



# Alaska Legal Services Corporation

## *SB 104 & HB 161: Amending the Civil Legal Services Fund*

### HB 161 Sponsored by Representatives Wright, co-sponsor Hannan

HB 161 seeks to amend AS 37.05.590 (the statute creating the Civil Legal Services Fund) so that up to 25% of Court System filing fees can be appropriated by the Legislature to the Civil Legal Services Fund each year to provide access to civil legal aid for low-income Alaskans with critical legal needs.

### What is the Fund?

The Civil Legal Services Fund (created by statute AS 37.05.590) was established as a special account in the general fund; it was amended (2018) with nearly unanimous support after widespread bi-partisan acknowledgement that ALSC was severely underfunded.

At the discretion of the Legislature, funds are deposited from Alaska's 50% share of civil punitive damage awards and up to 10% of court filing fees received in the most recent Fiscal Year. These funds are then available to supplement ALSC's appropriation.

Because the availability of funds is dependent on court system filings and punitive damages awards to the state, **the amount available from the fund can vary widely**. Since the fund was established almost 15 years ago, available funds have fluctuated greatly from \$110K to \$0 to \$360K.

In SFY23, \$281,600 was appropriated from this fund to ALSC; the amount available for appropriation from the fund for SFY24 is \$301,000.

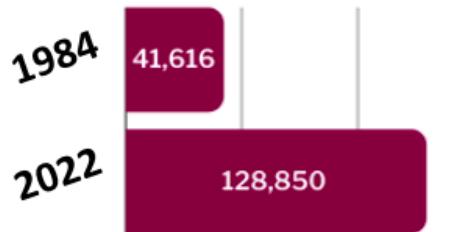
### Why should AS 37.05.590 be amended?

- ♦ When AS 37.05.590 was amended in 2018, the original bill sought a contribution of 25% of court fees as a better reflection of the community need. When it was reduced to 10%, there was a commitment to revisit if this did not fulfill funding needs.
- ♦ Since its passage, the community need has only increased and again, demand far outstrips our resources, and due to inflation program expenses have increased. It is time to amend the fund again.

#### ALSC STATE FUNDING



#### ELIGIBLE CLIENT POPULATION



- ♦ State appropriations to ALSC have declined from a high of \$1.2 million in 1984 to \$681,600 today. At current funding levels, ALSC turns away hundreds of families seeking assistance each year due to resource limitations.

### How can the Civil Legal Services Fund be more effective?

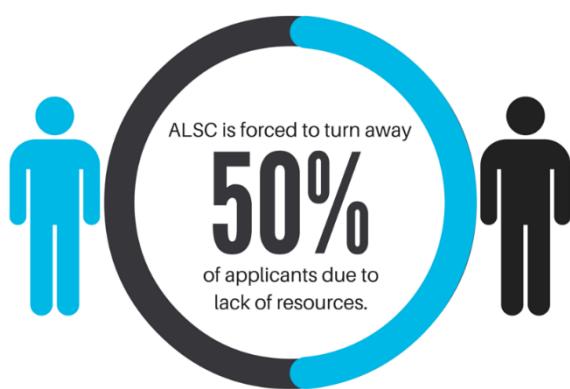
- ♦ By amending AS 37.05.590 so that 25% of Court system filing fees are appropriated into the Civil Legal Services Fund, additional revenue will be generated to address unmet life-altering civil legal needs for Alaskans in need statewide.
- ♦ The court system filing fees currently go to the general fund.

## Why is Civil Legal Aid Important?

Civil legal aid ensures fairness for all in the justice system. It provides access to legal help for people who cannot afford it otherwise, to protect their livelihood, their health or their family. Access to justice should not depend on how much money you have. We need civil legal aid to ensure that the very principle our founding fathers envisioned remains alive: Justice for all, not the few who can afford it.

## Why the Fund is needed:

- ◆ Nearly every state supports civil legal aid with court fees and fines, and/or state appropriations. Alabama, Florida, and Idaho are the only states that do not receive any state funding.
- ◆ A 2017 Alaska Court System Access to Justice Committee Report through the Justice for all Project confirmed ALSC is the go-to entity in our state when individuals face civil legal problems. The majority of all referrals for legal services go to ALSC, followed by the Alaska Court System and its Family Law Self-Help Center.
- ◆ As of 2022, 1 in 6 Alaskans – 128,850 individuals – live below 125% of the federal poverty ceiling, and this number is increasing yearly. For most of these people, access to the civil justice system is possible only with the help of Alaska Legal Services Corporation.
- ◆ 35,130 legal problems are experienced each year by Alaskan households potentially eligible for legal assistance from ALSC, based on a national study by the American Bar Association indicating an average incidence of 1.01 legal problems per household per year. That study, as well as legal studies in several states, show that approximately half of low-income households experience at least one legal problem each year, and many experience two or more interconnected legal problems.
- ◆ The May 2000 Alaska Supreme Court Access to Civil Justice Task Force Report recommended that ALSC be fully funded at a minimum of 1982 levels. Adjusted for inflation and increase in poverty, this would be over \$12.5M as of 2022. ALSC's current budget is \$7M.



**There is only 1.13 ALSC staff attorneys available for every**



**10,000 Alaskans in poverty.**

Source: 2016 Justice Index, A Project of the National Center for Access to Justice

## Addressing Alaska's Growing Civil Justice Crisis

The “justice gap” is the difference between the level of legal assistance available and the level that is necessary to meet the needs of low-income individuals. **At current funding levels, ALSC turns away hundreds of families seeking assistance each year due to resource limitations.**

## Who does Legal Aid Help?

Seniors  
Veterans  
Disabled Alaskans  
Children  
Low Income Workers & Consumers  
Domestic Violence Victims

## How does Legal Aid Help?

Prevents Homelessness  
Stops Domestic Violence  
Secures Child Support  
Ends Financial Abuse  
Secures Lawful Benefits