

Office of the Administrative Director of the Courts – THE JUDICIARY • STATE OF HAWAI'I 417 South King Street • Ali'iõlani Hale • Honolulu, Hawai'i 96813 • Telephone (808) 539-4900 • Fax (808) 539-4855

Rodney A. Maile

Brandon M. Kimura DEPUTY ADMINISTRATIVE DIRECTOR

November 7, 2023

Via electronic submission

The Honorable Ronald D. Kouchi President of the Senate State Capitol, Room 409 Honolulu, HI 96813 The Honorable Scott Saiki Speaker of the House of Representatives State Capitol, Room 431 Honolulu, HI 96813

Dear President Kouchi and Speaker Saiki:

Pursuant to Section 607-5.7, Hawai'i Revised Statutes (HRS), the Judiciary is transmitting a copy of the *Biennial Report on the Indigent Legal Assistance Fund*.

In accordance with Section 93-16, Hawai'i Revised Statutes, we are also transmitting a copy of this report to the Legislative Reference Bureau Library.

The public may view an electronic copy of this report on the Judiciary's website at the following link: <u>https://www.courts.state.hi.us/news_and_reports/reports/reports</u>.

Should you have any questions regarding this report, please feel free to contact Karen Takahashi of the Judiciary's Legislative Coordinating Office at 808-539-4896, or via e-mail at Karen.T.Takahashi@courts.hawaii.gov.

Sincerely,

Rodney b. Jusih

Rodney A. Maile Administrative Director of the Courts

Attachment

c: Legislative Reference Bureau Library

ANNUAL REPORT TO THE THIRTY-SECOND LEGISLATURE 2024 REGULAR SESSION

ON

HRS § 607-5.7

Biennial Report on the Indigent Legal Assistance Fund (ILAF)



Prepared by:

The Hawai'i Justice Foundation and the Office of the Administrative Director of the Courts The Judiciary, State of Hawai'i

November 2023

TABLE OF CONTENTS

- SECTION I: EXECUTIVE SUMMARY RECOMMENDING CONTINUATION OF ILAF
- SECTION II: ILAF FUNDING AND OPERATIONAL MECHANISMS
- SECTION III: PROCEDURAL SAFEGUARDS IN PLACE TO ENSURE ACCURACY AND ACCOUNTABILITY
- SECTION IV: REMAINING CHALLENGES FOR THE ILAF PROGRAM AND THE PARTICIPATING LEGAL SERVICE PROVIDERS
- SECTION V: SUMMARY AND CONCLUSIONS
- APPENDIX: LETTERS FROM EACH ILAF LEGAL SERVICE PROVIDER OUTLINING ILAF'S POSITIVE IMPACT ON THE DELIVERY OF CIVIL LEGAL SERVICES TO INDIGENT POPULATIONS

SECTION I: EXECUTIVE SUMMARY RECOMMENDING CONTINUATION OF ILAF

The following report has been prepared for the Judiciary by the Hawai'i Justice Foundation (HJF), which serves as the Fund Administrator for the Indigent Legal Assistance Fund, pursuant to contract with the Judiciary, State of Hawai'i.

The Indigent Legal Assistance Fund (ILAF) was created pursuant to Act 305, Session Laws of Hawai'i 1996 (hereinafter Act 305) and codified as Hawai'i Revised Statutes (HRS) § 607-5.7. Act 305 created a special fund that receives surcharges collected on selected types of civil cases filed in Hawai'i's various state courts. These surcharges are then distributed to qualifying organizations that provide direct civil legal services to those in Hawai'i whose income does not exceed 125% of federal poverty guidelines or who are eligible for free services under the Older Americans Act or Developmentally Disabled Act. The Program has operated successfully for more than 25 years. No general funds are involved in the process, and all the funding is generated from surcharges on selected court case filings (no government case filings are surcharged.)

ILAF was further amended by Act 180, Session Laws of Hawai'i 2011 (hereinafter Act 180) by extending the types of cases for which surcharges are collected and providing step increases in the amount of the indigent legal fees. Act 180 also required the Administrative Director of the Courts, or the contractor administering the fund pursuant to a contract with the Administrative Director of the Courts, to review ILAF on a biennial basis to determine whether it is meeting the civil legal needs of indigent persons, and to report its findings and recommendations to the legislature no later than twenty days prior to the convening of the regular session of the legislature in each evennumbered year beginning with the regular session of 2014.

Findings and Conclusion: The Hawai'i Justice Foundation, serving as fund administrator for ILAF pursuant to a contract with the Judiciary, has reviewed the effectiveness of ILAF and recommends that ILAF be continued in its current format. ILAF has positively affected the organizations receiving funds under this special fund, and each of these organizations has been effective in delivering requisite legal services to qualifying clients. Legal needs of the limited-income involve critical legal issues such as landlord and tenant, housing, financial situations, family law, and elder law. The figures for FY 2022-23 establish that the total number of cases handled under the ILAF program exceeds 10,000. These cases range from full representation in complex cases to providing legal information or making appropriate referrals for assistance. All cases meet the statutory requirements of ILAF, including poverty income guidelines and/or type of case (i.e., elderly or disabled.). The current process ensures that all funds collected under program will be used only for the intended purposes.

The ILAF program is an excellent example of the partnership between the Judiciary, HJF, and the ILAF legal service providers. The Hawai'i State Legislature is to be commended for its creation and continued support of ILAF and for its positive actions increasing the surcharges through Act 180, SLH 2011.

ILAF, as amended by Act 180, is an acknowledgment of the serious need for legal services for those of low-income. Current national and local economic conditions remain very unstable and uncertain. Legal needs of people are higher than ever, due to these economic conditions. In addition to the delivery challenges under COVID-19, low-income legal service providers have experienced cuts in governmental funding sources and reduced contributions from private donations, which makes it critical that ILAF be continued. With the increased surcharges resulting from Act 180, funding to qualifying organizations has increased from about \$330,000 per year to \$1,000,000 in FY 2024.

The hard reality is that funds distributed under ILAF are not sufficient to fully fund any of the organizations. There still remains a need for other funding sources, including but not limited to federal and private foundation funding, private charitable contributions, and state legislative funding. ILAF does constitute a vital and essential source of stable funding for qualifying organizations. As further outlined in this report, ILAF has an extensive application and reporting process that ensures that organizations receiving ILAF funds are providing requisite services to qualified clients. This application and review process is quite onerous on both the applying organizations and HJF, but the process is invaluable in ensuring that the available funds are fairly awarded based upon only those clients who qualify under the ILAF statute. On behalf of all of those people in Hawai'i who have received legal services under ILAF, it is respectfully requested that the Hawai'i State Legislature continue ILAF in its current form.

SECTION II: ILAF FUNDING AND OPERATIONAL MECHANISMS

HRS § 607-5.7 sets forth the operating details for ILAF, and these requirements are rigorously followed by the Judiciary, HJF, and all the participating organizations. The statute sets out the dollar amount of surcharges and the types of cases for which surcharges apply. The Judiciary collects the surcharges when cases are filed, and funds collected during a particular fiscal year are distributed in the following fiscal year. Act 180 expanded the types of cases to which the surcharges were applied and also provided for step increases in the amounts of surcharges, with the final step increase taking effect on January 1, 2014. While the amount of funds available through ILAF varies each year depending upon the number and type of case filings, it is clear that Act 180 has operated to provide significant additional distribution to qualified civil legal service providers.

From the inception of ILAF, the Judiciary has annually contracted with HJF to serve as the ILAF Fund Administrator. Pursuant to HRS § 607-5.7, HJF manages the annual application process. Any organization that meets the eligibility criteria mandated by statute is allowed to participate in ILAF. The amount received by each organization is determined by that organization's pro rata share of the eligible expenses for its provision of direct legal services. Each organization has the opportunity to appeal any decisions regarding its pro rata share or other issues relating to its application, but no appeals have been made within more than 20 years.

It should be noted that the formula by which funds are distributed has remained unchanged from the inception of ILAF in 1996, other than the minor language corrections contained in Act 180. The statutory provision regarding the formula for distribution reads as follows:

(k) Funds shall be distributed on a pro rata basis to organizations that meet the criteria in subsection (i), based upon the portion of their total budget expended in the prior year for civil legal services to indigent persons as compared to the combined total expended in the prior year for legal services by all qualifying organizations applying for funding. An applicant that provides services other than civil legal services to indigent persons may establish its proportionate entitlement to funds based upon financial statements that strictly segregate the portion of the organization's expenditures in the prior year that were devoted exclusively to the provision of civil legal services for indigents. (Act 180, SLH 2011; H.R.S. § 607-5.7)

Prior to the impact of Act 180, the amount distributed each year to eligible ILAF organizations was approximately \$330,000. Act 180 has had a very positive impact upon the amount of funds distributed. The amount distributed from ILAF was \$330,000 in FY 2011; \$513,000 in FY 2012; \$472,039 in FY 2013; \$1,410,289 in FY 2014; \$1,425,000 in FY 2015; \$1,300,000 in FY 2016; \$1,000,000 in FY 2017; \$1,100,001 in FY 2018; \$1,000,001 in FY 2019; \$1,000,000 in FY 2020; \$1,000,000 in FY 2021; \$1,000,000 in FY 2022; and \$1,000,000 in FY 2023. The amount scheduled for distribution FY 2024 is detailed below:

Domestic Violence Action Center	163,696
Hawai'i Disability Rights Center	110,575
Legal Aid Society of Hawai'i	554,169
Mediation Center of the Pacific	20,107
Native Hawaiian Legal Corporation	20,189
The Legal Clinic (immigration)	34,528
University of Hawai'i Elder Law Program	18,979
Univ. of Haw. Medical Legal Partnership	33,405
Volunteer Legal Services Hawai'i	44,352
Total	\$1,000,000

The amounts available for future years vary with the number of eligible cases filed, but it is estimated that each year approximately \$1,000,000 will be available for distribution among the eligible civil legal service providers. It is clear that Act 180 has had a very positive impact upon the amount of ILAF distributions, making ILAF an essential element for stable funding for Hawai'i's legal service provider organizations.

SECTION III: PROCEDURAL SAFEGUARDS IN PLACE TO ENSURE ACCURACY AND ACCOUNTABILITY

The ILAF Program has procedural safeguards to ensure accuracy and accountability. All organizations receiving funds under ILAF are strictly monitored by HJF. Monitoring the ILAF process is extremely burdensome and time-consuming for HJF, but attention to detail is essential to the operation of a program that accurately determines eligibility and allocation of funds between those organizations that qualify for ILAF funds. The Program also requires significant efforts from participating organizations in both the application process and the reporting process.

Quarterly reports and a yearly summary report are required of each organization and are reviewed by HJF prior to submittal to the Judiciary for its review. Each February, formal notice is provided in the *Honolulu Star Advertiser* announcing that applications for ILAF funds are being solicited, with a deadline set for early April. The application process is quite extensive, with thorough documentation required. The application includes an attestation clause which requires the Executive Director of each organization to attest to the truthfulness of the application. State unemployment reporting forms are used for verification of each employee, and individual signed statements are received from each employee attesting to the veracity of the percentage of time spent by that person providing qualified direct legal services to ILAF-eligible clients. Using this information, the pro rata percentage for each qualifying organization is calculated by HJF to 1/1000th of a percent. After the Judiciary reviews HJF's percentage recommendations, the Judiciary sends letters of award percentages to each applicant that meets ILAF requirements and qualifies for fund distribution.

Each organization has the opportunity to appeal any decision regarding its pro rata share or other application issues, but no appeals have been filed for more than 20 years. Once the current fiscal year has closed and the Judiciary has determined the total amount of funds that are available for distribution, the percentage allocation for each qualifying applicant is applied against the total available funds to determine each organization's yearly dollar award. These awards are then distributed quarterly, with HJF reviewing all invoices and the required quarterly and year-end reports. Quarterly checks are processed by the Judiciary to an organization only after that organization has submitted all required paperwork to HJF for certification and HJF has formally requested the Judiciary to pay the sum to the organization.

HJF has worked with each organization to ensure that the organization has in place effective methods for: a) screening potential clients for ILAF eligibility; b) generating accurate and complete information regarding cases handled under ILAF; c) using the organization's "client grievance policy"; and d) developing tight mechanisms for demonstrating that ILAF funds are being effectively utilized. Each participating organization enters into a contract with the Judiciary about the duties and responsibilities of the organization receiving ILAF funds. These contracts contain strong provisions that require participating organizations to work closely with HJF and/or the

Judiciary if so requested, should it appear that a specific organization might need to improve its ILAF screening or reporting process.

At the end of the Fiscal Year, each organization must submit a final report, which includes detailed information on the number of cases handled under ILAF. The case numbers are not set forth here, since the missions of the various ILAF organizations vary greatly. Comparison of number of cases handled is not an accurate means of determining the "efficiency" or "effectiveness" of any specific ILAF legal service provider. For example, some of the organizations do a great deal of information and referral, while other organizations handle a higher percentage of court cases. All of the ILAF organizations provide different but essential parts of meeting the needs for legal services, but their missions and approaches do and should vary greatly.

For many years, ILAF has operated smoothly and without complaints regarding accuracy or accountability from the Judiciary, HJF, or the ILAF legal service providers. The ILAF Program is an example of how mutual cooperation and competency can produce an effective process that works for the betterment of Hawai'i's people.

SECTION IV: REMAINING CHALLENGES FOR THE ILAF PROGRAM AND THE PARTICIPATING LEGAL SERVICE PROVIDERS

ILAF is a very solid program, with strong relationships and cooperation between the Judiciary, HJF, and the legal service providers. However, there is still a substantial unmet need for legal services. It would be highly desirable to be able to determine more precisely what percentage of existing legal needs is not being met. The last formal study undertaken in Hawai'i was the 2007 Assessment of Civil Legal Needs, which found that four out of five low-income Hawai'i residents do not have their legal needs met and that legal service providers are able to assist only one in three persons who contact them for assistance. National studies contain similar figures regarding percentage of legal needs being met. However, it is very difficult for any ILAF organization to provide accurate data on unmet legal needs, since the organizations do not have any contact with people who have legal needs but have not asked the organizations for help.

Low-income legal service providers are currently facing extreme financial hardships and increased need for services. Operational details under COVID-19 conditions have created additional challenges for the legal service providers to deliver essential services, and providers now utilize both in-person and technological means to deliver services. The need for legal services continues to increase, due to poor economic conditions and the expanding percentage of the population who are below 125% of federal poverty guidelines. At the same time, total funding for legal service providers has remained stable and for some has decreased. ILAF funds are one of the few stable financial sources available to providers. Federal Legal Services Corporation funding remains a controversial and unresolved political issue. Many ILAF organizations have had to reduce staff hours and reduce intake of cases. Additionally, throughout Hawai'i and the rest of the country, legal service providers have been forced

to move from "full-representation" cases to primarily giving information and advice or to providing basic legal information in group situations in various community locations. The Judiciary, in conjunction with the Hawai'i State Bar Association and legal service providers, has now established Self-Help Centers in each Judicial Circuit. Hawai'i's legal community is working together to help meet the serious legal needs, but the situation remains a daunting one. Community support for pro bono and low-income legal services is extremely strong, but the fact remains that a large proportion of legal needs go unmet for those in Hawai'i's low-income population.

SECTION V: SUMMARY AND CONCLUSIONS

HJF has reviewed the effectiveness of ILAF and recommends that it be continued in its current format. Monies received from ILAF have had a positive effect upon all of the legal service providers that received funds, and each of these organizations has effectively delivered requisite services to qualifying clients. The ILAF process has operated smoothly and successfully for 25 years, and qualifying organizations know they will receive their fair pro rata share under the Program. More than 10,000 cases were handled under ILAF in FY 2022-23, helping more than 10,000 of Hawai'i's people. The hard reality is that funds distributed under ILAF are not sufficient to fully fund any of the organizations and there still remains a need for other funding sources, including but not limited to federal funding, private foundation funding, private charitable contributions, and State of Hawai'i legislative funding. The ILAF program is an excellent example of the partnership between the Judiciary, HJF, and the ILAF legal service providers. The Hawai'i State Legislature is to be commended for its creation and continued support of ILAF and for its positive actions increasing the surcharges through Act 180, SLH 2011.

APPENDIX:

This Appendix contains letters from each of the participating legal service providers. Review of these letters clearly illustrates the positive impact of ILAF upon each of the ten participating legal service providers.

Domestic Violence Action Center

Hawai'i Appleseed Center for Law and Economic Justice, formerly known as Lawyers for Equal Justice

Hawai'i Disability Rights Center

Legal Aid Society of Hawai'i

Mediation Center of the Pacific

Native Hawaiian Legal Corporation

The Legal Clinic

University of Hawai'i Elder Law Program

University of Hawai'i Medical Legal Partnership Volunteer Legal Services Hawai'i



August 16, 2023

Re: Indigent Legal Assistance Fund

Dear Honorable Members of the Hawai'i State Legislature,

The Domestic Violence Action Center (DVAC) wishes to express its deepest gratitude and utmost appreciation for the Hawai`i State Legislature's continued and unwavering support of the Indigent Legal Assistance Fund (ILAF), which assists DVAC and other non-profit organizations in providing critical legal assistance to the most vulnerable and marginalized in our island community. ILAF's steady funding stream remains essential in allowing DVAC to continue to provide critical legal assistance and specialized services to survivors of family abuse and trauma, who often face deeply emotional, complex, and life-threatening situations.

Through cases, court, and outreach, DVAC made a total of 7,001 client contacts in FY2023. DVAC is finding it more and more difficult to keep pace with the rising client caseloads and costs of delivering legal and social services, especially as contract funding remains stagnant and non-program expenses climb steadily. Public contracts permit limited allocation for general operating support, foundations primarily award program-centric funding, and private donations have dwindled with rising inflation, leaving DVAC with potential shortfalls that impact program and service development.

DVAC, however, remains committed to providing critical legal assistance and specialized services to survivors of family abuse and trauma— including immigrant, culturally specific, LGBTQIA+, and teen survivors— and for that reason, funding sources like ILAF are so imperative to allowing DVAC to continue its vital work in our island community. Internal data collected from FY2000-2023 illustrates DVAC's broad reach and impact on island survivors: 335,881 phone contacts; 9,016 requests for legal representation; 7,855 opened cases, legal; 9,975 opened cases, advocacy; 10,726 court appearances; 43,385 hours spent on doc prep and court proceedings; 27,090 agency, appointment, or court accompaniments; 97,376 conducted risk assessments; and 107,300 completed safety plans.

For more than 30 years, DVAC has been providing critical legal assistance and specialized services to a racially, ethnically, and socioeconomically diverse clientele, mirroring the makeup of Hawai'i's population. DVAC's client caseload in FY2023 identified as 28% Native Hawaiian, 17% Caucasian,

11% Filipino, 9% Hispanic, 8% Japanese, 8% Compacts of Free Association (COFA) Migrant and Pacific Islander, 6% Korean, 5% Other Asian (Chinese, Vietnamese, Thai, Pakistani), 4% African American, 2% Alaska Native/Native American, and 2% mixed ethnicities. 31% of DVAC's FY2023 clients identified as immigrants. While family violence affects all genders and demographics, it cannot be denied that survivors are overwhelmingly female. Most of DVAC's clients are single mothers who make less than \$30,000 annually.

DVAC clients give high marks to its attorneys, advocates, and paralegals for helping them increase their safety. Recent DVAC clients have said: "[My DVAC team] made me feel secure in the decision to get help... At the courthouse, [my DVAC team] was very supportive and walked me step by step through the process. I can finally see a future that I'm so looking forward to! I know it's not over – but I see a rainbow on the other side." "I thank God for [DVAC]... I can now leave... I feel better that someone is in my corner and understands me." "DVAC has been the single most valuable resource for me in my journey to leave my abuser and find safety for myself and my children... Having a guide to navigate the overwhelming and complicated legal system while also being burdened with so many difficult emotions is so critical, and I am so appreciative of [DVAC]."

Once again, DVAC very much appreciates the generous and continued support of the Hawai`i State Legislature for recognizing and supporting the crucialness of ILAF funding for critical legal assistance, and the positive impacts it provides to the most vulnerable and marginalized in our island community.

With gratitude,

Sal de

Pauline Ohlendorf-Chun Vice President of Operations

August 17, 2023

Dear Honorable Members of the Hawaii State Legislature:

We are writing to express our gratitude and support for the Indigent Legal Assistance Fund (ILAF), created by the Legislature with the passage of Act 305 of the 1996 session. While Hawai'i Appleseed no longer receives ILAF funds, we strongly support ILAF and the other forms of financial assistance for legal services provided by the Legislature because they are absolutely critical for Hawai'i's well-being and the legal services community as a whole. These funds make an important and significant impact in helping ensure that we have a judicial system that is fair and accessible to all.

Indigent legal services are essential for addressing socioeconomic disparities and promoting a level playing field in Hawaii's legal system. Low-income individuals facing legal challenges, such as eviction or family law matters, are at a significant disadvantage without proper legal representation. Inadequate access to legal services can result in unjust outcomes and perpetuate cycles of poverty and inequality. By funding indigent legal services, Hawaii can mitigate these disparities, promote fairness, and uphold the principle that everyone deserves effective legal representation, regardless of their financial status.

Additionally, investing in indigent legal services can yield long-term cost savings for the state. Providing legal assistance to individuals in need can prevent legal issues from escalating into more complex and costly problems. For instance, providing legal aid to tenants facing eviction can help stabilize housing situations, preventing homelessness and the subsequent strain on social services. By addressing legal problems early on, the state can reduce the burden on its court system and public resources, ultimately leading to more efficient and effective outcomes. For example, every dollar invested in providing counsel for indigent tenants in eviction cases has been demonstrated to save \$2.40 in costs related to homelessness services, emergency shelter, and other assistance programs.¹

By ensuring that all individuals, regardless of their economic status, have access to competent legal representation, the state can protect constitutional rights, bridge socioeconomic disparities, and create a more inclusive and just legal system. Adequate funding for indigent legal services is an investment in the well-being of our state's residents, the integrity of our legal system, and the efficacy of our governmental institutions. Thank you for your support of ILAF and the important impacts it has on our community.

Aloha,

Gavin Thornton Executive Director

¹ Boston Bar Association, *Investing in Fairness, Justice and Housing Stability* (June 2020) (available at <u>https://bostonbar.org/app/uploads/2022/06/rtc-report-for-web-or-email.pdf</u>).



HAWAII DISABILITY RIGHTS CENTER

1132 Bishop Street, Suite 2102, Honolulu, Hawaii 96813 Phone/TTY: (808) 949-2922 Toll Free: 1-800-882-1057 Fax: (808) 949-2928 E-mail: info@hawaiidisabilityrights.org Website: www.hawaiidisabilityrights.org

July 25, 2023

To: The Honorable Members of the 2024 Hawaii State Legislature From: Louis Erteschik, Executive Director Re: Indigent Legal Assistance Fund

The Hawaii Disability Rights Center wishes to express its utmost gratitude for the legislature's history of support for the Indigent Legal Assistance Fund.

The Hawaii Disability Rights Center is the state designated protection and advocacy system, having been designated by prior Governors in several Executive Orders to provide advocacy services to individuals with disabilities, in accordance with various federal laws. Hawaii law expressly recognizes the obligation of the state to provide advocacy services to individuals with developmental disabilities and mental illness in order to receive federal funds. The federal statutes require, as a condition of funding services provided by a number of state agencies, that a protection and advocacy agency be established by the State. In requesting federal funding for various state projects, every Governor has provided assurances to the federal government that federal funds distributed to HDRC do not supplant funds that are available from state and local sources.

The distribution that we receive from the Indigent Legal Assistance Fund represents almost all the state monies that we receive. I am sure you can appreciate that federal funding has plateaued over the past several years, while expenses have continued to increase. Fundraising opportunities for a legal services corporation like ours are very limited, and they would force us to compete with other legal services providers for the same donors. For that reason the monies we have received from the Indigent Legal Assistance Fund have truly been a blessing.





The Hawaii Disability Rights Center is a small, efficient agency that serves thousands of individuals each year with legal issues surrounding their various disabilities. It is estimated that approximately fifteen percent of the individuals within the state may have a disability. Most of those individuals are also among the poorest in our state. We effectively utilize our resources and keep our administrative costs to a minimum. Thus, without the additional funds we received from ILAF, we would have been forced to substantially reduce our activities, cut staffing, and provide fewer services to the most needy, vulnerable population in our state at a time when their needs are increasing.

We are grateful to the Judiciary and the Hawaii Justice Foundation for their leadership and exemplary efforts to ensure the smooth, efficient functioning of this program. We have worked closely with them on its implementation and we hope that the legislature will continue to fund the ILAF program in the upcoming budget and in the years ahead. Your continued support will enable us to address the needs of the population we serve. Your assistance will be so much appreciated by our clientele.

Thank you again for everything.

Mahalo.

Louis Erteschik, Esq. Executive Director

August 15, 2023

Dear Honorable Members of the Hawai'i State Legislature,

The Legal Aid Society of Hawai'i ("Legal Aid") wishes to express its sincere gratitude to the Honorable Members of the Hawai'i State Legislature for their ongoing support of civil legal services through the Indigent Legal Assistance Fund. As the largest and oldest legal service provider in the state, Legal Aid receives the largest percentage of ILAF funds each year. We are a Statewide organization --- the only law firm that has offices located on, and able to deliver legal services to, Oahu, Kauai, Moloka'i, Lana'i, Maui, and Hawai'i through locally based staff. With the assistance of ILAF, and even in the midst of the pandemic when Hawai'i was shut down, in FY23, Legal Aid provided assistance in over 7,296 cases aiding indigent persons and seniors 60 years of age or older throughout Hawai'i.

Legal Aid's principal mission is to substantially improve the lives of our clients by providing civil legal representation on crucial issues affecting their well-being. This includes protecting clients and their children from abusive situations; fighting illegal evictions which can lead to homelessness; counseling and representation of those facing foreclosure; helping clients receive critical health benefits; helping families access programs such as unemployment compensation, Federal Supplemental Security Income, general assistance and food stamps; assisting with family reunification; and ensuring safety after human trafficking. We are the only organization in the state capable of providing this level of wrap-around legal services. The critical support we receive from ILAF helps us to provide this assistance.

The pandemic made civil legal services and legal information even more essential, as so many residents were encountering a need to access government programs for the first time. Legal Aid responded quickly to provide essential legal services in the community despite island-wide shutdowns and closures. Noteworthy were our homeless outreach staff who never stopped going out to the streets and on the beaches to help those most vulnerable during this crisis.

It is important to note that while ILAF support is substantial, it only covers a portion of the costs that it takes to serve the 7,296 cases which we closed last fiscal year. ILAF funds are critical in helping to leverage federal funding for legal services. ILAF currently provides a match for our AmeriCorps program and other direct service projects. Funding also supports our front-line staff in our branch offices throughout the state who work directly with and represent clients from Pahoa to Hanalei.

Legal Aid remains committed to providing quality legal assistance for low-income individuals and those eligible for free services under the Older Americans Act. We understand that ILAF monies are public dollars, and we take commensurate care to spend these funds properly and wisely to increase access to justice for our clients. Legal Aid prides itself on providing high-quality work. We believe the assistance we provide greatly impacts the lives of our clients.

Client Isabella, a survivor of domestic abuse who was assisted in a family law matter, recently shared, "I was close to being homeless. I did not even have money to buy diapers for my kids...Now I feel empowered. I am not defeated anymore."

Through ILAF funding, Legal Aid can continue to ensure that we meet the civil legal needs of Hawai'i's low-income population.

We thank you again for your support.

Diff

David Kaulila Kopper Executive Director Legal Aid Society of Hawaiʻi 924 Bethel Street Honolulu, Hawaiʻi 96813

BOARD OF DIRECTORS

PRESIDENT John Morris

VICE PRESIDENT Bruce McEwan

SECRETARY Susan Murray

TREASURER Jason Graves

PAST PRESIDENT David Simons

DIRECTORS

Justice Simeon Acoba (Ret.) Joanna Amberger Sidney K. Ayabe Sheri-Ann Lau Clark Judge Rebecca Copeland Mike Cruise William C. Darrah Kale Feldman Signe Godfrey Susan Ichinose Sharon On Leng Emily Marr

EMERITUS DIRECTORS

Cynthia T. Alm Steve Holmberg Susan Lampe Ruth Tschumy

BOARD OF ADVISORS

Ann Botticelli Kellie Chun Jerry Clay Michael Erne Dolores Foley Jerry Rauckhorst Larry Rodriguez Walt Schroeder

EXECUTIVE DIRECTOR Tracey S. Wiltgen July 27, 2023

To: The Hawaii State Legislature State Capitol 415 South Beretania Street

From: Tracey S. Wiltgen, Executive Director The Mediation Center of the Pacific 1301 Young Street Honolulu, HI 96814

The Board of Directors and staff of the Mediation Center of the Pacific (MCP) are extremely grateful to you for your continued support of increasing access to justice and the organizations who provide the direct services in this area. The Indigent Legal Assistance Funds (ILAF) have helped to provide critical support for MCP and other civil legal service providers who continue to assist members of Hawaii's indigent population in addressing their legal matters.

MCP is one of the organizations that currently receives funds through ILAF to support the civil legal needs of Hawaii's low income population. MCP is a 501(c)(3) not for profit corporation that was founded in 1979 to provide Hawaii's people with high quality mediation and dispute resolution services that are affordable and accessible. Through MCP's programs, clients are assisted in resolving legal disputes quickly and cooperatively, saving time, money, and stress.

Mediation is a preferred process for helping parties resolve a broad array of disputes. The mediation process is less stressful for the participants because it is informal and focuses on creative problem solving to meet the needs of the participants, rather than an adversarial process that is used in the legal system. MCP is the only organization on Oahu that offers mediation and dispute resolution services for people in the low income population.

Over the past three years, MCP's services have been needed more than ever, particularly by individuals in the indigent population such as tenants facing eviction. As a result, the number of people served, and cases managed by MCP, increased exponentially. More specifically, in the recently ended fiscal year, FY22-23, MCP managed 5,262 cases involving 12,479 people compared to 1,918 cases involving 7,187 people in calendar year 2019, prior to COVID. Additionally, of the 2,965 new cases that were opened in FY22-23, 85% of the people involved in the mediations were in the low-income population and 31% were indigent.

Key areas that typically involve access to justice issues for the indigent population are landlordtenant and domestic matters. MCP provides a high volume of services in these areas. More specifically, in FY22-23, MCP opened 1,303 new landlord-tenant cases, an increase of 870 cases from calendar year 2019. Even more significant, 669 of the landlord-tenant cases opened in FY22-23, were opened prior to the filing of an eviction in court. Of those pre-eviction cases opened, 267 cases were mediated with 73% resulting in agreement enabling the tenant to remain housed. Without the ILAF funds and other private funding, MCP would not have been able to serve this high volume of landlord-tenant cases or manage the pre-eviction mediations.

Finally, in the domestic arena involving divorce, post-divorce, and paternity matters, MCP opened 967 new cases in FY22-23, an increase of 229 cases from 2019. Through mediation, the couples were able to stop fighting and agree on plans to support the needs of their children, thereby reducing the stress and related negative impacts that parental fighting has on children. Due to the steady increase of domestic cases, MCP has needed to recruit and train more mediators to provide the services, as well as institute regular workshops and training for the mediators to ensure quality services are provided. The ILAF funds provides critical support for ensuring the services are readily available for all couples.

The Board of Directors and staff of MCP are grateful to the Legislature for your support that has enabled us to serve Hawaii's indigent and create programs that increase access to justice for all. We are committed to the continued growth of these services by partnering with the other organizations who serve Hawaii's poor, as well as the Judiciary and Hawaii Justice Foundation.

Sincerely,

Tracey S. Wiltgen Executive Director







1164 Bishop Street, Suite 1205 • Honolulu, Hawai'i 96813 Phone (808) 521-2302 • www.nativehawaiianlegalcorp.org

August 3, 2023

Re: Support for Indigent Legal Aid to Mālama Hawai'i's Most Vulnerable

Aloha e Members of the Hawai'i State Legislature:

Mahalo for your generous support of the Indigent Legal Assistance Fund (ILAF) to ensure that people suffering poverty in Hawai'i have access to pro bono civil legal services that they need. Financial support for legal aid is critical for these charitable services to remain a part of the safety net for Hawai'i people and families when they are most vulnerable. Without civil legal aid, access to justice in Hawai'i would be a promise only for those that have financial means to pay, and many would go without legal services necessary to protect their rights to necessities, health, and wellbeing.

The Native Hawaiian Legal Corporation (NHLC) is acutely aware of the need for legal aid funding to ensuring access to justice. NHLC is currently in its 49th year of service to the community and has long been the only non-profit law firm in the State dedicated to protecting and advancing Native Hawaiian rights. From rights to promised housing stability under the Hawaiian Homes Commission Act, to defense of rights to kuleana and other family lands in quiet title actions, to rights necessary to protect culture, the natural environment, and burials, NHLC stands with Hawaiian families and communities to advocate for all the legal protections that can be afforded to Native Hawaiians for their health and wellbeing. All of these rights are not only critical for individual well being, but also for the well being of the Native Hawaian community, and the integrity of our special and distinctive culture in Hawai'i that depends upon a healthy and thriving Native Hawaiian community.

Often, however, NHLC's clients are precariously positioned with no practical alternative to NHLC for help. Native Hawaiians are well documented as overrepresented among people suffering poverty in Hawai'i. More than 50% of NHLC's clients last year met the requirements for indigency. Many more are modest means and part of the ALICE population (asset limited, income constrained, employed). ILAF monies help NHLC aid these vulnerable families and members of our communities.

Alternative resources to fund this important work are scarce. Indeed, the legal needs of the Native Hawaiian community regularly exceed the funding available to meet them. That growing justice gap is precisely why ILAF funding, including steady increases to annual allocations and their fair distribution among communities in need, is so critical. Poverty and ancestry should never be barriers to accessing justice. Further, legal aid investments are efficient uses of public funds because they often prevent long-term problems that become much more harmful, difficult, and costly to fix, e.g., homelessness, health issues, and incarceration.

Native Hawaiian Legal Corporation Letter in Support of Funding for Indigent Civil Legal Aid August 3, 2023 Page 2

NHLC and our clients have long depended on public funds for civil legal aid to ensure justice is accessible for Native Hawaiians and in Hawai'i, rather than gatekept for those with financial means. Mahalo nunui for your continued kōkua and kāko'o, so that the promise of justice in Hawai'i can continue to be for all the people in Hawai'i, regardless of wealth. Your support helps fill the justice gap, allows NHLC to continue our nonprofit's 49-years of work serving the lāhui, and contributes to the advancement and protection of Native Hawaiian health and wellness in our state.

Me ka ha'aha'a,

Makalika Maholounia

Makalika Naholowa'a Executive Director



BOARD OF DIRECTORS

Corey Park, JD President

Lowell Chun-Hoon, Esq. Vice President

> Roman Leverenz Secretary

Kelley D. Settles Treasurer

Amy Agbayani, PhD

Shanty Asher, JD

Kevin J. Block, Esq.

Agnes Malate, PhD

Shingayi Masiya

Liza Rvan Gill. MA

Lisa Swartzfager, Esq.

Susan S. K. Wong, JD

August 15, 2023

- To: The Hawai'i State Legislature
- Re: Indigent Legal Assistance Fund (ILAF)

Honorable Members of the Hawai'i State Legislature:

The Legal Clinic (TLC) extends its sincere appreciation to the Legislature for its continued support of the Indigent Legal Assistance Fund (ILAF), which in part enables TLC to provide free legal services to Hawaii's most vulnerable residents. We urge continued support of this critical funding stream, and we are grateful to the Judiciary and the Hawai'i Justice Foundation for their roles in administering the funding.

TLC's mission is "To ensure justice for low-income immigrants and migrants in Hawai'i through high-quality immigration legal services, education, and advocacy." Over the past few years, ILAF funding has helped to underwrite TLC's costs of providing free immigration legal services to local residents whose household income is 125% or less than the federal poverty guidelines.

There are over 40,000 Hawai'i residents who may be eligible to apply for U.S. citizenship, but many have not done so because they lack the resources or knowledge to pursue the process. As such, they forgo the security that citizenship offers and the ability to participate fully as citizens, including by voting. Instead, they face the uncertainties and vagaries of an unpredictable immigration system. Additionally, tens of thousands of immigrant residents whose immigration status may be uncertain or out of compliance could benefit from the assistance of lawyers trained in the complexities of immigration law. These include many essential workers, laborers, farmworkers, DACA and DACA eligible residents, family members of U.S. citizens, and unfortunately, also those who have been victims of the Maui fires and other egregious harms such as trafficking.

In TLC's short history (since it became an independent 501c3 nonprofit in 2019), the demand for our services already far exceeds our capacity to serve the growing client base. Often, foundations are less likely to fund legal services than other types of programs or causes, and ILAF funding fills a critical gap in serving Hawaii's low-income communities in this way.

We are grateful for the Legislature's continued support of ILAF.

Sincerely,

Patting lot

Bettina Mok Executive Director (808) 797-2599 director@thelegalclinichawaii.org

UNIVERSITY of HAWAFI at MĀNOA WILLIAM S. RICHARDSON SCHOOL OF LAW



August 11, 2023

TO: Hawai'i State Legislators FROM: University of Hawai'i Elder Law Program SUBJECT: Impact of Indigent Legal Assistance Fund

The University of Hawai'i Elder Law Program (UHELP) greatly appreciates the funding it receives through the Indigent Legal Assistance Program (ILAF). Without this supplemental funding, UHELP would not be able to accomplish key components of its mission. While UHELP is an integral part of the William S. Richardson School of Law, it does not receive any direct appropriations from the state or federal government to provide legal services, publications, and education to underserved older persons in our community on a year-round basis.

UHELP provides direct legal services to socially and economically needy older persons, caregivers, and veterans on a year-round basis, while it helps to serve the education and training needs of our law students. At the law school we provide law students with law related academic and experiential opportunities through UHELP by helping its older clients. In turn, our socially and economically needy older clients benefit from the legal services that the UHELP staff and law students provide under the supervision of UHELP's staff.

UHELP no longer receives a grant from the federal government through the City and County of Honolulu and we are thankful for your funding to the university and for the specific assistance provided by the ILAF funding for our direct legal services program. Through this grant, we work to enhance, protect and preserve the autonomy and independence of our elders. This fiscal year we plan to provide direct legal services, referral, and advice to approximately 350 qualified elders and veterans as well as provide continuing educational outreach and informational support to care providers and their elderly care recipients. We also receive a significant number of calls from service providers, health care providers and institutions and governmental agencies on elder law issues, including elder abuse, mental capacity, health care decision-making, including end-of-life decisions.

With ILAF funding we hope to maintain our legal services to socially and economically needy older persons and veterans as we all face increased budgetary challenges. We will continue to work cooperatively with the Judiciary, the Hawaii Justice Foundation, and the Legal Services Consortium to ensure a cooperative, smooth, and efficient operation at UHELP. Thank you again for your support of access to justice for low-income residents through ILAF funding.

Most Respectfully, Peter

James H. Pietsch Professor of Law and Director, UHELP

University of Hawai`i Elder Law Program 2515 DOLE STREET • HONOLULU, HAWAI'I 96822-2328 TEL (808) 956-6544 • FAX (808) 956-9439 • INTERNET www.hawaii.edu/uhelp

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION INSTITUTION

August 1, 2023

Hawaii State Legislature 415 South Beretania Street Honolulu HI 96813

RE: Support for ILAF Funding

Dear Honorable Members of the Hawai'i State Legislature,

On behalf of the Medical-Legal Partnership in Hawai'i (MLP), I am pleased to share this letter of support and gratitude for funding from the Indigent Legal Assistance Fund (ILAF). ILAF funds significantly enhance our capacity to provide direct legal services and systemic advocacy support to children and families who are experiencing poverty in Hawai'i.

MLP Hawai'i is a project of the William S. Richardson School of Law (University of Hawai'i) to provide free, on-site legal services for patients at Kōkua Kalihi Valley Comprehensive Family Services and other healthcare and community-based settings. Since 2009, our small legal team has addressed critical social/legal determinants of health including housing, family law, state and federal public benefits, immigration, vital documents, employment, consumer protection, education, disability and civil rights, and other legal issues. MLP staff conduct self-advocacy education for clients, providers, and community partners, and we also engage in extensive systemic advocacy work alongside the communities we serve. We have a particularly close relationship with Micronesian communities in Hawai'i and beyond, including working to address national policies like Medicaid restoration and I-94 access, as well as local matters including civil rights, language access, and mental health and health justice resources.

It is very clear that there will be no "return to normal" after a global pandemic that exposed and inflamed major social, legal, and health disparities in Hawai'i. Our client communities now face "post"-pandemic housing and income instability, and we have seen an increase in domestic violence disclosures and mental health concerns among MLP clients and partner communities. This makes ILAF support for the work of non-profit legal service providers more important than ever. For MLP, even our small percentage of the overall ILAF funds translates into a significant boost to our capacity to provide direct legal services to over 200 individuals and families each year, and reach hundreds more through community education and outreach. Most significantly, ILAF supports our collective effort to build the community power of brilliant and dedicated community partners and leaders across Hawai'i.

Thank you for your continued support of this critical funding source. We are proud to be part of this gifted cohort of legal service providers as we work together to expand access to justice for people across the state of Hawai'i.

Sincerely,

una Shel.

Dina Shek Legal Director, Medical-Legal Partnership in Hawai'i Faculty Specialist, William S. Richardson School of Law



August 11, 2023 **BOARD OF DIRECTORS** Trever Asam President To: The Honorable Members of the Hawaii State Legislature Nickolas Kacprowski Vice President From: Rachel Figueroa, Executive Director Tred R. Eyerly Volunteer Legal Services Hawaii Secretary Joanne C. Hoe Re: Indigent Legal Assistance Fund Treasurer Sidney K. Ayabe Jennifer F. Chin our state. Ryan H. Engle David J. Hoftiezer Joanne Lee Melissa A. Miyashiro Alana Peacott-Ricardos **Rachel Figueroa Executive Director** attorneys. 545 Queen Street, Suite 100 Honolulu, Hawai'i 96813

www.vlsh.org

Volunteer Legal is the administrative vehicle that allows for Hawaii residents in need to connect with legal professionals, without which many would go without access to meaningful legal assistance. People living in poverty or are at risk of poverty need legal assistance to resolve issues affecting their livelihood, housing, and family relations. Individuals in our State who are experiencing poverty or near poverty most often include children, elderly, disabled, veterans, rural residents, those recovering from homelessness or incarceration, and those with limited English capabilities. Access to civil legal services is intricately woven into the safety net of programs needed to effectively transition people out of poverty.

Phone: (808) 528-7050 Fax: (808) 524-2147 On behalf of the Board of Directors, staff and those we serve at Volunteer Legal Services Hawaii ("Volunteer Legal"), thank you for the continued support for civil legal assistance to low-income and disadvantaged residents in

The Indigent Legal Assistance Fund ("ILAF") remains a critical source of financial support for pro bono based civil legal assistance to those least able to afford and access professional legal help. Hawaii's institutional capacity to provide legal services to indigent persons in our state is strengthened by the pro bono work of attorneys. Volunteer Legal's pro bono program significantly extends the reach of legal aid programs to more persons in need with a broader range of legal services through coordination and collaboration with private

Each year, around 1000 individuals are qualified to receive services through Volunteer Legal. Individuals are screened for income and asset eligibility as well as legal matter. The knowledgeable intake staff ensures that each qualified applicant is then paired with the appropriate volunteer attorney based on legal issue and level of service needed. These diverse needs are met through a continuum of services from intake and referral, to legal legal advice clinics, pro se guidance services, and referrals to volunteer attorneys for full representation.

Hawaii State Legislature Page 2

In 2022, Volunteer Legal qualified 924 individuals. Of that number, 62% had household incomes at or below 125% of the federal poverty guideline for the State of Hawaii. This amounted to a gross annual income of \$39,900 for a family of four and \$19,538 for an individual. In the same year, 14% of those served by Volunteer Legal were aged 60 years or older, and another 26% self-identified as having a disability. In all, Volunteer Legal assisted approximately 572 ILAF qualified individuals in 2022 in legal matters affecting child custody, bankruptcy, veterans benefits, landlord tenant issues, adoptions and guardianship, estate planning, and license reinstatement.

Volunteer Legal has over 200+ attorneys who volunteer in, including but not limited to, family law, bankruptcy, estate planning, collections, and small claims. We are very proud and thankful to have a wide spectrum of attorneys from solo practitioners to partners at large large firms volunteering. In 2022, Volunteer attorneys invested over \$800,000 worth of pro bono hours delivering direct services to qualified individuals and families through Volunteer Legals Clinics. Additionally, 526 pro bono hours were donated online at ABA Free Legal Answers Hawaii, otherwise known as Hawaii Online Pro Bono.

ILAF funds are used to support staff salaries and benefits as well as program costs that directly ensure the quality and effectiveness of services being delivered to low-income persons. During the pandemic, ILAF was one of the few stable funding sources that Volunteer Legal received during the time of extreme need. In an average year, ILAF does not compose a large percentage of Volunteer Legal's overall program budget, but it does allow the organization to leverage other sources of funds from private foundations and donors.

The effectiveness of Volunteer Legal to act as the conduit between those in need of legal assistance and those with the tools to help is highly dependent on funds like ILAF. For these reasons, we thank the Hawaii State Legislature for its continued support of civil legal services to those who are in most need in our community.

Sincerely,

Rachel Togueroa

Rachel Figueroa Executive Director