

**ALASKA STATE LEGISLATURE
HOUSE JUDICIARY STANDING COMMITTEE**

February 15, 2017

1:51 p.m.

MEMBERS PRESENT

Representative Matt Claman, Chair
Representative Zach Fansler, Vice Chair
Representative Jonathan Kreiss-Tomkins
Representative David Eastman
Representative Chuck Kopp
Representative Lora Reinbold

MEMBERS ABSENT

Representative Gabrielle LeDoux
Representative Charisse Millett
Representative Louise Stutes

COMMITTEE CALENDAR

CONFIRMATION HEARING(S) :

Board of Governors of the Alaska Bar Association

William A. Granger - Anchorage

- CONFIRMATION(S) ADVANCED

HOUSE BILL NO. 8

"An Act relating to protective orders."

- MOVED HB 8 OUT OF COMMITTEE

HOUSE BILL NO. 106

"An Act allowing appropriations to the civil legal services fund from court filing fees."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 8

SHORT TITLE: ENFORCEMENT OF FOREIGN PROTECTIVE ORDERS

SPONSOR(S) : REPRESENTATIVE(S) EDGMON

01/18/17 (H) PREFILE RELEASED 1/9/17
01/18/17 (H) READ THE FIRST TIME - REFERRALS
01/18/17 (H) CRA, JUD
01/31/17 (H) CRA AT 8:00 AM BARNES 124
01/31/17 (H) Moved HB 8 Out of Committee
01/31/17 (H) MINUTE (CRA)
02/01/17 (H) CRA RPT 5DP 1NR
02/01/17 (H) DP: TALERICO, WESTLAKE, DRUMMOND,
PARISH, FANSLER
02/01/17 (H) NR: RAUSCHER
02/08/17 (H) JUD AT 1:30 PM GRUENBERG 120
02/08/17 (H) Heard & Held
02/08/17 (H) MINUTE (JUD)
02/13/17 (H) JUD AT 1:30 PM GRUENBERG 120
02/13/17 (H) Heard & Held
02/13/17 (H) MINUTE (JUD)
02/15/17 (H) JUD AT 1:30 PM GRUENBERG 120

BILL: HB 106

SHORT TITLE: CIVIL LEGAL SERVICES FUND

SPONSOR(s): REPRESENTATIVE(s) FANSLER

02/06/17 (H) READ THE FIRST TIME - REFERRALS
02/06/17 (H) JUD, FIN
02/15/17 (H) JUD AT 1:30 PM GRUENBERG 120

WITNESS REGISTER

WILLIAM GRANGER

Anchorage, Alaska

POSITION STATEMENT: Testified as appointee to the Board of Governors of the Alaska Bar Association.

TIM CLARK, Staff

Representative Bryce Edgmon

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: During the hearing of HB 8, offered a comment.

MARY SCHLOSSER, Staff

Representative Zach Fansler

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: During the hearing of HB 106, answered questions.

NIKOLE NELSON, Director
Alaska Legal Services Corporation
Anchorage, Alaska

POSITION STATEMENT: During the hearing of HB 106, testified and answered questions.

NANCY MEADE, General Counsel
Administrative Staff
Office of the Administrative Director
Alaska Court System
Anchorage, Alaska

POSITION STATEMENT: During the hearing of HB 106, answered questions.

DENISE DANIELLO, Executive Director
Alaska Commission on Aging
Division of Senior and Disabilities Service, Department of
Health & Social Services
Juneau, Alaska

POSITION STATEMENT: During the hearing of HB 106, offered support for the legislation.

ACTION NARRATIVE

[1:51:02 PM](#)

CHAIR MATT CLAMAN called the House Judiciary Standing Committee meeting to order at 1:51 p.m. Representatives Fansler, Eastman, Kopp, and Claman were present at the call to order. Representatives Reinbold and Kreiss-Tomkins arrived as the meeting was in progress.

CONFIRMATION HEARING(S): **Board of Governors of the Alaska Bar Association**

[1:51:45 PM](#)

CHAIR CLAMAN brought before the committee the appointment of William Granger to the position of the Board of Governors of the Alaska Bar Association. [Committee packets contain biographical information.]

[1:52:16 PM](#)

WILLIAM GRANGER said that he is privileged to serve on the Board of Governors of the Alaska Bar Association, and this is his

fourth or fifth appointment in three-year terms. He opined that the position, and his re-appointment, is important to the Alaska Bar Association and the state's population at large, because he offers continuity and institutional knowledge from a board management perspective. Although, he commented, the management and a good portion of its staff have varied tenures, the rest of the board turns over one-third every year. Therefore, he explained, after a three-year stint there is a whole new group of people trying to interpret previous policies, regulations, and various laws and practices. He pointed out that it also makes it difficult for any type of long-term planning or the ability to take actions exceeding the person's normal term, and remarked that he is pleased to offer himself for another appointment to the board as he believes there is a lot of work to be done.

1:54:30 PM

REPRESENTATIVE EASTMAN asked when his first interest in the Alaska Bar Association (ABA) took place.

MR. GRANGER responded that he has always had a keen interest in the law, his profession is as a banker and he has had long-term professional relationships with members of the ABA across the entire state, mainly in commercial types of transactions. He described himself as a layman student of the law, and he has found it intellectually challenging to be amongst a group of thinkers trying to hold a process together in the administration of justice.

REPRESENTATIVE EASTMAN requested that Mr. Granger explain some of the responsibilities he will have if he continues in this position.

MR. GRANGER answered that he has been in various positions, but for the most part it has been that of treasurer, which is not a rubber stamp or token position. The ABA has faced budget challenges over the years in assessing its membership for dues to the ABA, which is a mandatory bar. He related that it has gone through various budget philosophies, such as spending off surpluses and lowering dues and retaining surpluses and maintaining dues levels, he said.

He commented on the importance of running a budget, of which he said he is very good, and that the staff at ABA is also good and diligent. He pointed out that he was instrumental in cost reductions, mainly in the area of benefits and long-term changes

to accruals. Previously, ABA had no limit to accruals on paid time off or sick leave, and when dealing with people who have been there 20-30 plus years, their accruals become huge future potential liabilities, and that putting caps on those accruals and limiting the amount of accruals as the staff turns over is important. He related that health care was important because "they basically had a bottomless health care program," and today they pay premiums, reimbursement accounts, co-pays, higher deductibles, of which all drove down ABA's health care expenses dramatically. Those efforts were instrumental in keeping the bar dues where they have been and, he said, he is proud of the fiscal responsibility he was able to instill within the Board of Governors.

[1:59:35 PM](#)

CHAIR CLAMAN remarked that he has had the privilege of serving on the Board of Governors with Mr. Granger for six years, and that he was first appointed by Governor Tony Knowles and has continued to be re-appointed by each governor since that time, which is a reflection of Mr. Granger's dedication to the Board of Governors. He recalled that Mr. Granger was the force with the public members when the dues needed to be more of a pay-as-you-go system. The public members also took the lead to add a pro bono coordinator to the ABA because they felt it was important for the bar dues to support the encouraged volunteer services. He thanked Mr. Granger for his service on the board.

[2:01:29 PM](#)

MR. GRANGER commented he believes that, while public members are not a majority, they are a force to be reckoned with. He expressed that he is pleased to advise that the lawyers on the board listen and are very thoughtful about taking advice from the public members, who bring a perspective of what it is like on the street. In addition, he opined, the public members are keen on public education and opportunities, and the Alaska Bar Association (ABA) puts a huge effort into Martin Luther King Day for public advocacy, education, and assistance to those unable to pay for legal assistance. He stressed that those small things add up in making the ABA a vibrant part of communities, and it also pays back to the communities it has the privilege of serving.

[2:03:12 PM](#)

REPRESENTATIVE FANSLER, after reviewing Mr. Granger's resume, thanked him for his long history of participating in public service, and that appreciates his time and dedication to Alaska.

[2:03:37 PM](#)

REPRESENTATIVE FANSLER said the House Judiciary Standing Committee has reviewed the qualifications of the governor's appointee and recommends that the name, William A Granger, appointee to the Board of Governors of the Alaska Bar Association be forwarded to a joint session of the Senate and House of Representatives for consideration. This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

HB 8-ENFORCEMENT OF FOREIGN PROTECTIVE ORDERS

[2:04:25 PM](#)

CHAIR CLAMAN announced that the next order of business would be HOUSE BILL NO. 8, "An Act relating to protective orders."

CHAIR CLAMAN explained that this is the third hearing on the bill. On [2/13/17], the committee adopted proposed committee substitute [Version 30-LS0127\D] as the working document. Due to concern there could be unintended consequences by repealing certain subparagraphs in Sec. 8 and 9, a proposal was made to return to [Version 30-LS0127\A] as the working document. He then asked Representative Fansler to explain his reasoning in returning to Version A.

[2:05:01 PM](#)

REPRESENTATIVE FANSLER offered his appreciation to Representative Eastman for [Version D], and his desire to make Alaska's laws concise, understandable, and as plainly read as possible. He then spoke to the importance of not cutting the two sections cut from Version D, such that it could lead the state down the trail of unintended consequences by eliminating the language as it appears under the dissolution section. Thereby, he explained, sending a sign to attorneys, the court system, or others, that perhaps these types of protective orders no longer should be considered. Certainly, an argument could be made that because the committee went out of its way to eliminate that, protective orders no longer have a relevance in a dissolution proceeding which, he stressed, is definitely not the

committee's intent. Also, he pointed out, [Version A] continues to encourage the good practice of filing protective orders, thereby, putting the protective order on the record for law enforcement and the court system within in the Alaska Public Safety Information Network (APSIN).

[2:07:09 PM](#)

TIM CLARK, Staff, Representative Bryce Edgmon, Alaska State Legislature, said that the sponsor, Representative Edgmon, is in full support of the proposal to return to Version A.

REPRESENTATIVE EASTMAN remarked that this is an example of the committee highlighting the responsibility of each member to look closely at the laws being drafted, and not rush bills out of committee until the members have confidence in the bills.

[2:08:56 PM](#)

REPRESENTATIVE FANSLER moved to adopt HB 8, Version 30-LS0127\A as the working document. There being no objection, Version A was before the committee.

[2:09:40 PM](#)

REPRESENTATIVE FANSLER commented that he is supportive of HB 8 being moved along, and reiterated that HB 8 is bringing Alaska statutes into alignment with federal law.

CHAIR CLAMAN offered appreciation to Representative Eastman in offering the questions he raised. He related that over history brought forward by former Representative Max Gruenberg, the reputation of this committee is that it digs into details, doesn't hesitate to discuss details carefully, and this committee continues in that tradition.

[2:10:38 PM](#)

REPRESENTATIVE FANSLER moved to report HB 8, Version 30-LS0127\A out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 8 was moved from the House Judiciary Standing Committee.

HB 106-CIVIL LEGAL SERVICES FUND

[2:11:13 PM](#)

CHAIR CLAMAN announced that the final order of business would be HOUSE BILL NO. 106, "An Act allowing appropriations to the civil legal services fund from court filing fees."

[2:11:57 PM](#)

REPRESENTATIVE FANSLER read his sponsor statement as follows:

This bill will safeguard Alaskans' access to the civil justice system by creating a stable and sustainable mechanism for funding the Alaska Legal Services Corporation, protecting those who cannot afford to hire an attorney of their own. It allows the Legislature to appropriate up to 25 percent of filing fees paid to the Alaska Court System during the previous fiscal year into the already existing Civil Legal Services Fund.

The Alaska Legal Services Corporation—established in 1967—is a nonprofit charitable 501(c)(3), whose funding comes from a variety of state, federal, and private sources.

Alaska Legal Services Corporation endeavors to serve a growing number of eligible applicants. Since 1984, the number of Alaskans who qualified for legal services has more than doubled, from 41,000 to over 100,000.

Yet currently, the state's contribution to The Alaska Legal Services Corporation is only a fraction of what it was 30 years ago. House Bill 106 aims to stabilize The Alaska Legal Services Corporation funding and help ensure that civil legal aid is available to all Alaskans, not just the few who can afford it.

[2:13:45 PM](#)

REPRESENTATIVE FANSLER explained that HB 106 is a mechanism toward possibly funding more money toward the Alaska Legal Service Corporation in the future, and that it, in no manner, obligates future legislatures.

REPRESENTATIVE REINBOLD asked whether the filing fees are the fees within which 25 percent would be deducted regarding issues, such as adoption, change of name, and depositing a will.

REPRESENTATIVE FANSLER stated yes, and advised that this is currently the court fees set out in statute for district court, superior court, document copies, and the like.

[2:15:27 PM](#)

REPRESENTATIVE REINBOLD surmised that up to 25 percent of "these fees collected" go into a special fund.

REPRESENTATIVE FANSLER explained that they could go into a fund that would go toward Alaska Legal Service Corporation.

REPRESENTATIVE REINBOLD said that, basically, Representative Fansler does not believe these are affordable fees already, and that people do not have access to justice due to the fees.

REPRESENTATIVE FANSLER pointed out that these fees are required for anyone filing a lawsuit in a district court, for instance, and would pay \$125 when the case was filed. Purely hypothetically, he offered, in the event the legislature was looking at FY18, this bill would allow the legislature to decide for FY18 whether it would appropriate any amount up to 25 percent to the Alaska Legal Services Corporation. In that regard, when a person files a district court case for \$125, \$12.50 of that filing fee would be put toward the Alaska Legal Services Corporation.

[2:17:15 PM](#)

REPRESENTATIVE REINBOLD described it as a redistribution of wealth, at first glance, and appears likely the fees will go up for other people.

REPRESENTATIVE FANSLER expressed that "in no way shape or form" is the intent of this bill to raise filing fees for anyone, and it reads that the court fees go directly into the general fund and can be used for anything. He reiterated that these fees are already being generated in the court system, and to set aside ten percent of the filing fee (amount used in the hypothetical example), and \$12.50 would go to funding the Alaska Legal Corporation.

[2:18:24 PM](#)

REPRESENTATIVE KOPP asked whether most of the people represented by the Alaska Legal Services Fund are victims of domestic violence, seniors, or people with at least one disability.

REPRESENTATIVE FANSLER answered in the affirmative.

REPRESENTATIVE KOPP inquired as to how many years the Alaska Legal Services Fund has been in existence.

2:19:07 PM

MARY SCHLOSSER, Staff, Representative Zach Fansler, Alaska State Legislature, responded that this would be a new fund. She explained that a fund was established in 2007 to collect punitive damage fees, and those fees have been erratic for the past ten years with one allocation of \$90,000, and during the past four years the allocation was \$20,000 in punitive damages. She described the system as unstable because not many punitive damages have been collected into the court system. She explained that HB 106 stabilizes future funding, as opposed to likely funding in lean times.

2:19:59 PM

REPRESENTATIVE KOPP surmised there has been an unstable funding stream to represent thousands of people that otherwise will not be represented. He further surmised that the legislature could appropriate any amount of money up to 25 percent, and [currently, The Alaska Legal Services Corporation Corporation] is [solely] relying on those [punitive damages] awards.

2:20:40 PM

REPRESENTATIVE FANSLER said Representative Kopp was correct in that the intent of this bill is to, in the future, stabilize these fees for the Alaska Legal Services Corporation for the large number of people it represents around the state. Obviously, he pointed out, the intent is to "in no way shape or form" obligate future legislatures, it merely provides a mechanism for that funding in the future when Alaska's economic situation is in a different place. Perhaps, he offered, in the future, legislatures will feel secure in giving stable funding year-to-year to the Alaska Legal Services Corporation.

2:21:41 PM

REPRESENTATIVE KOPP said that earlier it was established that its clients are primarily seniors, persons with disabilities, and victims of domestic violence. He asked whether this legal service would ever be provided to people in a criminal case,

abortion related litigation, representation of prisoners, or for other controversial issues.

2:22:21 PM

REPRESENTATIVE FANSLER remarked that none of Representative Kopp's scenarios are allowed under federal law. The Alaska Legal Services Corporation cannot provide representation in the following: criminal matters; involvement in abortion related litigation; class actions; representation of prisoners; redistricting activities; cases where a private attorney may provide contingency fees such as tort litigation; individuals evicted from public housing due to illegal drug use; or, representation of undocumented immigrants except for human trafficking cases. The federal law is quite clear on what the Alaska Legal Services Corporation can provide, he pointed out, and when reviewing Alaska's statistics in FY2016, there were 2,880 cases helping 6,035 low income Alaskans. He related that one-third represents seniors, 32 percent involved individuals with at least one disability, and 25 percent involved domestic violence victims. There are numerous offices throughout Alaska offering assistance, particularly with veterans close to Alaska's bases and helping veterans receive legal representation to apply for any number of veteran rights programs.

2:24:18 PM

REPRESENTATIVE EASTMAN asked the current amount of money moving from the state to the corporation, how many people are being turned away, and in the event, this amount of funding was allocated, how much of the gap would it close.

REPRESENTATIVE FANSLER responded that the Alaska Legal Services Corporation is currently funded at \$450,000 in the governor's budget through a grant to named recipients in the Department of Commerce, Community & Economic Development budget. As Ms. Schlosser mentioned, \$20,000 sometimes comes from the unstable situation of punitive damages. He advised he does not have the percentage of cases turned away, but he is aware, as an attorney who has volunteered pro bono work for the Alaska Legal Services Corporation, that it strives to take every case that comes through the door. Sometimes this leaves the system stressed, they do have paid attorneys, and when the stress point is hit they look for volunteer attorneys, he advised. Nikole Nelson may be able to answer the question better as to which cases are turned away, what would be needed to close the funding gap,

[2:26:28 PM](#)

REPRESENTATIVE EASTMAN inquired as to how the Alaska Legal Services Corporation identifies a case it can take on versus a case the corporation doesn't have the resources to take on, and noted the 125 percent of federal poverty guidelines. He then mentioned that he had a friend who was turned away, so it does happen, and asked whether it is based off of poverty guidelines, and how it makes those tough decisions.

REPRESENTATIVE FANSLER deferred to Nikole Nelson, the Alaska Legal Services Corporation.

CHAIR CLAMAN advised that his firm volunteers for the Alaska Legal Services Corporation by performing the case screening function, and it meets with folks and reports to the Alaska Legal Services Corporation whether or not to take the case. He clarified that his firm does not make the decision about taking the case, but he is aware it relies on his firm's review of the case.

[2:27:26 PM](#)

NIKOLE NELSON, Director, Alaska Legal Services Corporation, responded that, unfortunately, due to lack of resources it turns away approximately 50 percent of people asking for services in any given year. In response to Representative Eastman's second question, she advised that one piece of the prioritization process is determining an income stream to be certain the folks do qualify for services, and those who are unable to afford an attorney on their own. The Alaska Legal Services Corporation then determines the severity of the need, and noted that clients request assistance ranging from small claims issues to victims of domestic violence to seniors facing foreclosure. It attempts to prioritize those cases regarding the most vulnerable citizens with civil legal needs impacting their health, safety, and livelihood. Unfortunately, she said, even in that case, sometimes folks are still turned away due to the lack of resources. In assessing cases, the Alaska Legal Services Corporation determines the merits of the case and it tries to assist people only if they have a case going forward, and it tries to leverage its additional resources, or limit them. In the event it is not able to actually represent someone in court, it assesses their situation to determine whether they might be able to represent themselves if provided some guidance. The Alaska Legal Services Corporation tries to provide some limited

assistance or advice that would help them represent themselves independently, she reiterated.

MS. NELSON responded to the question regarding the deficit gap and how much money it would take to cure it, by advising that a 2012 study by the Alaska Mental Health Trust Authority that found for every additional \$100,000 allocated to the Alaska Legal Services Corporation, it can serve an additional 182 people. The Alaska Legal Services Corporation estimates that Alaska's justice gap deficit at this point is approximately 35,000 legal problems in any given year. Although, she explained, some of those problems probably do not require an attorney but rather some assistance and self-help education. She estimated turning one family away for everyone it is able to accept, means that it is able to take on approximately 2,880 cases per year. Therefore, she related, it would need to be doubled before the justice gap was cured with respect to those issues affecting people, their health, safety, and livelihoods.

[2:33:51 PM](#)

REPRESENTATIVE EASTMAN advised that in reviewing the [bill] language, it appears there is statutorily a limitation on a legislature being able to appropriate funds. That limitation would continue on, so that if the legislature did not appropriate the 25 percent, is it correct that it couldn't grab that money from someplace else, he asked.

REPRESENTATIVE FANSLER offered his understanding that the legislature can, at any time, appropriate funds toward the Alaska Legal Services Corporation, as it is in its purview to do so.

REPRESENTATIVE EASTMAN commented "The language then here 'non-operative' when it says that the legislature may appropriate to the fund only. Because my initial reading would be that that's kind of a loss thing, the legislature can appropriate a fund which was surprising when I saw that."

[2:35:19 PM](#)

REPRESENTATIVE FANSLER related that his office is willing to work with him, and Legislative Legal and Research Services, to review the language and perhaps proper grammar could be inserted to say, "The fund from amounts deposited in the general fund of the state, under," and possibly change the "and/or," or something similar.

[2:36:05 PM](#)

REPRESENTATIVE EASTMAN said it wasn't necessarily grammar as much as if the intent was to maintain a cap on what the legislature could appropriate, that would one thing, but if the committee does not want to maintain a cap then possibly an amendment would be necessary.

CHAIR CLAMAN noted that this statute is somewhat aspirational rather than mandatory because it doesn't require any expenditure. He said he imagined that if the legislature wanted, in its infinite wisdom, to appropriate \$2 million to the Alaska Legal Services Corporation, there would be nothing in this statute that prevented the legislature from doing so. He then referred to the problem with the limited number of punitive damage awards under AS 09.17.020.

REPRESENTATIVE FANSLER reiterated that the bill could be worked on as a group, and noted that he doesn't think this limits it, but if others are concerned, he is certainly willing to work with them. He clarified that that was not an amendment and the committee is addressing HB 106 as it was originally presented.

[2:38:11 PM](#)

REPRESENTATIVE KOPP surmised that the only limitation for the amount of money available to appropriate would be the amount of the filing fees themselves.

REPRESENTATIVE FANSLER agreed, and he explained there would be a limitation because each year the legislature could deem to appropriate any amount below 25 percent. He offered that one would think that in these difficult fiscal times it would probably be in the zero percent area, but once times get better, hopefully, the legislature would try to provide that stability Representative Kopp referred to previously.

[2:39:00 PM](#)

REPRESENTATIVE KOPP pointed to the handout, and said that it depicts the filing fees for the last seven years and what 25 percent would mean.

[2:39:31 PM](#)

NANCY MEADE, General Counsel, Administrative Staff, Office of the Administrative Director, Alaska Court System, said she was available to answer questions.

REPRESENTATIVE REINBOLD commented that this bill is coming from a good place, with good intentions. She said that at a high level, her preference would be to have lawyers perform pro bono work for these people in the community, as opposed to the legislature re-appropriating money to a corporation. She asked whether the poor have access to a public defender.

[2:40:41 PM](#)

MS. MEADE expressed that the court is absolutely neutral on HB 106, and it does not affect the court system fiscally in any manner because the court system deposits all of its filing fees into the general fund. She responded to Representative Reinbold that indigent people are entitled to representation by the public defender in criminal cases, and the Alaska Legal Services Corporation represents people in civil actions. She explained there is no constitutional guarantee to a free publically provided attorney in a civil action, and opined that the Legal Services Corporation fills that gap for indigent members of the public.

[2:41:40 PM](#)

REPRESENTATIVE REINBOLD referred to domestic violence and asked whether Ms. Meade was saying those are civil actions.

MS. MEADE explained that a Petition for Domestic Violence Protective Order is a civil action and the Alaska Legal Services Corporation would not provide representation to a defendant in a domestic violence criminal case. For example, she related, if the state criminally charges a person with domestic violence assault on a household member, and is seeking a misdemeanor or felony conviction for something related to domestic violence, the Alaska Legal Services Corporation would not be involved, and that defendant would be entitled to hire a private attorney or obtain a public defender if indigent. Although, she explained, in the event a victim of domestic violence has needs related to a non-criminal protective order and is asking the court to order someone to stay away from them, it would be a civil matter and the Alaska Legal Services Corporation could be involved.

REPRESENTATIVE REINBOLD surmised that, basically, it is not only in a civil action, such as a protective order, but it would also help with the court fees.

MS. MEADE clarified that the fees would not change as it does nothing to court fees that people have to pay. As an aside, she explained that indigent people do not have to pay filing fees when filing a civil action because there is an exemption if someone is deemed indigent. She reiterated that the court system collects a fee each time a person files an action, the fees are varied depending upon the type of action filed such as, a small claims action, or a will, or a civil action, and the court, in turn, pools that money and deposits it into the general fund. The document Representative Kopp pointed to depicts the aggregate of what the court system collects in those funds, for example, last year it was \$2.5 million. This bill would not change the court system's fees, it wouldn't affect fees that anyone else would pay, and it doesn't do anything to the court system's filing fees, she remarked.

[2:44:20 PM](#)

REPRESENTATIVE REINBOLD surmised that the court does waive filing fees for indigent populations.

[2:44:36 PM](#)

MS. MEADE said she was correct; an indigent person does not have to pay a filing fee. She related that the Alaska Legal Services Corporation represents people in actual court actions. For example, in a landlord tenant action, the Alaska Legal Services Corporation, as their attorney in that case, does not have to pay the filing fee. Although, that individual incurs the legal expenses unless the Alaska Legal Services Corporation is helping them with their legal fees, she explained.

[2:45:04 PM](#)

REPRESENTATIVE REINBOLD surmised that this bill would take up to 25 percent of fees that other people paid and pass them over to the lawyer representing them in the case.

[2:45:19 PM](#)

MS. MEADE reiterated her characterization of the process and said that the court system collects approximately \$2 million in fees each year from the filing fees, and indigent people and

state agencies do not pay a filing fee. She reiterated again that the court system deposits it into the general fund, and it doesn't know or care what the legislature does with its general fund dollars, thereafter. She explained that under this bill the legislature may take up to 25 percent of that amount and put it into a special account in the general fund, and the legislature can then appropriate out of that special account to the Alaska Legal Services Corporation.

[2:46:00 PM](#)

REPRESENTATIVE REINBOLD stated that it would go to the corporate lawyers in this case. She commented that rather than being pro bono, it would now go into the corporation, so they would be paid for the work.

[2:46:15 PM](#)

MS. MEADE pointed out that even though the Alaska Legal Services Corporation is called a corporation, it is not actually similar to corporate lawyers in the manner that a person may think of it. Ms. Meade pointed out that they are a group of attorneys who work with other attorneys in the legal community who offer their time pro bono. She reiterated that whatever percentage the legislature may decide to appropriate from this fund would go to Alaska Legal Service for its operations, including legal representation to the poor.

CHAIR CLAMAN opened public testimony on HB 106.

[2:47:28 PM](#)

DENISE DANIELLO, Executive Director, Alaska Commission on Aging, Division of Senior and Disabilities Service, Department of Health & Social Services, explained that the Alaska Commission on Aging is a governor appointed board, within the Department of Health & Social Services, that plans services for seniors, educates Alaskans about senior issues, and provides recommendations regarding budget and policy items directly to the governor and the legislature. She advised that the senior population is approximately 126,000 individuals, aged 60 years and older. Ms. Daniello related that the commission supports this bill because the Alaska Legal Services Corporation is an important resource for seniors. She added that during the public comment segments at board meetings and other community forums, seniors have expressed their appreciation for the help they have received from the Alaska Legal Services Corporation in

assisting them to establish Miller Trusts, wills, powers of attorney, settle landlord tenant disputes, and resolving health care issue from Medicare and Medicaid. Recently, she related, the Alaska Legal Services Corporation has gone into communities explaining the changes to the power of attorney statutes, which were enacted last year through House Bill 8. People appreciate that information, so they can understand why those changes were made, where the changes are in the form, and why it is in their best interest, she said.

CHAIR CLAMAN, after ascertaining no one further wished to testify, closed public testimony on HB 106. He then explained that he will re-open public testimony if requested.

[2:50:01 PM](#)

REPRESENTATIVE REINBOLD asked that Ms. Meade return to the witness table and acknowledged that Ms. Meade had answered this question, but she wanted to be absolutely sure it was on record. She asked whether Ms. Meade anticipates any increase of fees for anyone else due to this bill.

MS. MEADE reiterated that this bill will have absolutely no effect on how the court system sets its filing fees.

[2:50:55 PM](#)

REPRESENTATIVE KOPP commented that it cannot be underscored enough that the Alaska Legal Services Corporation is a non-profit, a 501(c)(3), and that the non-profit is one of the geniuses of our American system. He commented that most of the time it does things that government is ill-suited to do, generally, better. He remarked that "this is a very low-cost legal service vehicle" to provide legal services to the neediest people, and that in his professional life over many years he has seen it work. He then turned to the fund situation and how money is set aside, and pointed out that there many examples in current law, such as the Alaska Police Standards Council training surcharge wherein every time someone receives a speeding ticket or is arrested, the \$50 training surcharge is included. He explained that it is appropriated as a special fund within the general fund, and the legislature has the option of appropriating that amount or less. He expressed that this bill is no different, it is setting up a fund, and he agrees with Chair Claman that it is aspirational and not directive, in that it simply establishes a vehicle for this funding mechanism to occur up to 25 percent. He described that this is probably

one of those bills where legislators can tangibly show that they care about people who are vulnerable and in tough circumstances.

[2:52:52 PM](#)

CHAIR CLAMAN said that the bill would be held over and, based on this discussion, he plans to move the bill out of committee on Monday [2/20/17]

[HB 106 was held over.]

[2:53:25 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Judiciary Standing Committee meeting was adjourned at 2:53 p.m.