

**ALASKA STATE LEGISLATURE
HOUSE JUDICIARY STANDING COMMITTEE**

January 31, 2025

1:43 p.m.

MEMBERS PRESENT

Representative Andrew Gray, Chair
Representative Chuck Kopp, Vice Chair
Representative Ted Eischeid
Representative Genevieve Mina
Representative Sarah Vance
Representative Jubilee Underwood

MEMBERS ABSENT

Representative Mia Costello

OTHER LEGISLATORS PRESENT

Representative Robyn Niayuq Burke

COMMITTEE CALENDAR

HOUSE BILL NO. 48

"An Act relating to appropriations to the civil legal services fund."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 48

SHORT TITLE: CIVIL LEGAL SERVICES FUND

SPONSOR(S): REPRESENTATIVE(S) HANNAN

01/22/25	(H)	READ THE FIRST TIME - REFERRALS
01/22/25	(H)	JUD, FIN
01/31/25	(H)	JUD AT 1:30 PM GRUENBERG 120

WITNESS REGISTER

REPRESENTATIVE SARA HANNAN
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HB 48.

HUNTER MEACHUM, Staff
Representative Sara Hannan
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented the sectional analysis for HB 48, on behalf of Representative Hannan, prime sponsor.

NANCY MEADE, General Counsel
Alaska Court System
Juneau, Alaska

POSITION STATEMENT: Answered questions about court filing fees during the hearing on HB 48.

MAGGIE HUMM, Executive Director
Alaska Legal Services Corporation
Anchorage, Alaska, Alaska

POSITION STATEMENT: Gave invited testimony during the hearing on HB 48.

DANIEL WAYNE, Attorney
Legislative Legal Services
Legislative Affairs Agency
Juneau, Alaska

POSITION STATEMENT: Answered legal questions during the hearing on HB 48.

SANDRA MOLLER, Director
Division of Community & Regional Affairs, Department of
Commerce, Community & Economic Development
Anchorage, Alaska

POSITION STATEMENT: Answered questions related to the fiscal note during the hearing on HB 48.

ACTION NARRATIVE

[1:43:23 PM](#)

CHAIR ANDREW GRAY called the House Judiciary Standing Committee meeting to order at 1:43 p.m. Representatives Underwood, Mina, Eischeid, Vance, and Gray were present at the call to order. Representative Kopp arrived as the meeting was in progress. Also present was Representative Burke.

HB 48-CIVIL LEGAL SERVICES FUND

[1:44:05 PM](#)

CHAIR GRAY announced that the first only order of business would be HOUSE BILL NO. 48, "An Act relating to appropriations to the civil legal services fund."

[1:44:43 PM](#)

REPRESENTATIVE SARA HANNAN, Alaska State Legislature, as prime sponsor, presented HB 48. She paraphrased from the sponsor statement [included in the committee packet], which read as follows [original punctuation provided]:

HB 48 safeguards low-income Alaskans' access to the civil justice system by increasing the funding available for organizations that provide civil legal services to Alaska's most vulnerable populations.

HB 48 amends the statute creating the Civil Legal Services Fund (AS 37.05.590) so that up to 25 percent of court system filing fees can be appropriated by the Legislature to the existing Alaska Civil Legal Services Fund each year to provide access to civil legal aid for low-income Alaskans. Legislation allowing the legislature to appropriate filing fees for civil legal aid was passed in 2018. It was originally set at 25 percent but lowered to 10 percent with the intention of reassessing the need for a higher appropriation later; those contributions are now necessary to support those in need.

Alaska Legal Services Corporation (ALSC) – the only civil legal services organization for low-income people in Alaska – was established in 1967. ALSC assists Alaskans with a range of civil matters including financial abuse, housing, child support, government benefits, and domestic violence protective orders. ALSC is not a state agency; it is a nonprofit charitable 501(c)(3), whose funding comes from a variety of state, federal, and private sources. ALSC strives to serve a growing number of low-income clients. Unfortunately, due to the growing demand and declining support, ALSC has had to turn away hundreds of individuals and families.

HB 48 aims to stabilize funding for ALSC and help ensure that civil legal aid is available to all Alaskans, not just those who can afford it. I urge you to join me in supporting HB 48.

[1:47:43 PM](#)

HUNTER MEACHUM, Staff, Representative Sara Hannan, Alaska State Legislature, on behalf of Representative Hannan, prime sponsor, presented the sectional analysis for HB 48 [included in the committee packet], which read as follows [original punctuation provided]:

Section 1 amends AS 37.05.590. to allow for up to 25 percent of court system filing fees to be appropriated by the Legislature to the existing Alaska Civil Legal Services Fund each year to provide access to civil legal aid for low-income Alaskans.

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REPRESENTATIVE MINA asked for the estimated amount of funds the bill would raise by appropriating 25 percent of Alaska Court System (ACS) filing fees to the Alaska Civil Legal Services Fund ("the fund").

REPRESENTATIVE HANNAN called the committee's attention the Department of Commerce, Community & Economic Development's (DCCED) fiscal note, which reflected the additional 15 percent of court filing fees based on fiscal year 2024 (FY 24) revenues projected through FY 31.

[1:49:46 PM](#)

REPRESENTATIVE VANCE requested a breakdown of the type of cases handled by Alaska Legal Services Corporation (ALSC).

MS. MEACHUM offered to follow up with the requested information.

REPRESENTATIVE KOPP expressed his appreciation to the bill sponsor for carrying this bill and referenced the ALSC's work on irrevocable income trusts for state assisted living.

[1:52:14 PM](#)

REPRESENTATIVE UNDERWOOD asked how the bill relates to the Wielechowski v. State ruling.

REPRESENTATIVE HANNAN said in the Wielechowski decision, the court concluded that all laws are subject to annual appropriation, and that the legislature has the authority to set the amount of various appropriations.

[1:53:53 PM](#)

REPRESENTATIVE VANCE referred to page 1, lines 9-10 of the bill, and sought to verify that only one organization in Alaska provides civil legal services to low-income individuals.

REPRESENTATIVE HANNAN said that is her understanding.

[1:54:18 PM](#)

REPRESENTATIVE UNDERWOOD asked, if the current cap on court system filing fees is 10 percent, whether the legislature could appropriate more than 10 percent to the fund.

CHAIR GRAY shared his understanding that all court fees go to the general fund (GF), so this appropriation would come from the GF. He deferred to Ms. Meade for confirmation.

[1:55:44 PM](#)

NANCY MEADE, General Counsel, Alaska Court System (ACS), confirmed that all the court's filing fees go to the GF. She reiterated that the bill would authorize a transfer from the GF to the Civil Legal Services Fund for organizations that provide legal services to low-income individuals.

REPRESENTATIVE UNDERWOOD restated her question, asking whether the legislature could appropriate more than 10 percent to the fund without passage of HB 48.

MS. MEADE shared her understanding that the legislature may choose to appropriate any amount.

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CHAIR GRAY opened invited testimony.

[1:57:57 PM](#)

MAGGIE HUMM, Executive Director, Alaska Legal Services Corporation (ALSC), gave invited testimony during the hearing on HB 48. She described the work done by ALSC, a nonprofit law firm that provides comprehensive and free legal aid to low-income Alaskans. She discussed the crisis in the civil legal justice system due to the gap between those who can access legal help and those who can't. She described the consequences of not having legal help for families and shared several examples of ALSC's case work. She explained that ALSC is innovating to close the justice gap by setting up a training and resource center for community justice workers to provide targeted, legal assistance. In FY 24, ALSC provided direct representation in over 6,200 cases for Alaskans in 204 communities, serving the most vulnerable populations, such as victims of domestic violence and sexual assault, seniors, and individuals with disabilities. The organization is prohibited from taking on various types of cases by federal law, including criminal matters, class actions, cases on welfare reform, and representing prisoners, for example. She reported that ALSC's demographic continues to grow each year and funding has not kept pace, adding that last year, ALSC had to turn away one family for every one that it helped. In FY 25, the state appropriation totaled \$696,400 to serve a target population of 98,000. She gave context as to the history of AS 37.05.590, which was accomplished with bipartisan support from the legislature; however, because the availability of funds is dependent on court system filing fees from punitive damages to the state, the amount available from the fund can vary. In FY 24, \$296,400 was appropriated. She stated that increasing the 10 percent of court system filing fees to 25 percent would result in an allocation of \$741,000 for FY 25, and estimated that for every additional \$100,000, 182 Alaskans could be helped. She explained that ALSC pays its attorneys significantly less than a private or state attorneys and leverages its resources with donated office space and support from local communities and volunteer programs. In closing, she said there is an extraordinary need for critical civil legal services that cannot be met solely by ALSC. She said HB 48 would help promote equal access to the justice system and assist more vulnerable Alaskans.

[2:08:46 PM](#)

REPRESENTATIVE VANCE asked for a breakdown of the types of cases handled by ALSC.

MS. HUMM offered to follow up with the requested information.

REPRESENTATIVE VANCE recalled that the majority of cases are landlord tenant issues and asked whether many low-income landlords are represented.

MS. HUMM clarified that the majority of cases are not landlord tenant cases. She confirmed that low-income landlords can be represented and shared several examples. She added that landlords can call into the landlord tenant hotline.

REPRESENTATIVE VANCE asked whether ALSC would be able to represent both the landlord and tenant if they had separate attorneys.

MS. HUMM said because ALSC is one law firm, representing both sides in one case would be a conflict of interest.

[2:13:11 PM](#)

REPRESENTATIVE MINA asked whether there has been an increase in the number of Alaskans that fall under 125 percent of the federal poverty level.

MS. HUMM shared her understanding that the number is approximately 98,000 eligible individuals up from 40,000 in the 1980s.

[2:14:54 PM](#)

REPRESENTATIVE KOPP asked how far 10 percent of court system filing fees carry the organization through the fiscal year.

MS. HUMM answered roughly half the year. In response to a follow up question, she said that to provide assistance, many funding sources are stretched and leveraged to fill the gaps.

REPRESENTATIVE KOPP sought to confirm that ALSC is a nonprofit and asked how many positions are grant funded.

MS. HUMM said there are currently 58 staff members and essentially all are funded through some sort of grant.

REPRESENTATIVE KOPP commented on the benefits of volunteerism and encouraged passage of the bill.

[2:18:52 PM](#)

CHAIR GRAY asked what percentage of ALSC's budget is funded by the 10 percent of court system filing fees.

MS. HUMM said the annual budget is 10.3 million and the 10 percent of filing fees totaled \$296,400 in FY 24.

REPRESENTATIVE UNDERWOOD asked whether passage of HB 48 is necessary to appropriate more than 10 percent of the fund.

[2:22:48 PM](#)

DANIEL WAYNE, Attorney, Legislative Legal Services, Legislative Affairs Agency (LAA), shared his understanding that the statute would need to be amended to appropriate more than 10 percent.

[2:26:27 PM](#)

The committee took a brief at-ease at 2:26 p.m.

[2:27:16 PM](#)

REPRESENTATIVE VANCE asked Ms. Moller to explain the DCCED fiscal note, specifically the impact to federal receipts under the "Change in Revenues" column.

[2:28:02 PM](#)

SANDRA MOLLER, Director, Division of Community & Regional Affairs, Department of Commerce, Community & Economic Development (DCCED), acknowledged an error in the fiscal note and explained that the fiscal note should list Alaska Legal Services Corporation instead of federal receipts.

REPRESENTATIVE VANCE asked who is requesting the \$468,900.

MS. MOLLER explained that if the bill were to pass, \$468,900 would be added to the \$312,600 in the governor's budget to reflect the increase from 10 to 25 percent of court filing fees.

CHAIR GRAY sought further clarification on the fiscal note.

REPRESENTATIVE KOPP shared his understanding that 781,500 reflects 25 percent of court filing fees.

CHAIR GRAY asked how often one party is turned away due to a conflict of interest because ALSC is already representing the other side.

MS. HUMM said it happens less often than turning folks away due to a lack of resources. Anecdotally, she said it typically happens in family law matters.

REPRESENTATIVE GRAY asked whether ALSC's \$10.3 million budget is primarily federal money.

MS. HUMM said ALSC has a variety of funding sources: federal funding, state and local grants, contracts with Tribal partners, private foundation funding, individual donors, and fundraising campaigns.

[2:35:23 PM](#)

MS. MOLLER, in response to a request from Chair Gray, walked the committee through the fiscal note again, reiterating that \$468,900 would be added to the \$312,600 that's already in the governor's budget for a total of 781,500, which represents 25 percent of the court filing fees.

[2:36:20 PM](#)

REPRESENTATIVE MINA recalled that Ms. Humm had stated that 182 more Alaskans could be helped for every additional \$100,000. She asked whether that's generated by an increase in salaries, hours, or training.

MS. MOLLER said it's a combination of everything mentioned.

REPRESENTATIVE MINA asked how cases are prioritized by ALSC.

MS. MOLLER said initial screenings are provided to ensure that ALSC can take on the case type, followed by an in-depth financial screening for income, assets, and other eligibility criteria. At that point, cases are sent to

local offices where caseload and local resources are considered.

[2:40:27 PM](#)

REPRESENTATIVE MINA referred to lines 12-13 of the bill and asked whether there had been any consideration to increase the percentage of poverty guidelines from 125 to 130 percent to make it on par with Supplemental Nutrition Assistance Program (SNAP) eligibility or other public benefits.

REPRESENTATIVE HANNAN said she had not contemplated that. She pointed out that ALSC cannot meet the current demand of eligible Alaskans, so expanding eligibility would only create a bigger gap of underserved but eligible individuals.

MS. MOLLER noted that ALSC has some flexibility to go up to 200 percent of the federal poverty guidelines. In addition, some funding sources allow for over 200 percent for seniors.

[2:43:44 PM](#)

REPRESENTATIVE MINA asked about the organization's accounting processes.

MS. HUMM assured Representative Mina that the billing department is accustomed to carrying out a detailed level of accounting.

CHAIR GRAY sought closing comments from the bill sponsor.

[2:49:26 PM](#)

REPRESENTATIVE HANNAN reminded the committee that the ALSC has a variety of funding sources. Its work serves to increase state efficiency by reducing demand on the court system. The goal is to help Alaskans in need prior to entering the court system; resolve real problems; and connect people with resources. She referenced a letter submitted by Cook Inlet Housing Authority [included in the committee packet], which offers a helpful explanation as to why they advocate for this funding increase and how it would help.

2:52:29 PM

CHAIR GRAY announced that HB 48 would be held over.

2:53:06 PM

ADJOURNMENT

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