
A BILL FOR AN ACT

RELATING TO ACCESS TO JUSTICE.

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

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

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

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



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

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

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

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



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

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

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

11 **"CHAPTER**

12 **HAWAII JUSTICE LEAGUE PROGRAM**

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

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

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



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

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

11 **§ -2 Hawaii justice league program; loan repayment**
12 **assistance; established.** (a) The Hawaii justice league program
13 is established to encourage lawyers to pursue public interest
14 work in Hawaii. The program shall be administered by the
15 University of Hawaii William S. Richardson School of Law. In
16 administering the program, the University of Hawaii William S.
17 Richardson School of Law shall:

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



- 1 (3) Establish criteria and a certification process for
2 what constitutes eligible "community-based private
3 practice" for public interest work;
- 4 (4) Establish criteria for the selection of lawyers to
5 participate in the program;
- 6 (5) Beginning on July 1, 2015, and no later than July 1 in
7 each year thereafter, increase the per annum maximum
8 loan repayment amount for a cost-of-living adjustment.
9 The University of Hawaii William S. Richardson School
10 of Law shall use \$35,000 the first year, multiplied by
11 the United States Department of Labor Consumer Price
12 Index for All Urban Consumers (CPI-U) for the previous
13 year to determine the adjusted per annum maximum loan
14 repayment amount for the next year. Each year
15 thereafter the new adjusted per annum maximum loan
16 repayment amount shall be used to determine the per
17 annum maximum loan repayment amount for the following
18 year;
- 19 (6) Publish the adjusted per annum maximum loan repayment
20 amount annually on the University of Hawaii William S.
21 Richardson School of Law website;



- 1 (7) Define and determine compliance with the service
2 commitments of the program;
- 3 (8) Collect and manage reimbursements from participants
4 who do not meet their service commitments under the
5 program;
- 6 (9) Publicize the program, particularly to maximize
7 participation by individuals who live in areas of the
8 State where there is the greatest need for public
9 interest work; and
- 10 (10) Solicit and accept grants and donations from public
11 and private sources for the program, including
12 maximizing the use of federal matching funds.
- 13 (b) The Hawaii justice league program shall partner with a
14 lending financial institution whose operations are principally
15 conducted in Hawaii to provide loan repayment assistance to
16 lawyers who make the service commitment under subsection (c).
17 The University of Hawaii William S. Richardson School of Law
18 shall make loan repayments directly to the financial institution
19 under this subsection to offset the loan repayment for which the
20 Hawaii justice league program participant would otherwise be
21 liable. The University of Hawaii William S. Richardson School



1 of Law shall prioritize loan repayments in accordance with the
2 greatest need for public interest work.

3 (c) The Hawaii justice league program shall provide loan
4 repayments on behalf of a lawyer who agrees to serve for at
5 least five consecutive years as a lawyer pursuing public
6 interest work in Hawaii; provided that eligible lawyers, as
7 applicable, shall have graduated from a duly accredited law
8 school within the United States; provided further that
9 preference shall be given to graduates of the University of
10 Hawaii William S. Richardson School of Law, as applicable.

11 (d) Eligibility to participate in the program shall be
12 determined by the University of Hawaii William S. Richardson
13 School of Law on a competitive basis and in accordance with
14 subsection (c).

15 (e) If a Hawaii justice league program participant fails
16 to satisfy the participant's service commitment under subsection
17 (c), the Hawaii justice league program participant shall be
18 liable for the repayment of the outstanding balance of the loan
19 to the lending financial institution under subsection (b). In
20 addition, the University of Hawaii William S. Richardson School
21 of Law may seek reimbursement for any loan repayment made by the



1 university on behalf of the Hawaii justice league program
2 participant.

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

15 § -3 **Rules.** The University of Hawaii William S.
16 Richardson School of Law shall adopt rules to administer this
17 chapter. The rules shall be adopted pursuant to chapter 91.

18 § -4 **Hawaii justice league revolving fund.** (a) There
19 is established in the treasury of the State the Hawaii justice
20 league revolving fund, which shall be administered by the
21 University of Hawaii William S. Richardson School of Law, and
22 into which shall be deposited:



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

11 (b) The University of Hawaii William S. Richardson School
12 of Law may expend moneys from the fund for the purposes of this
13 chapter, including the operational expenses of the Hawaii
14 justice league program."

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

18 The dean of the University of Hawaii William S. Richardson
19 school of law shall report to the legislature on the status of
20 the Hawaii justice league program, including the most recently
21 adjusted per annum maximum repayment amount, no later than



1 twenty days prior to the convening of each regular session
2 beginning with the regular session of 2016.

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

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

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

14 SECTION 6. This Act shall take effect on July 1, 2525.



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, 2525. (HB2182 HD2)

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

