

The Judiciary, State of Hawai'i Testimony to the Thirty-First State Legislature 2022 Regular Session

Senate Committee on Judiciary

Senator Karl Rhoads, Chair Senator Jarrett Keohokalole, Vice Chair

Tuesday, March 22, 2022, 9:31 a.m. VIA VIDEOCONFERENCE Room 016

by
Tom Mick
Policy and Planning Department Director

Bill No. and Title: House Bill No. 1536, H.D. 2, Relating to the Judiciary.

Purpose: To provide supplemental operating and capital improvement appropriations for FY 2023.

Judiciary's Position:

The Judiciary urges your support of House Bill No. 1536, H.D. 2, which reflects the Judiciary's resource requirements for FY 2023.

The Judiciary recognizes that it has been a difficult last few years for the economy in Hawai'i, although it does appear that the State has now "turned-the-road" and is on the way to a measured recovery. This is confirmed by the Hawai'i Council on Revenues meeting in January 2022 which raised the growth rate projected at its September 2021 meeting from 6% to 15% for FY 2022 and from 4% to 6.9% for FY 2023. But even at that, the Council noted risks that could inhibit any such economic recovery including new virus variants, vaccine reluctance, sustained travel restrictions, restrictions imposed on businesses for public health reasons, significant supply chain interruptions, and the effects of reduced Federal stimulus funding. The Judiciary is also aware of other challenges the State faces including collective bargaining negotiations, health care costs, State mandated commitments, environmental and climate change concerns, and other postemployment/unfunded liabilities.



House Bill No. 1536, H.D. 2, Relating to the Judiciary Senate Committee on Judiciary Tuesday, March 22, 2022, 9:31 a.m. Page 2

Accordingly, after considering all this and noting that this is a supplemental year, our supplemental budget request is very modest, that is, just four new general fund operating requests totaling \$961K and no new permanent positions, and six Capital Improvement Program (CIP) projects totaling \$12.1 million in bond funds.

The Judiciary is very grateful to the House Committee on Finance (FIN) and the House Committee on Judiciary and Hawaiian Affairs (JHA) for providing \$961K in appropriated funding for our supplemental requests related to an Interstate Compact Coordinator position in First Circuit, two Third Circuit judge positions (a Circuit Court judge and a Family Court judge) in Hilo, multifactor authentication which is an information technology security enhancement for Judiciary user access and network servers, and justices and judges delayed salary increases pursuant to the Commission on Salaries.

The Judiciary is also most appreciative for FIN's and JHA's support and funding of \$12.1 million for our six CIP projects. These projects include funding for fire alarm replacement and security upgrades at Ka'ahumanu Hale in First Circuit, for air conditioning replacement work at Ali'iōlani Hale and roof replacement at Kapuaiwa Building in downtown Honolulu, for a new courtroom at Hoapili Hale on Maui, and for a supplemental chiller system to provide emergency air conditioning for the Juvenile Detention Facility in Kapolei.

FIN, in House Bill No. 1536, H.D. 2, also added \$1 to Judiciary's budget request for Administration (JUD 601) as a placeholder for civil legal services. While we welcome and support any additional funding for civil legal services, we would respectfully request that such funding not supplant Judiciary's existing funding or supplemental budget requests.

Thank you for the opportunity to testify on this measure.

Trever Asam **Board President**

Rachel Figueroa **Executive Director**



545 Queen Street, Suite 100 Honolulu, Hawai`i 96813 Phone: (808) 528-7050 Fax: (808) 524-2147 www.vlsh.org

TESTIMONY IN SUPPORT OF H.B. 1536, HD2 RELATING TO THE JUDICIARY

Committee on Judiciary - March 22, 2022 9:31 a.m.

CHAIR RHOADS, VICE CHAIR KEOHOKALOLE, AND MEMBERS OF THE COMMITTEE ON JUDICIARY:

Volunteer Legal Services Hawaii supports the passage of H.B. 1536, HD2, and respectfully requests an amendment to the proposed Judiciary supplemental budget.

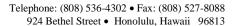
Volunteer Legal Services Hawaii requests that the purchase of services contract for general civil legal services be restored in the Judiciary budget. In 2019, the Legislature generously provided a total of \$750,000 to Volunteer Legal Services Hawaii and Legal Aid Society of Hawaii, through a combination of a purchase of services contract in the budget and Grants in Aid.

This critical funding would go to funding civil legal services, including but not limited to the delivery of civil legal services to low- and moderate- income individuals in Hawaii. In the last forty-one years, Volunteer Legal Services Hawaii has partnered with volunteer attorneys in the provision of civil legal assistance to individuals and families of Hawaii. While Volunteer Legal Services Hawaii's only office is on Oahu, we service residents of Hawaii statewide. In 2021, with only a staff of 7, Volunteer Legal Services Hawaii qualified over 1,000 individuals. Volunteer Legal Services provides legal checkups, educational presentations, clinics, brief services and/or full representations. Twenty-Three percent (23%) of those helped are homeless or at the risk of being homeless, 11% of those helped suffer from domestic violence, 8% of those helped were veterans, 26% of those helped are disabled, and 13% of those helped were aged 60 and over. If not for Volunteer Legal Services Hawaii, these individuals would have otherwise gone without legal help.

The pandemic has greatly affected the financial outlook of legal services organizations like Volunteer Legal Services Hawaii. We support this funding mechanism which would allow us and other organizations to deliver critical safety net services to Hawaii's most vulnerable residents.

We respectfully request your passage of H.B. 1536, HD2 with amendments. Thank you for this opportunity to provide testimony.

Sincerely, Rachel Figueroa, Executive Director





J. Blaine Rogers, Esq. President, Board of Directors

M. Nalani Fujimori Kaina, Esq. Executive Director

TESTIMONY ON HB1536 HD2

Committee on Judiciary Senator Karl Rhoads, Chair Senator Jarrett Keohokalole, Vice-Chair

March 22, 2022 at 9:31 a.m.

The Legal Aid Society of Hawaii submits testimony in support of HB1536 HD2 – Relating to the Judiciary.

During the pandemic, the need for civil legal services rose significantly. In 2021, we received over 19,000 requests for assistance and were able to provide legal help in a little over 8,200 cases in legal areas ranging from family, housing, consumer, foreclosure, public benefits, elder law, homelessness, immigration, language access, and child welfare. In 2021, over 30% of our clients were homeless or at risk for homelessness, over 17% experienced domestic violence and over 11% spoke a language other than English.

While general revenue funding for general civil legal services was not provided in FY21 and FY22 because of the economic crisis in the state, our ability to continue to provide services was only possible through federal pandemic assistance which will expire and generous one-time support through foundations. With these supports ending, including funding in the Judiciary budget is critical to ensuring that civil legal services continue to be provided across the state.

We would ask the Committee to maintain a line-item allocation of funding for general civil legal services and include an amount of \$750,000 in order to restore the funding last provided in FY20.

Thank you for this opportunity to provide testimony.					
Sincerely,					
Sincerely,					
M. Nalani Fujimori Kaina Executive Director	Angela Lovitt Deputy Director	Jim Gagne Director of Finance			



EMPLOYEES' RETIREMENT SYSTEM
HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

OFFICE OF THE PUBLIC DEFENDER



STATE OF HAWAI'I
DEPARTMENT OF BUDGET AND FINANCE

P.O. BOX 150 HONOLULU. HAWAI'I 96810-0150 CRAIG K. HIRAI

GLORIA CHANG DEPUTY DIRECTOR

ADMINISTRATIVE AND RESEARCH OFFICE BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION FINANCIAL ADMINISTRATION DIVISION OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON JUDICIARY
ON
HOUSE BILL NO. 1536, H.D. 2

March 22, 2022 9:31 a.m. Room 016 and Videoconference

RELATING TO THE JUDICIARY

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 1536, H.D. 2, is a Judiciary Administration bill that appropriates supplemental funding for the Judiciary for FY 23. In its November 1, 2021 letter to the Governor, the Judiciary estimated their general fund expenditures for FY 23 were \$165,852,798 or \$961,312 more than the Judiciary's FY 22 general fund appropriation. H.B. No. 1536, H.D. 2, adds \$1 bringing the Judiciary's general fund appropriation to a total of \$165,852,799 in FY 23, which can be accommodated within the FY 23 Executive Supplemental Budget general fund financial plan that was submitted to the Legislature in December 2021.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



TESTIMONY

Senate Committee on Judiciary

Hearing: Tuesday, March 22, 2022 (9:31 a.m.)

TO: The Honorable Karl Rhoads, Chair

The Honorable Jarrett Keohokalole, Vice Chair

FROM: Shannon S. Sheldon

HSBA President

RE: House Bill No. 1536, HD2

Relating to the Judiciary

From the modest requests of the Hawaii Judiciary for the supplemental budget for the fiscal biennium beginning on July 1, 2021 and ending on June 30, 2023, the Hawaii State Bar Association through its governing Board of Directors is supporting the following General Fund requests and CIP requests:

GENERAL FUND APPROPRIATIONS

- Judicial Salary Adjustments (\$376,752) for the 6-month period from January 1, 2023 to June 30, 2023 as recommended by the Commission on Salaries and deferred thru December 31, 2022.
- Two Third Circuit (East Hawaii) judge positions (\$402,360). Restoration of funding of a Circuit Judge position and a District Judge position, which were established over 20 years ago and which have been filled.
- Multifactor Authentication for Outlook Email and Servers (\$127,000). Would enhance the security for Judiciary user access and network servers to protect against cyber attacks and unauthorized access. Multifactor authentication is considered to be a very effective tool against cyber intrusions.
- Interstate Compact Coordinator First Circuit (\$55,200). Restoration of funding to monitor probationers and parolees entering and leaving the State of Hawaii.300-400 offenders annually.

CIP REQUESTS

- Kaahumanu Hale First Circuit (\$5m). Replace obsolete fire alarm systems to protect all facility staff and the public and meet CODE and ADA requirements.
- Kaahumanu Hale First Circuit (\$1.544m). Expansion and reconfiguration of the Sheriff Patrol Station at the main security checkpoint which is currently in public view. This Station monitors and screens public access to the building.
- Kapuaiwa Building Intermediate Court of Appeals (\$1.75m). Roof repairs and repairs to address storm water drainage issues which damage the building's interior.

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EXECUTIVE DIRECTOR Patricia A. Mau-Shimizu

Testimony of HSBA House Bill No. 1536, HD2 Page 2

- Alliolani Building Supreme Court (\$1m). Necessary replacement of air conditioning parts to address air quality issues for building staff and guests. The air conditioning system is 35-45 years old and when installed the estimated life expectancy was 15-25 years.
- Hoapili Hale Second Circuit (\$1.32m). Build an additional courtroom in an existing area previously used for file storage to meet the need for additional courtroom capacity.
- Juvenile Detention Facility Kapolei Family Court (\$1.52m). Installation of an additional chiller to provide essential air conditioning that houses youth detainees 24/7.

DISCUSSION

With the exception of the Multifactor Authentication for Email and Servers, the three other General Fund requests endorsed by the HSBA involve the funding or the restoration of funding previously approved. The requests are modest and will enhance services to the public and provide stability to the Judiciary's workforce. Of particular interest to attorneys statewide is the restoration of funding for the two judicial positions for the Third Circuit which have been filled by qualified individuals confirmed by the State Senate.

Five of the CIP requests involve the continued concern over the health and safety of court staff and guests. The request for the conversion of storage space to a courtroom will help with the backlog of case dispositions caused by increased court filings and COVID related facility closures.

The need for fully operational and stable court services is essential as Hawaii moves from a pandemic to an endemic. Closures of court facilities due to the natural forces of nature can and should be minimized. The need for parties involved in civil, criminal, and family disputes to resolves differences so they can move on with planning for the future is critical for a robust economy and the quality of life we continually strive for.

Thank you for the opportunity to offer comments in **STRONG SUPPORT** of House Bill 1536, HD2 as noted.



HAWAII JUSTICE FOUNDATION

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E-Mail: hjf@hawaii.rr.com Website: www.hawaiijustice.org

March 20, 2022

TESTIMONY FROM:

Robert J. LeClair, Executive Director, Hawaii Justice Foundation

TO:

Senator Karl Rhoads, Chair

Senator Jarrett Keohokalole, Vice Chair Members, Senate Committee on Judiciary

HEARING DATE/TIME:

Tuesday, March 22, 2022 9:31 a.m. Conf. Room 016 &

Videoconference

MEASURE NUMBER:

TESTIMONY IN STRONG SUPPORT OF

HB 1536, HD2 (Item 1000-001) RELATING TO CIVIL LEGAL

SERVICES

SUBMITTED BY WEB:

The Hawaii Justice Foundation (HJF) requests the Senate Committee on Judiciary approve HB 1536, HD2, (Item 1000-001) Relating to Civil Legal Services.

HJF provides Hawaii's legal service providers with awards arising from a variety of funding sources to help increase access to justice for Hawaii's people. HJF does not provide direct client services, but HJF has an unparalled perspective on the seriousness of the unmet civil legal needs in the Islands and the significant efforts of the legal service providers to meet these needs. For several decades, HJF has worked in cooperation with Hawaii's legal service provider organizations.

Funding through HB 1536, HD2 (Item 1000-001) will increase efficiency in the courts by helping with providing legal advice and other needed services to the numerous pro se ("by self") litigants in Hawaii's various courts. District Courts and Family Courts have seen a virtual explosion of cases where people are unrepresented by counsel. The Hawaii State Judiciary has made valiant efforts to assist these litigants through information kiosks, self-help centers, and other programs. However, people representing themselves face two fundamental difficulties. First, they are unfamiliar with court procedures and forms. Second, litigants of any economic level are emotionally involved in their case, and this makes it very difficult to resolve the case without outside assistance. HB 1536, HD2 (Item 1000-001) will provide additional funds to our legal service providers for services to the Judiciary, and the providers will be able to give greater information, advice, and other services to litigants. The services provided to the Courts under HB 1536, HD2 (Item 1000-001) will assist the Judiciary in processing cases in a more efficient and effective manner.

- Legal service providers are currently experiencing severe financial difficulties, making the funding under HB 1536, HD2 (Item 1000-001) essential. All of Hawaii's legal service providers face serious economic challenges limiting their ability to meet legal needs of our low-income population. We are all painfully aware of the difficulties caused by COVID-19, including both financial and service delivery functions. Legal needs of people are higher then ever, due to current economic conditions. Legal service providers face potential cuts in governmental funding sources and reduced contributions from private donations. Traditional fundraising activities, such as dinners and other formal or informal in-person gatherings, are not now available as an option to the providers. All these pressures make it critical that HB 1536, HD2 (Item 1000-001) be approved to provide additional funding to Hawaii's legal service providers.
- HJF's income from the IOLTA funds has plummeted with the decrease in interest rates, which makes HB 1536, HD2 (Item 1000-001) funding even more essential. HJF receives funds from the Interest on Attorney Trust Accounts (IOLTA) Program under Rule 11 of the Rules of the Hawaii Supreme Court, and these funds are then awarded to various legal service providers through yearly grants. COVID-19 has resulted in a serious decline of interest rates, and HJF's interest under the IOLTA program is 1/8th of what it was as recently as January, 2020 before the pandemic. This means that HJF's ability to fund legal service providers under the IOLTA Program is severely limited under current interest rates. HB 1536, HD2 (Item 1000-001) will help fill this serious revenue decline. HJF urges that the funding level of this proposed bill be set at a high amount, due to the level of needs.

For the reasons stated above, HJF stands in **STRONG SUPPORT** of HB 1536, HD2 (Item 1000-001). Passage of this bill will be a major step toward efforts to achieve access to justice for all.

HB-1536-HD-2

Submitted on: 3/21/2022 8:21:42 AM

Testimony for JDC on 3/22/2022 9:31:00 AM

Submitted By	Organization	Testifier Position	Testify
Joseph E Cardoza	Testifying for Hawai`i Access to Justice Commission	Support	Written Testimony Only

Comments:

Chair: Hon. Karl Rhoads, Chair

Vice Chair: Hon. Jarrett Keohokalole, Vice Chair

Committee: Senate Committee on Judiciary

Testimony of: Joseph E. Cardoza, Chair

Organization: Hawai`i Access To Justice Commission

Hearing Date: Tuesday, March 22, 2022

Hearing Time: 9:31 a.m.

Place: Conference Room 016 and

Via Videoconference

Hawai`i State Capitol

415 South Beretania Street

Honolulu, Hawai`i

House Bill: HB No. 1536, HD 2

Position: Support of HB1536, HD2 Relating to The Judiciary

Dear Chair Rhoads and Members of the Senate Committee on Judiciary:

The Hawai'i Access to Justice Commission strongly supports House Bill 1536, HD2, the Judiciary's supplemental appropriations bill of 2022, that, in part, would restore funding in the budget for the purchase of civil legal services for low- and moderate-income persons. Previously, funds were placed into the Judiciary's budget for the purchase of civil legal services provided by non-profit organizations that assist low- and moderate-income persons. Due to the pandemic's economic challenges, these organizations have not received this funding since 2019.

Several non-profit organizations provide critical legal services to residents who cannot afford a lawyer. The inability to access essential legal services can often lead to long-term consequences. Undoing the damage done by the inaccessibility to legal services is costly, both for the individual and society in general. The impact on the community is both social and economic. Non-profit organizations have served thousands of our residents over a long period of time, but their financial support varies from year-to-year. Unfortunately, there are many residents who cannot be served because of the financial constraints these organizations face. The Hawai'i Access to Justice Commission appreciates the support the Legislature has provided in the past, and is hopeful that our low-and moderate-income residents will have access to essential civil legal services in the future.

The Commission appreciates the Committee hearing this bill. Thank you for the opportunity to present this written testimony.

I do not plan to testify during the hearing on this Bill.



HB-1536-HD-2

Submitted on: 3/21/2022 3:22:50 PM

Testimony for JDC on 3/22/2022 9:31:00 AM

Submitted By	Organization	Testifier Position	Testify
Stanley Roehrig	Testifying for Hawaii County Bar Association	Support	Written Testimony Only

Comments:

My name is Stanley H. Roehrig. I will be speaking on behalf of the President of the Hawai`i County Bar Association, Michelle S. K. Oishi, Esq. In addition, our bar members have expressed concerns about unfilled staff slots, not only in Hilo but in Kma and Waimea, as well. These vacancies have caused a signficant backlog in the court system due to CoVid-related separations from employment. We do not know the full extent of available financial resources, but whatever you can do help ease these financial constraints would be appreciated.

HAWAII COUNTY BAR ASSOCIATION

P.O. Box 585 Hilo, Hawaii 96721 HCBA@hsba.org



March 21, 2022

Via https://www.capitol.hawaii.gov/submittestimony.aspx

Senator Karl Rhoads, Chair Senator Jarrett Keohokalole, Vice Chair Senate Committee on Judiciary Conference Room 016 State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

RE: HB 1536, HD2 - RELATING TO THE JUDICIARY Testimony in Support of Funding for the Judiciary

Dear Senator Rhoads, Senator Keohokalole and Committee Members:

The Hawaii County Bar Association ("HCBA") is comprised of over one-hundred eighty attorneys who are either based on Hawaii Island, or are interested in issues pertaining to Hawaii Island. The HCBA respectfully submits this letter in support of HB 1536, HD2 and urges this Committee to support full funding for our Judiciary.

While the COVID-19 pandemic drastically altered the Judiciary's basic operations, the Judiciary expeditiously adjusted by moving to video/online court appearances, creating protocols for the resumption of jury trials, and conducting limited in-person hearings in a socially distanced and sanitary manner. As such, proper funding is necessary to ensure that the Judiciary is able to maintain these systems so that access to justice continues in a safe and timely manner.

Of particular importance to the HCBA is that HB 1536, HD2 restores funding for two critical judicial positions located on the Island of Hawaii in Hilo (one of two Circuit Court positions and one of two District Family Court positions). Funding for these presently filled positions is extremely important so that the public has access to our courts and that litigants have their cases timely heard. The diversion of other Judiciary funds to pay for these necessary positions may adversely affect the Judiciary's ability to provide services for the most vulnerable in our community, including children and those in need of mental health and/or substance abuse services.

HB 1536, HD2 also restores funds needed to monitor probationers and parolees entering and leaving the State of Hawaii, provides funds for enhanced cybersecurity services for Outlook email, and allows for critical capital improvement projects necessary to protect the health and safety of those entering Judiciary facilities. We submit to you that any reduction in the Judiciary budget would profoundly affect its ability to fulfill its constitutionally and statutorily mandated mission.

Thank you for your time and attention to this matter.

Very truly yours,

Michelle S.K. Oishi, Esq.

michele Alcasto

President

Hawaii County Bar Association