

HB

106

<TARGET><BILL>HB 106</BILL><SUBJECT>HB
106</SUBJECT><COMM>HJUD30</COMM></TARGET>

ALASKA STATE LEGISLATURE

Session
State Capitol, Rm. 416
Juneau, AK 99801
(907) 465-4942
Fax: (907) 465-4589

Interim
P.O. Box 886
301 Willow Street
Bethel, AK 99559
(907) 543-5898
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Rep.Zach.Fansler@akleg.gov



House Community & Regional
Affairs Committee
Co-Chair

Education

Fisheries

Joint Armed Services

Judiciary
Vice-Chair

REPRESENTATIVE ZACH FANSLER DISTRICT 38

SPONSOR STATEMENT HOUSE BILL 106

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

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.

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REPRESENTATIVE ZACH FANSLER DISTRICT 38

HOUSE BILL 106

SECTIONAL ANALYSIS

Section 1:

Amends statute creating the Civil Legal Services Fund by inserting language that authorizes the legislature to appropriate up to 25% of the filing fees received by the Alaska Court System during the previous fiscal year into the already created Civil Legal Services Fund.

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REPRESENTATIVE ZACH FANSLER DISTRICT 38

Amounts that the Court System collected and deposited into the general fund for **filing fees**

(Also displays what 25% of the collected amount would be, to show the potential impact of HB 106)

FY 2016:	\$2,536,000 collected/deposited into general fund; 25% of that would be \$634,000.
FY 2015:	\$2,234,200 collected/deposited into general fund; 25% of that would be \$558,550.
FY 2014:	\$2,252,900 collected/deposited into general fund; 25% of that would be \$563,225.
FY 2013:	\$2,238,700 collected/deposited into general fund; 25% of that would be \$559,675.
FY 2012:	\$2,279,600 collected/deposited into general fund; 25% of that would be \$569,900.
FY 2011:	\$2,666,900 collected/deposited into general fund; 25% of that would be \$666,725.
FY 2010:	\$2,612,300 collected/deposited into general fund; 25% of that would be \$653,075.



Alaska Legal Services Corporation *Amending the Civil Legal Services Fund*

This bill 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. **Fiscal Note: \$0**

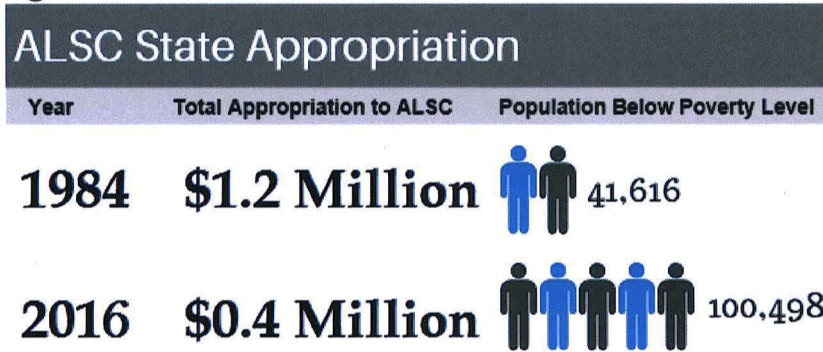
What is the Fund?

- ◆ The Civil Legal Services Fund was created in 2007 with widespread bipartisan support to help ensure civil legal representation for Alaska's most needy population.
- ◆ At the discretion of the legislature, deposits to the fund come from Alaska's 50 percent share of civil punitive damage awards. The Legislature is authorized to appropriate these funds to organizations providing civil legal services to low-income Alaskans.

How has the Fund been used?

- ◆ In 2011, ALSC received the first and only appropriation from the Fund in the amount of \$110,000 – this is far less than needed to address the critical unmet need for civil legal assistance.
- ◆ The amount available for appropriation into the fund depends on whether the state has collected any punitive damages. For the last four years, the Attorney's General Office reported that there has only been \$15,000 collected.

ALSC has received a state appropriation under every administration since it was established 50 years ago.¹



Source: 1980 Census of Population, PC80-1-C1 "General Social and Economic Characteristics", table 245.
Source: U.S. Census Bureau, 2011-2013 3-Year American Community Survey.

- ◆ State appropriations to ALSC have declined from a high of \$1.2 million in 1984 to \$450,000 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 could be appropriated into the Civil Legal Services Fund, additional revenue will be generated and will create crucial resources for low-income Alaskans statewide.
- ◆ The court system filing fees currently go to the general fund.

¹ The only period that ALSC did not receive an appropriation was from FY2005 – FY2008.



Of Access to Justice in the Last Frontier

Alaska Legal Services Corporation

Pro Bono, Partnerships, and Community Programs

Through Alaska Legal Services Corporation's Pro Bono Program, ALSC is able to stretch limited resources through Pro Bono attorneys, law students and other volunteer professionals. Last year, ALSC's Pro Bono Program achieved the following results:



109

attorney volunteers
donated their services



3,207

total hours contributed
through direct casework
and pro bono legal
clinics/projects



\$481,050

estimated value of
volunteer services based
on a conservative \$150
per hour

In addition to representing clients in cases, ALSC's Pro Bono Program provides the following:

The Early Resolution Project (ERP): Through an innovative partnership of ALSC and the Alaska Superior Court, the ERP resolves appropriate divorce and custody cases with settlement conferences in the courthouse staffed by pro bono lawyers. The ERP is currently offered in Anchorage, Palmer, Kenai, and Juneau.

Volunteer Attorney of the Day (AOD): ALSC has successfully maintained a partnership with two law firms in Anchorage to assist with client intake, advice and brief service. Monthly or bi-monthly, each law firm commits to having one of its attorneys volunteer to staff a half-day session at the ALSC office.

Day of Service Events: ALSC coordinates with community partners to conduct day of service events throughout the year. Events include: MLK Day Legal Clinics, Project Homelessness Connect, the Veteran Administration's Stand Down, and the Elizabeth Peratrovich legal clinic held at the annual AFN conference.

Legal Clinics and Legal Education: ALSC offers several different types of pro se clinics throughout the state on a variety of topics including: Debt Collection, Landlord/Tenant, and Family Law. In partnership with Alaska Veterans Affairs, ALSC now offers a monthly clinic in Anchorage specifically for Veterans. ALSC recruits volunteer attorneys to facilitate clinics.

Landlord/Tenant Helpline: The statewide Landlord/Tenant Helpline is staffed two evenings per week for two hours by a pro bono attorney, to assist landlords and tenants with housing issues.

Housing Court Justice Project: This initiative assists those being evicted at housing court. Volunteer Attorneys provide limited assistance to clients scheduled for eviction proceedings, such as legal counseling, negotiating settlement agreements, representation in eviction hearings, and drafting relevant documents, such as pleadings and motions.

Pro Bono Training Academy (PBTA): ALSC launched the PBTA as a training and support system for pro bono attorneys. The PBTA provides comprehensive distance learning webinars on topics faced by the Alaska poverty community (public benefits, bankruptcy, housing issues, elder law, and consumer issues), and creates a mentorship program matching newer pro bono attorneys with more experienced mentors.

Access to Justice for Alaskans in Need



ALASKA LEGAL SERVICES CORPORATION

Delivering high quality free civil legal services for 50 years.

\$5M Annual Budget

12 Offices
177 Communities
2,880 Cases
6,035 Alaskans

86%

ALSC produces positive results for clients in 86% of cases. ALSC focuses its resources on critical legal issues affecting family safety, stability, health and self-sufficiency.

5 to 1

ALSC achieves a 5:1 return on investment in total income and savings for Alaska's residents annually.

\$450,000

The current state appropriation for ALSC stands at \$450,000, which is used to leverage scarce resources throughout our 11 strategically located hub offices to effectively reach every community in Alaska.

>50%

ALSC must turn away one family for each one that we help due to lack of resources. Many potential clients do not apply, knowing that ALSC faces resource limitations.

182

Number of individuals ALSC could serve with each additional \$100,000.

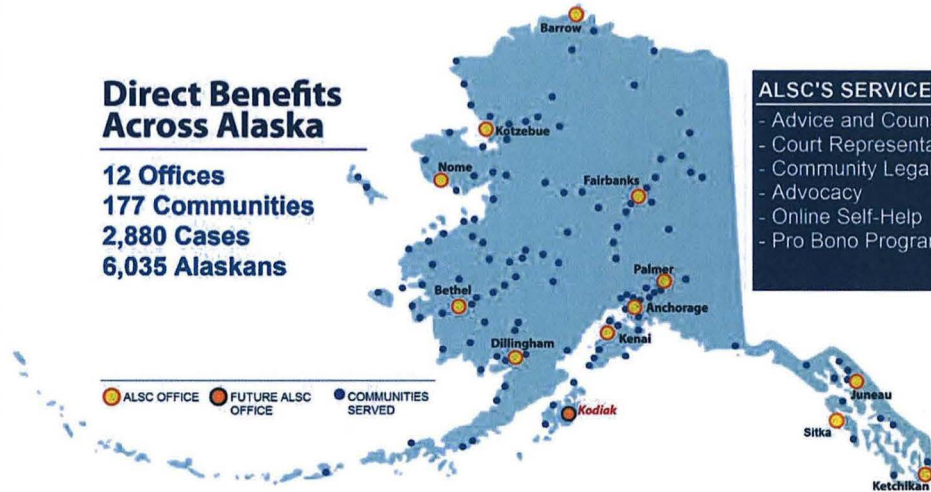
LIFE-CHANGING RESULTS FOR ALASKANS

Alaska Legal Services Corporation (ALSC) is a private, non-profit law firm that provides free civil legal help to low-income clients and seniors. We are dedicated to assuring that all Alaskans have equal access to our civil justice system, not just those who can afford an attorney.

In the process of providing access to justice for Alaska's most vulnerable residents, ALSC produces millions of dollars of quantifiable economic impacts. ALSC maximizes this impact by partnering with local governments and other nonprofits to coordinate services and leverage scarce dollars. Through these efforts, ALSC is able to maintain a physical presence in rural Alaska - and is the only private provider of comprehensive free legal services to do so. Every dollar invested in ALSC generates five dollars in economic benefit to ALSC's clients, their communities, and the state.*

Direct Benefits Across Alaska

12 Offices
177 Communities
2,880 Cases
6,035 Alaskans



ALSC'S SERVICES

- Advice and Counsel
- Court Representation
- Community Legal Clinics
- Advocacy
- Online Self-Help
- Pro Bono Program

THE JUSTICE GAP

When serious legal needs of low-income people go unmet due to grossly insufficient funding and support, it creates an enormous "justice gap". The justice gap is an extreme reality for low-income individuals who suffer a civil injustice.

An applicant unable to obtain assistance risks losing their home, healthcare, access to food, or their ability to protect themselves or family members against abuse. These unresolved problems can multiply, tearing families apart and driving them further into poverty with consequences that destabilize the social and economic fabrics of communities.

*For more information, see "An Analysis of the Economic Impacts and Social Benefits of Assistance Provided by Alaska Legal Services Corporation", a report prepared by The Resource for Great Programs, Inc., with Funding Provided by the Alaska Mental Health Trust Authority.



Alaska Legal Services Corporation

Restrictions on Cases

As a recipient of funding from the national Legal Services Corporation, Alaska Legal Services Corporation is **PROHIBITED** by federal law (see 42 U.S.C. 2996 et seq., 45 CFR Part 1610) from participating in any of the following types of cases:

- Criminal cases;
- Abortion related litigation of any kind;
- Representation of undocumented immigrants (except where human trafficking is involved);
- Class Actions;
- Representation of prisoners;
- Representation of those evicted from public housing due to illegal drug use;
- Redistricting activities; and,
- Cases where a private attorney would take the case on a contingency fee basis.

Alaska Legal Services Corporation takes these restrictions very seriously and is audited yearly to assure compliance with these regulations.



Alaska Legal Services Corporation

Access to Justice in the Last Frontier: FY2016

Statewide

2,880 Cases helping 6,035 low income Alaskans

Majority of cases involved family, housing, and health issues
33% involved seniors
32% involved individuals with at least one disability
25% involved domestic violence victims
17% involved housing issues

Barrow

107 Cases helping 294 low income Alaskans

Majority of cases involved family, housing, and wills/estates
49% involved households with children
36% involved seniors
13% involved housing issues
12% involved individuals with at least one disability

Dillingham

209 Cases helping 451 low income Alaskans

Majority of cases involved wills/estates, family, and housing
38% involved seniors
37% involved households with children
19% involved domestic violence victims
11% involved individuals with at least one disability

Juneau

290 Cases helping 551 low income Alaskans

Majority of cases involved family, housing, and wills/estates
54% involved individuals with at least one disability
36% involved seniors
17% involved housing issues
16% involved domestic violence victims

Ketchikan

95 Cases helping 142 low income Alaskans

Majority of cases involved income maint., housing, and family
76% involved individuals with at least one disability
51% involved seniors
14% involved housing issues
6% involved Veterans

Mat-Su

164 Cases helping 368 low income Alaskans

Majority of cases involved family, housing, and health
59% involved individuals with at least one disability
38% involved seniors
23% involved housing issues
27% involved domestic violence victims

Anchorage

1,185 Cases impacting 2,341 low income Alaskans

Majority of cases involved family, housing, and health issues
40% involved households with children
31% involved seniors
30% involved domestic violence victims
23% involved housing issues

Bethel

326 Cases helping 792 low income Alaskans

Majority of cases involved Family, tribal, and income maint.
60% involved households with children
33% involved domestic violence victims
23% involved seniors
16% involved individuals with at least one disability

Fairbanks

234 Cases helping 537 low income Alaskans

Majority of cases involved family, housing, and health
50% involved households with children
27% involved Seniors
21% involved domestic violence victims
17% involved housing issues

Kenai

136 Cases helping 251 low income Alaskans

Majority of cases involved family, health, and housing
44% involved domestic violence victims
41% involved individuals with at least one disability
33% involved seniors
16% involved housing issues

Kotzebue

87 Cases helping 208 low income Alaskans

Majority of cases involved family, tribal law, and wills/estates
56% involved households with children
27% involved seniors
16% involved domestic violence victims
11% involved Veterans

Nome

47 Cases helping 100 low income Alaskans

Majority of cases involved family, wills/estates and housing
47% involved seniors
40% involved households with children
23% involved Veterans
17% involved domestic violence victims



Alaska Legal Services Corporation *Amending the Civil Legal Services Fund*

Why is Civil Legal Aid Important?

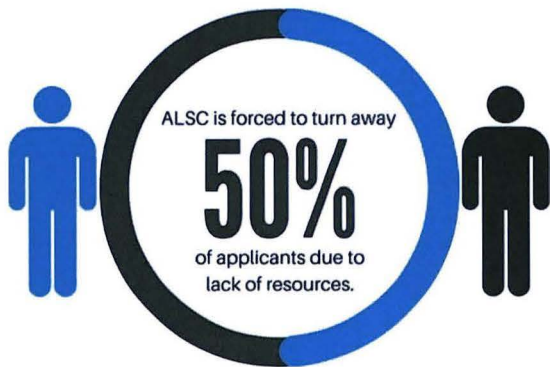
Civil legal aid ensures fairness for all in the justice system. It provides access to legal help for people who cannot afford it otherwise, to protect their livelihood, their health or their family. Access to justice should not depend on how much money you have. **We need civil legal aid to ensure that 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 in the Nation supports civil legal aid with Court Fees and Fines, and/or State Appropriations. Florida, Idaho and Wisconsin are the only states that do not receive any State funding.
- ◆ The American Bar Association Resource Center for Access to Justice Initiatives reports that **Alaska was the only state that reduced funding for a civil legal aid organization in 2015.**
- ◆ 1 in 7 Alaskans – 108,655 individuals or approximately 35,336 households – live below 125% of the federal poverty ceiling. For most of these people, access to the civil justice system is possible only with the help of a legal services attorney.
- ◆ 35,689 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 \$10M as of 2016, that is double the amount of ALSC’s current budget.

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
 End Financial Abuse
 Secures Lawful Benefits



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

Bridging Alaska’s Growing Justice Gap

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.**



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of
Health and Social Services

ALASKA COMMISSION ON AGING

P.O. Box 110693
Juneau, Alaska 99811-0693
Main: 907.465.3250
Fax: 907.465.1398

February 14, 2017

Representative Zach Fansler
Alaska State Capitol, Room 416
Juneau, AK 99801-1182

Subject: Support for HB 106, Civil Legal Services Fund

Dear Representative Fansler:

The Alaska Commission on Aging (ACoA) is pleased to offer our support for HB 106, a bill authored by you co-sponsored by Representative Les Gara, to establish a mechanism that provides funding for organizations that provide civil legal services to low-income individuals, veterans and older Alaskans by allowing the Legislature to appropriate up to 25% of filing fees paid annually to the Alaska Court System.

Alaska Legal Services Corporation (ALSC), a nonprofit civil legal aid agency that has provided no-cost civil legal help to low-income Alaskans for over 45 years, is an example of an organization that would benefit from this legislation. ALSC is the sole statewide agency that provides free civil legal assistance to low-income seniors, veterans, and other eligible Alaskans.

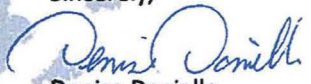
Legal assistance for seniors is provided statewide by ALSC and assures that seniors, especially those at greatest social and economic risk, have access to the civil justice system. Last year, Alaska Legal Services provided direct legal aid to more than 1,500 seniors and 171 caregivers statewide. ALSC helps seniors establish Miller Trusts, power of attorney, advance directives and wills; prevents seniors from losing their housing due to predatory lending practices, illegal foreclosure or eviction, and renter-landlord disputes; and helps seniors obtain and maintain Social Security benefits. Alaska Legal Services employs approximately twenty attorneys statewide.

The Commission supports HB 106 and appreciates your leadership of this legislation. Access to legal information, advice, and assistance helps older Alaskans preserve their financial and personal independence, retain control of their financial and health care decisions, maintain appropriate family relationships, and protect their personal assets and well-being. Please feel free to include the Commission's letter in the bill packet for HB 106.

Sincerely,


David A. Blacketer
Chair, Alaska Commission on Aging

Sincerely,


Denise Daniello
ACoA Executive Director

Cc: Representative Les Gara



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alaskachildrenstrust.org

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14 February 2017

Rep. Zach Fansler
Alaska State Legislature
Capitol Building, Room 416
Juneau, AK 99801

Re: HB 106 – Civil Legal Services Fund

Dear Representative Fansler,

Alaska Children's Trust (ACT) extends its support for HB 106 as the availability of civil legal help that Alaska Legal Services provides is critical to the prevention of child abuse and neglect. ACT is the statewide lead organization focused on the prevention of child abuse and neglect.

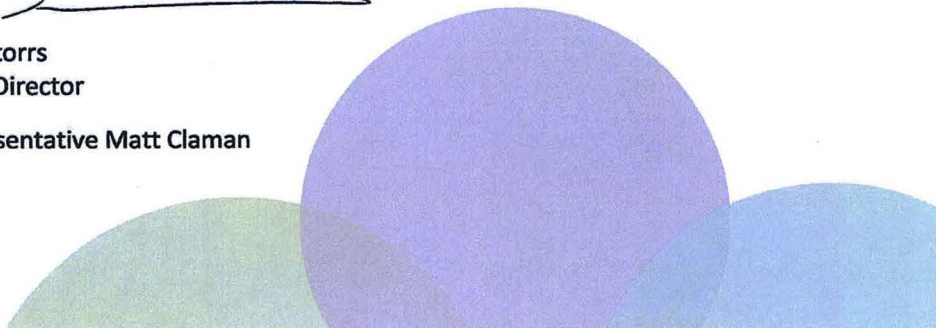
ALSC is the largest provider of legal services to families experiencing domestic violence. Each year ALSC serves over 500 families, impacting 1,500 persons statewide. Children are present in the majority of these households. Domestic violence can have a profound impact on the upbringing and livelihood of children – it is the number one precursor to child abuse and neglect. Simply witnessing domestic violence harms children at every stage of their development. Providing legal services to non-offending parents and children is a critical factor in removing children from an abusive situation. Alaska Legal Services provides an essential service for children at risk of abuse by representing them or their non-offending parents in legal matters that help to provide protection from the offending parent and to stabilize families, including protective order proceedings and custody and divorce proceedings. By preventing domestic violence, ALSC is preventing child abuse and neglect and reducing the impacts of trauma. Furthermore, a recent study showed that ALSC achieves \$2.6 million in savings for state and local communities in costs related to domestic abuse.

ACT strongly supports HB 106 and the finances it would provide to assure that free civil legal services are available to low-income Alaskans, including victims of domestic violence with children in their households. There is an enormous gap between the available funding for these critical services and those who need them. HB 106 is a positive step towards bridging this gap in our judicial system. Thank you for sponsoring this important legislation and protecting Alaska's children. Together we can prevent child abuse and neglect.

Sincerely,

Trevor J. Storrs
Executive Director

cc – Representative Matt Claman



Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version: HB 106
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB106-JUD-ACS-02-10-17
Title: CIVIL LEGAL SERVICES FUND
Sponsor: FANSLER
Requester: House Judiciary

Department: Judiciary
Appropriation: Alaska Court System
Allocation: Trial Courts
OMB Component Number: 768

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018 Appropriation Requested	Included in Governor's FY2018 Request	Out-Year Cost Estimates				
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
OPERATING EXPENDITURES	FY 2018	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2017) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Initial version.

Prepared By: <u>Nancy Meade, General Counsel</u>	Phone: <u>(907)463-4736</u>
Division: <u>Alaska Court System</u>	Date: <u>02/10/2017 03:00 PM</u>
Approved By: <u>Nancy Meade for Christine Johnson, Administrative Director</u>	Date: <u>02/10/17</u>
Agency: <u>Alaska Court System</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

BILL NO. HB 106

Analysis

House Bill 106 would allow the legislature to appropriate, from the general fund, up to 25% of the filing fees received by the Court System during the previous fiscal year to the Civil Legal Services Fund.

This bill does not impact the court system. The court system turns over all filing fees (and all other fees and monies) that it collects to the state's general fund; the legislature appropriates from that fund as it deems appropriate. The court system's budget would not be impacted by the amount the legislature may choose to appropriate to the Civil Legal Services Fund under this bill.

The court system therefore submits this zero fiscal note.