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## 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 Hawai'i Justice  
2 League Act of 2020.

3           The legislature finds that many attorneys graduate from law  
4 school with substantial educational debt, that prohibits many  
5 graduates from considering the practice of law in less-populated  
6 rural areas of Hawai'i. A need exists for rural clients to hire  
7 competent attorneys and the public is better served by qualified  
8 attorneys serving underserved rural areas

9           The legislature finds that few new lawyers are able to  
10 practice public interest law in underserved rural areas because  
11 of the high cost of attending law school, the debt that law  
12 school students graduate with, and the high cost of living in  
13 Hawai'i.

14           The increasingly high cost of attending law school requires  
15 lawyers to seek out higher-paying jobs in areas more heavily  
16 populated that allow for repayment of student loans. Loan  
17 repayment assistance programs have been successfully used in



1 Hawai'i to increase the number of educators serving in hard-to-  
2 fill teaching positions, and the legislature believes that loan  
3 repayment assistance programs can also be used to encourage and  
4 enable lawyers to pursue the practice of law in underserved  
5 rural area within the State of Hawai'i.

6 The legislature finds that programs providing educational  
7 loan repayment assistance will encourage law students and other  
8 attorneys who seek employment in rural Hawai'i and will enable  
9 rural communities to attract and retain qualified attorneys.  
10 This Act will provide for the partial repayment of student loans  
11 of lawyers who provide legal services in rural areas in Hawai'i.

12 The purpose of this Act is to establish the Hawai'i justice  
13 league program in the University of Hawai'i William S. Richardson  
14 School of Law to provide student loan repayment assistance for  
15 lawyers who agree to pursue the practice of law in underserved  
16 rural areas in Hawai'i.

17 SECTION 2. The Hawaii Revised Statutes is amended by  
18 adding a new chapter to be appropriately designated and to read  
19 as follows:

20 "CHAPTER

21 HAWAII JUSTICE LEAGUE PROGRAM



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

3           "Lawyer" means a person admitted to practice law as  
4 required by the rules of the supreme court of Hawaii.

5           "Loan repayment" means the payment, per year, of up to  
6 twenty per cent of a Hawaii justice league program participant's  
7 legal training costs, including the cost of in-state tuition at  
8 the William S. Richardson School of Law, not exceeding \$35,000  
9 per year, for a maximum of five years.

10          "Participant" means a lawyer who is receiving loan  
11 repayment assistance through the Hawaii justice league loan  
12 repayment assistance program.

13          "Rural area" means all population, housing, and territory  
14 not included within an urban area is as defined by the United  
15 States Department of Commerce, Census Bureau.

16          "Urban area" is as defined by the United States Department  
17 of Commerce, Census Bureau.

18          §   -2 **Hawaii justice league program; loan repayment**  
19 **assistance; established.** (a) The Hawaii justice league program  
20 is established to encourage lawyers to pursue public interest  
21 work in Hawaii. The program shall be administered by the



1 University of Hawaii William S. Richardson School of Law. In  
2 administering the program, the University of Hawaii William S.  
3 Richardson School of Law shall:

4 (1) Adopt rules and develop guidelines to administer the  
5 program;

6 (2) Identify and designate rural areas of the State as  
7 defined by the United States Department of Commerce,  
8 Census Bureau;

9 (3) Establish criteria and a certification process for  
10 what constitutes eligible legal service work in  
11 underserved rural areas in the State of Hawaii;

12 (4) Establish criteria for the selection of lawyers to  
13 participate in the program;

14 (5) Beginning on July 1, 2021, and no later than July 1 in  
15 each year thereafter, increase the per annum maximum  
16 loan repayment amount for a cost-of-living adjustment.

17 The University of Hawaii William S. Richardson School  
18 of Law shall use \$35,000 the first year, multiplied by  
19 the United States Department of Labor Consumer Price  
20 Index for All Urban Consumers (CPI-U) for the previous  
21 year to determine the adjusted per annum maximum loan



1            repayment amount for the next year. Each year  
2            thereafter the new adjusted per annum maximum loan  
3            repayment amount shall be used to determine the per  
4            annum maximum loan repayment amount for the following  
5            year;

6            (6) Publish the adjusted per annum maximum loan repayment  
7            amount annually on the University of Hawaii William S.  
8            Richardson School of Law website;

9            (7) Define and determine compliance with the service  
10            commitments of the program;

11            (8) Collect and manage reimbursements from participants  
12            who do not meet their service commitments under the  
13            program;

14            (9) Publicize the program, particularly to maximize  
15            participation by individuals who live in rural areas  
16            of the State of Hawaii; and

17            (10) Solicit and accept grants and donations from public  
18            and private sources for the program, including  
19            maximizing the use of federal matching funds.

20            (b) The Hawaii justice league program shall partner with a  
21            lending financial institution whose operations are principally



1 conducted in Hawaii to provide loan repayment assistance to  
2 lawyers who make the service commitment under subsection (c).  
3 The University of Hawaii William S. Richardson School of Law  
4 shall make loan repayments directly to the financial institution  
5 under this subsection to offset the loan repayment for which the  
6 Hawaii justice league program participant would otherwise be  
7 liable. The University of Hawaii William S. Richardson School  
8 of Law shall prioritize loan repayments in accordance with the  
9 lawyers who choose to practice law in rural areas.

10 (c) The Hawaii justice league program shall provide loan  
11 repayments on behalf of a lawyer who agrees to serve for at  
12 least five consecutive years as a lawyer pursuing the practice  
13 of law in rural areas in Hawaii; provided that eligible lawyers,  
14 as applicable, shall have graduated from an accredited law  
15 school within the United States; provided further that  
16 preference shall be given to graduates of the University of  
17 Hawaii William S. Richardson School of Law as applicable.

18 (d) Eligibility to participate in the program shall be  
19 determined by the University of Hawaii William S. Richardson  
20 School of Law on a competitive basis and in accordance with  
21 subsection (c).



1           (e) If a Hawaii justice league program participant fails  
2 to satisfy the participant's service commitment under subsection  
3 (c), the Hawaii justice league program participant shall be  
4 liable for the repayment of the outstanding balance of the loan  
5 to the lending financial institution under subsection (b). The  
6 University of Hawaii William S. Richardson School of Law may  
7 seek reimbursement for any loan repayment made by the university  
8 on behalf of the Hawaii justice league program participant.

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



1           §   -3   **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.

4           §   -4   **Hawaii justice league revolving fund.**   (a)   There  
5 is established in the University of Hawaii the Hawaii justice  
6 league revolving fund, which shall be administered by the  
7 University of Hawaii William S. Richardson School of Law, and  
8 into which shall be deposited:

- 9           (1)   Any funds appropriated by the legislature for the  
10                Hawaii justice league program;
- 11           (2)   Gifts, donations, and grants from public agencies and  
12                private persons;
- 13           (3)   Reimbursements of loan repayments under the Hawaii  
14                justice league loan repayment assistance program;
- 15           (4)   Proceeds of the operations of the Hawaii justice  
16                league program; and
- 17           (5)   Interest earned or accrued on moneys deposited into  
18                the fund.

19           (b)   The University of Hawaii William S. Richardson School  
20 of Law may expend moneys from the fund for the purposes of this





1 chapter, including the operational expenses of the Hawaii  
2 justice league program."

3 SECTION 3. The University of Hawaii William S. Richardson  
4 School of Law shall implement the Hawaii justice league program  
5 no later than June 30, 2021. The dean of the University of  
6 Hawaii William S. Richardson School of Law shall report to the  
7 legislature on the status of the Hawaii justice league program,  
8 including the most recently adjusted per annum maximum repayment  
9 amount, no later than twenty days prior to the convening of each  
10 regular session beginning with the regular session of 2022.

11 SECTION 4. There is appropriated out of the general  
12 revenues of the State of Hawaii the sum of \$50,000 or so much  
13 thereof as may be necessary for fiscal year 2020-2021 for  
14 deposit into the Hawaii justice league revolving fund.

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

17 SECTION 5. There is appropriated out of the general  
18 revenues of the State of Hawaii the sum of \$50,000 or so much  
19 thereof as may be necessary for fiscal year 2020-2021 for the  
20 purposes of establishing and administering the Hawaii justice  
21 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, 2020.

4

INTRODUCED BY:           *Sen. Am*          

JAN 23 2020



# H.B. NO. 2656

**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 Revolving Fund. Makes an appropriation. Effective July 1, 2020.

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

