legislature
for the program and private contributions to the program.

20 (c) If the program's mission changes or the legislature
21 terminates the program, all private contributions in the fund



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shall be transferred to a nonprofit organization with a mission 1 2 similar to the program or returned to the private donors. (d) With the exception of the operating costs associated 3 4 with the management of the fund by the comptroller, the fund shall be credited with all investment income earned by the fund. 5 6 (e) Money in the fund may be spent only for the purposes 7 of the program. Disbursements from the fund shall be made only 8 upon the authorization of the Hawaii justice foundation and the 9 William S. Richardson school of law. 10 (f) The comptroller shall routinely consult and communicate with the Hawaii justice foundation and the William 11 S. Richardson school of law on the investment policy, earnings 12 of the fund, and related needs of the program." 13 14 SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ 15 or so much thereof as may be necessary for fiscal year 2016-2017 for 16 deposit into the public service legal loan repayment assistance 17 18 fund.

19 The sums appropriated shall be expended by the University20 of Hawaii for the purposes of this Act.

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SECTION 3. In codifying the new sections added by section
 1 of this Act, the revisor of statutes shall substitute
 appropriate section numbers for the letters used in designating
 the new sections in this Act.

5 SECTION 4. This Act shall take effect on July 1, 2016.

INTRODUCED BY JAN 1 3 2016



H.B. NO. 1531

Report Title: Attorneys; Public Service; Loan Repayment; Appropriation

Description: Establishes a loan repayment program for attorneys who practice in an area of law related to public service. Makes an appropriation.

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





10:	Hon. Isaac Choy, Chair
	House Committee on Higher Education
From	Khara Jabola, Hawaii ^c i Coalition for Immigrant Rights
From:	
Hrg:	Tues., February 2, 2016, at 2:00 p.m. in Rm. 309
Re:	Testimony in Support of H.B. 1531, Relating to Public Service Legal Loan Repayment
	Assistance

Dear Chair Choy and Members of the Committee,

On behalf of the Hawai'i Coalition for Immigrant Rights, the immigration arm of Faith Action for Community Equity (FACE), I would like to thank the Committee for this opportunity to testify. H.B. 1531, if enacted, would establish a loan repayment program for attorneys who practice in an area of law related to public service. The Coalition strongly supports H.B. 1531, because this measure seeks to provide a path to fair representation for communities historically excluded from legal resources due to the prohibitive cost of legal advice.

H.B. 1531 is not about helping lawyers, it is about addressing the problem of providing qualified legal advice to underserved sectors of the population that are most in need of legal assistance but unable to afford a lawyer. Roughy eighteen percent of the state population is foreign-born but there are virtually no immigrant-oriented legal services providers accessible to the low-income members of our community and no stand-alone immigrant legal service provider. Hawai'i has the highest cost of living in the nation, the total in-state cost of a law degree from the William S. Richardson School of Law now exceeds \$150,000, and tuition is rising annually. The average Richardson student debt is over \$56,000.¹ Public interest lawyering is not a viable career option in Hawai'i, and as a result those many of those most in need of affordable legal services are left to fend for themselves.

Where could HB 1531 be improved?

Public interest lawyering is more than direct legal assistance and can encompasses a breadth of services, including systemic advocacy to enact better laws and policies that improve the lives of indigent persons. Second, loan repayment assistance should not be limited to those working for non-profit organizations because public interest lawyering is also performed by government employees and employees at for-profit institutions that seeks to provide legal assistance at a minimum or no cost to low-income individuals. We urge favorable consideration of the following amendment:

§304A—D Definitions.

¹ William S. Richardson School of Law "Tuition & Financial Aid" (2014); https://www.law.hawaii.edu/admissions-faqs#LS_debt

"Eligible employment" means those [legal] positions providing direct legal assistance to <u>or policy</u> <u>advocacy on behalf of</u> indigent persons through a nonprofit organization.

Thank you for this opportunity to testify in support of H.B. 1531.

Aloha and mahalo,

Khara Jabola-Carolus

From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, January 30, 2016 2:16 PM
To:	HEDtestimony
Cc:	clevelan@hawaii.edu
Subject:	Submitted testimony for HB1531 on Feb 2, 2016 14:00PM

<u>HB1531</u>

Submitted on: 1/30/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Mahesh Cleveland	Individual	Support	No

Comments: I am writing in strong support of HB 1531, relating to public service legal loan repayment assistance. As a student at the William S. Richardson School of Law, I have found it necessary to take out several loans to pay for my legal education, totaling seve ral thousands of dollars. Most of my colleagues have had to do likewise. Furthermore, it is in the interest of the public that skilled legal professionals be encouraged to serve the community through public sector and public service employment. HB 1531 would encourage newly-minted lawyers to seek public service jobs by offering to ease the debt burden incurred in the course of their education. For these reasons, I believe that it is in the best interests of the public and of Hawaii's law students to enact this measure. Thank you.

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, January 30, 2016 3:35 PM
To:	HEDtestimony
Cc:	stuartk808@gmail.com
Subject:	*Submitted testimony for HB1531 on Feb 2, 2016 14:00PM*

<u>HB1531</u>

Submitted on: 1/30/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Stuart H. Kurosu	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 01, 2016 12:38 PM
To:	HEDtestimony
Cc:	leotele@facehawaii.org
Subject:	Submitted testimony for HB1531 on Feb 2, 2016 14:00PM

<u>HB1531</u>

Submitted on: 2/1/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Renee Leotele Togafau Mata'utia	Individual	Support	No

Comments: I support HB1531 but with amendments to the definition of eligible employment. In its current form, eligible employment is limited to individuals employed through a non-profit organization. The intent of this bill as I understand it, is to provide assistance to law school graduates who chose employment that allow them to serve indigent persons. Public service work expands far beyond non-profit organizations, and may also include individuals employed in government who advocate and work to enact better laws and policies to improve the lives of indigent persons. I recommend that eligible employment be amended to: "Eligible employment" means those [legal] positions providing direct legal assistance to or policy advocacy on behalf of indigent persons." Thank you for this opportunity to testify in support of HB1531.

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, January 30, 2016 5:03 PM
To:	HEDtestimony
Cc:	thomas.michener@gmail.com
Subject:	Submitted testimony for HB1531 on Feb 2, 2016 14:00PM

<u>HB1531</u>

Submitted on: 1/30/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Thomas Michener	Individual	Support	No

Comments: As a Richardson student and a future attorney, this bill would make my decision to pursue public-interest work much easier. Many people come to law school with hopes of "making a difference." But, as the realities of post-graduation become clear, job choices are made based on financial needs. Few can afford to work in public-interest positions while paying both undergrad and law school loans. For most, the job market dictates taking the highest paying job one can find and too often those jobs are not in the field of public-interest. I sincerely hope this bill is carefully considered and passed and enacted as soon as possible.

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

From:	Linnea Schuster <linneag@hawaii.edu></linneag@hawaii.edu>
Sent:	Monday, February 01, 2016 12:58 PM
То:	HEDtestimony
Subject:	Testimony in support of HB1531

Dear Chair Choy and Members of the Committee,

My name is Linnea Schuster and I am a 2L at the William S. Richardson School of Law at the University of Hawaii. I write in strong support of H.B. 1531 but request your consideration of the following amendment to this measure:

§304A—D Definitions. . . .

"Eligible employment" means those [legal] positions providing direct legal assistance to <u>or policy advocacy on behalf</u> <u>of</u> indigent persons through a nonprofit organization.

Why alter the definition of "eligible employment"?

First, public interest lawyering is more than direct legal assistance and can encompasses a breadth of services, including systemic advocacy to enact better laws and policies that improve the lives of indigent persons. Second, loan repayment assistance should not be limited to those working for non-profit organizations because public interest lawyering is also performed by government employees and employees at for-profit institutions that seek to provide affordable legal assistance.

Thank you for the opportunity to testify in support of HB 1531.

Sincerely,

Linnea G. Schuster J.D. Candidate Class of 2017 William S. Richardson School of Law

Testimony of Gary M. Slovin on behalf of SCR 116 Task Force in support of H.B. 1531

DATE: February 2, 2016

 Representative Isaac Choy Chair, Committee on Higher Education Submitted Via <u>HEDtestimony@capitol.hawaii.gov</u>

RE: H.B. 1531 – Relating to Public Service Legal Loan Repayment Assistance Hearing Date: Tuesday, February 2, 2016 at 2:00 p.m. Conference Room: 309

Dear Chair Choy and Members of the Committee:

I am Gary Slovin testifying in support of H.B. 1531. This bill is the product of the Task Force established by the Legislature during the 2014 Session through SCR 116. SCR 116 called for a task force to study this issue. The task force submitted a report to the Legislature prior to the 2015 Session that supported the establishment of the program that is the subject of H.B. 1531. The bill includes very specific criteria that would guide such a program.

If established, the program would meet two specific and important objectives. First, many law school students enter law school with substantial loans. Those students, a majority at the Richardson School of Law, then are faced with additional loans to complete their educations and to then take the bar examination. They face a significant financial burden after they graduate that impacts upon their career choices. Second, the agencies that provide legal assistance to the indigent are not able to offer competitive compensation to law school graduates which makes both hiring and retention difficult. Providing assistance in the repayment of their law school loans in the form of grants will provide an incentive for graduates to work for the agencies that serve the indigent.

The task force members believe this program will help to meet these two important goals. The bill seeks seed money from the Legislature. Such seed money will help to get the program underway and will lay a base for securing additional funding from grants and private sources.

The recovery from the recession was an uneven one. The need for legal services for indigent residents has grown. This program would help to meet that need.

Thank you for your consideration of this matter.

999 Bishop Street, Suite 1400 Honolulu, HI 96813 (808) 539-0840

Gary M. Slovin

From:	mailinglist@capitol.hawaii.gov
Sent:	Sunday, January 31, 2016 3:52 PM
To:	HEDtestimony
Cc:	karateng@hawaii.edu
Subject:	Submitted testimony for HB1531 on Feb 2, 2016 14:00PM

<u>HB1531</u>

Submitted on: 1/31/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Kara	Individual	Support	No

Comments: In Support of HB1531 HB1531 states: "Given the high cost of law school and the debt that law school graduates often incur [...], the legislature finds that few lawyers can afford to provide legal services to the indigent because the compensation associated with these services can be substantially lower than the pay in other areas of practice, including legal employment in government agencies." As a current law student in Hawaii, I can confirm HB1531 is absolutely correct, and vehemently support passing this bill. The cost of law school is extremely high. As a Hawaii resident, my tuition for law school is roughly \$20,000 per year. As I am full-time, I do not have a full-time job and rely exclusively on student loans to pay my tuition. These loans are unsubsidized and accrue interest the moment I take them out. Additionally, I do not live with my family, so I take out another \$18,000 of loans per year to cover rent and living expenses. By the time I graduate from law school, I will have over \$100,000 in debt just from law school. The high cost of law school makes it impossible for law students to pursue public interest work. Governmental agencies and non-profits typically pay less than private firms. I have many recently-graduated friends who worked for the government or non-profits helping Hawaii's most vulnerable populations) but had to leave their jobs for a private firm job to make ends meet. One friend was being paid under \$30,000/year as a licensed attorney at a non-profit. Because of her immense student loan debt, she was forced to guit her job serving Hawaii's poor and underprivileged and find work at a corporate firm. It is undeniable Hawaii has a host of community issues, like homelessness, that need to be addressed. If the brilliant minds whose responsibility it is to solve these problems cannot afford to do so, then something about this system needs to change. Otherwise, none of Hawaii's problems will ever be solved. Please support HB1531 and allow law students pursuing public service careers to enter into a repayment assista nce program. This bill will support our students, our community, and the quality of living within our state.

Please note that testimony submitted less than 24 hours prior to the hearing, 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.



Legislative Testimony



Testimony Presented Before the House Committee on Higher Education Tuesday, February 2, 2016 at 2:00pm By Robert Bley-Vroman, Chancellor and Aviam Soifer, Dean William S. Richardson School of Law University of Hawai'i at Mānoa

HB 1531 - RELATING TO PUBLIC SERVICE LEGAL LOAN REPAYMENT ASSISTANCE

Chair Choy, Vice Chair Ichiyama, and Members of the Committee:

The University of Hawai'i at Mānoa William S. Richardson School of Law (WSRSL) is in strong support of HB 1531, provided that its passage does not replace or adversely impact priorities as indicated in our BOR Approved Budget. The proposed law addresses an important need in our community—to provide access to justice for all by assisting licensed attorneys with burdensome student loan debt to be able to serve the most vulnerable among us.

The need for legal services for everyone is an ongoing problem in Hawai'i. The Access to Justice Commission was formed by the Hawai'i Supreme Court in 2008 to address the lack of sufficient legal service providers for those unable to afford legal representation. Over 80 percent of Richardson students must take out loans, and to cover law school expenses and they now graduate owing an average of \$80,000 for their student loans incurred for law school alone.

Students and Administrators from WSRSL participated actively in a task force triggered by SCR 116 during the 2014 Legislature. SCR 116 brought together legislators, legal providers for indigents in our community, students and current practitioners, and members of the Access to Justice Commission. HB 1531 results from this collaboration.

It is important to note that SCR 116 started with a bill introduced by law students of William S. Richardson School of Law. Richardson students have strongly demonstrated their commitment to public service in many forms, such as their formation of Advocates for Public Interest Law (APIL) in 1985 as well as their creation and advocacy for a substantial (60 hour) pro bono requirement in order to graduate in which students work for free to serve the most needy in our community.

There is a clear need for greater access to justice and to address the burdensome debt that law students face after graduation. HB 1531 would serve as a vital supplement to current federal loan forgiveness programs for public service; it would allow more Richardson graduates to do the kind of public service so many of them want to do.

Thank you for the opportunity to comment on this matter.



TESTIMONY BY WESLEY K. MACHIDA DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE HOUSE COMMITTEE ON HIGHER EDUCATION ON HOUSE BILL NO. 1531

February 2, 2016

RELATING TO PUBLIC SERVICE LEGAL LOAN REPAYMENT ASSISTANCE

House Bill No. 1531 establishes the Public Service Legal Loan Repayment Assistance Program, under the Hawaii Justice Foundation and the University of Hawaii's William S. Richardson School of Law, to support eligible lawyers in pursuit of public interest work in Hawaii. House Bill No. 1531 creates the Public Service Legal Loan Repayment Assistance Fund for the repayment program that would generate revenues through legislative appropriations, private contributions, and investment earnings. The bill appropriates an unspecified sum of general funds for FY 17 for deposit into the new fund.

The Department of Budget and Finance takes no position on the establishment of a loan repayment program to stimulate public interest legal work and servicing of indigent persons within Hawaii. However, the department does have concerns with the Public Service Legal Loan Repayment Assistance Fund. As a matter of general policy, the department does not support the creation of any special or revolving fund which does not meet the requirements of Sections 37-52.3 and 37-52.4, HRS. Special or revolving funds should: 1) serve a need as demonstrated by the purpose, scope of

work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. In regards to House Bill No. 1531, it is difficult to determine whether the proposed fund would be self-sustaining.



DOUGLAS MURDOCK

Comptroller AUDREY HIDANO Deputy Comptroller

DAVID Y. IGE GOVERNOR

STATE OF HAWAII DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY OF DOUGLAS MURDOCK, COMPTROLLER DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO THE HOUSE COMMITTEE ON HIGHER EDUCATION ON FEBRUARY 2, 2016

H.B. 1531

RELATING TO PUBLIC SERVICE LEGAL LOAN REPAYMENT ASSISTANCE

Chair Choy and members of the Committee, thank you for the opportunity to submit written testimony on H.B. 1531.

This testimony is to recommend consultation with University of Hawaii, Budget and Finance, Comptroller and Judiciary to determine the best respective agency for this fund. Sections 304A-H (d) and (f) should be amended accordingly. Additionally, as the purpose of the bill is to provide legal services to indigent persons, it should state eligible employment must take place in Hawaii and specify the required length of service (Section 304A-D).

Thank you for the opportunity to submit written testimony on this matter.



From:Cassandra Bagay <cbagay@islandlawyers.com>Sent:Monday, February 01, 2016 3:48 PMTo:HEDtestimonySubject:SUPPORT TESTIMONY FOR HB 1531

Dear Chair Choy and Members of the Committee,

My name is Cassandra Bagay, and I write in strong support of H.B. 1531 but request your consideration of the following amendment to this measure:

§304A—D Definitions. . . .

"Eligible employment" means those [legal] positions providing direct legal assistance to <u>or policy advocacy on behalf of</u> indigent persons through a nonprofit organization.

Why alter the definition of "eligible employment"?

First, public interest lawyering is more than direct legal assistance and can encompasses a breadth of services, including systemic advocacy to enact better laws and policies that improve the lives of indigent persons. Second, loan repayment assistance should not be limited to those working for non-profit organizations because public interest lawyering is also performed by government employees and employees at for-profit institutions that seek to provide affordable legal assistance.

Thank you for the opportunity to testify in support of HB 1531.

Sincerely,

Cassandra Bagay

DOI/LUKE Attorneys at Law, LLLC 1600 Kapiolani Boulevard, Suite 1300 Honolulu, Hawaii 96814 Phone: (808) 593-2199 Facsimile: (808) 593-2980 E-mail: gkdoi@islandlawyers.com Web: Islandlawyers.com

Facebook: <u>http://www.facebook.com/Islandlawyers</u> Google+: <u>https://plus.google.com/+Islandlawyers/posts</u> Pinterest: <u>http://pinterest.com/islandlawyers/</u> Twitter: https://twitter.com/islandlawyers

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To: Representative Isaac Choy, Chair Representative Linda Ichiyama, Vice Chair Members of the Committee on Higher Education

From: Cathy Betts

Re: Testimony in Strong Support, HB 1531, Relating to Public Service Legal Loan Repayment Assistance

I am testifying in strong support of HB 1531. As a graduate of the William S. Richardson School of Law and an attorney who has practiced in public service since becoming licensed in 2006, this bill represents an optimistic solution to many public service attorneys who are buckling underneath student loan debt. Many of my friends and family have chosen careers of public service because social and economic justice is of the utmost importance to them. Yet, many are forced out of careers that provide significant and important assistance to others because they cannot maintain student loan debt while also being economically self sufficient in a state that has the highest cost of living, one of the highest costs of childcare, and the highest cost of housing. My husband, also a WSRSL graduate, had to make the difficult decision of leaving an immigration law non-profit for the private sector in order for us to remain in Hawaii and raise our children here. 1/5 of our combined income goes to student loan debt every month.

I strongly support passage of HB 1531 and respectfully request a revision to the definition of "eligible employment" to include the following:

§304A—D Definitions. ...

"Eligible employment" means those [legal] positions providing direct legal assistance to <u>or policy</u> <u>advocacy on behalf of</u> indigent persons through a nonprofit organization.

Thank you for this opportunity to testify in strong support of HB 1531.



From: Sent:	mailinglist@capitol.hawaii.gov Monday, February 01, 2016 9:59 PM
То:	HEDtestimony
Cc:	makiaminerbi@gmail.com
Subject:	Submitted testimony for HB1531 on Feb 2, 2016 14:00PM

<u>HB1531</u>

Submitted on: 2/1/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Makia Minerbi	Individual	Support	No

Comments: MEMORANDUM To: Committee: HED From: Makia Minerbi Re: HB 1531 - RELATING TO PUBLIC SERVICE LEGAL LOAN REPAYMENT ASSISTANCE. Date: February 2, 2016 Honorable Chair and Members of the committees on Higher Education: I strongly support HB 1531. Please vote for the Public Service Legal Loan Repayment Assistance program. This is a necessary measure, as well as a wonderful opportunity for the legislature to assist the William S. Richardson School of Law in continuing the arc of its mission: to serve all the people of Hawai'i. This program eliminates the biggest obstacle facing new lawyers who would like to dedicate themselves to practicing public-interest law. The financial burden of obtaining a law degree is comparable to a small mortgage. The low wages in the sector of public-interest law coupled with the large debt, force away even the most committed graduates. So, I urge you to support this bill. Thank you. Excelsior, Makia Minerbi, Esq. Class of 2008 University of Hawai'i, William S. Richardson School of Law

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

From: Sent: To: Subject: Laura Cushman <lcushman@hawaii.edu> Tuesday, February 02, 2016 10:54 AM HEDtestimony Testimony in support of HB 1531



Dear Chair Choy and Members of the Committee,

My name is Laura L. Cushman. I write in strong support of H.B. 1531 but request your consideration of the following amendment to this measure:

§304A—D Definitions. . . .

"Eligible employment" means those [legal] positions providing direct legal assistance to <u>or policy advocacy on behalf of</u> indigent persons through a nonprofit organization.

It is absolutely imperative that we recognize the inflated and prohibitive cost of higher education, and our need as a community to encourage prospective students to take the risk of obtaining high cost educations, with the hope of some financial support down the line. As well, it is important to provide incentive to recent law graduates, like myself, not to alter their intentions to serve their community in legal areas as public servants due to the financial pressure of loan repayment.

Moreover, I believe the amendment is necessary because public interest lawyering is more than direct legal assistance. Public interest lawyering is also advocacy. It is both direct services and indirect services, one example being: work in public policy making that will improve the lives of indigent persons and disenfranchised communities.

Additionally, loan repayment assistance should not be limited to those working strictly for non-profit organizations. Public interest lawyers do not limit the good work they do by working only for 501(c) 3s. They work in many areas of the law, as government employees, and as employees at for-profit institutions that seek to provide affordable legal assistance. Loan repayment assistance should also not be limited to employees of non- profit organizations.

As a recent law graduate, working for a solo practitioner as an assistant in the area of immigration law, I am earning less than \$1500/mo. My expected student loan payments are over \$1700 monthly. I am committed to immigrant advocacy, and serving the immigrant communities on Hawaii Island. As you can see, I am barely earning enough to survive while I build my skills and prepare for the bar exam. I am not in a position to address the financial demands of my student loan debt. Please help me, and others like me, continue to serve the community we love and are committed to support and advance.

Thank you for the opportunity to testify in support of HB 1531.

Sincerely,

Laura L. Cushman, J.D.

Class of 2015, William S. Richardson School of Law Immigrant Advocate at Maui Immigration Law, LLC