

HAWAII JUSTICE FOUNDATION  
P. O. Box 1230  
Honolulu, Hawaii 96807-1230  
(tel.) 808•537-3886 (fax) 808•528-1974  
E-Mail: [hjff@hawaii.rr.com](mailto:hjf@hawaii.rr.com) Website: [www.hawaiijustice.org](http://www.hawaiijustice.org)

## ***THE HAWAII JUSTICE FOUNDATION 2017 ANNUAL REPORT***

**In 2017, the Hawaii Justice Foundation (HJF) experienced positive financial increases in key income areas.** HJF faced many of the same financial difficulties faced by other charitable foundations during the years 2009 through 2016. HJF is very pleased to be able to report that 2017 has been a year of substantial improvement in HJF's income.

**The Increase in the Interest on Lawyer Trust Accounts (IOLTA) Interest Rates.** HJF's primary source of income is through the Interest on Lawyer Trust Accounts (IOLTA) Program. The amount of income from IOLTA varies directly with interest rates, which dropped from 5.25% in September 2007 to 0.25% in December, 2008. Starting in late 2015, the federal funds target rate has been increasing. Hawaii's banks have been cooperative in implementing these higher rates for IOLTA accounts, which has allowed HJF to increase its IOLTA grants. Sums distributed through IOLTA in recent years are: 2005, \$70,000; 2006, \$155,000; 2007, \$278,000; 2008, \$410,000; 2009, \$345,000; 2010, \$175,000; 2011, \$152,050; 2012 \$124,650; 2013 \$104,000; 2014 \$100,000; 2015 \$125,000; 2016 \$155,000; and 2017, \$207,500. For 2018, estimates for IOLTA awards are in excess of \$300,000.

**The Continuation of Funding from The Bretzlaff Foundation.** In addition to IOLTA grants, each year HJF distributes a total of \$100,000 to the ten Bretzlaff grantees, due to the generosity of The Bretzlaff Foundation of Reno, Nevada.

**The Indigent Legal Assistance Fund (ILAF).** ILAF is a process where surcharges are collected on certain filing fees in the State of Hawaii Judicial System. These funds are retained by the Judiciary for distribution to qualified low-income service providers under the statutory formula. From the inception of the Program, HJF has served as the ILAF Administrator. ILAF funds are distributed in cooperation with the Hawaii State Judiciary, the low-income service providers, and HJF. In FY 2017-18, ILAF will distribute \$1,100,000 to nine legal services grantees. This is a critical part of funding for legal services, and the Legislature is to be commended for its creation of this valuable program.

**Bank of America Settlement Funds.** Hawaii was not part of the litigation with the Bank of America, but all states received financial benefits from the funds involved in the settlement with the Bank of America arising from the foreclosure crisis. HJF has received a total of \$1,810,000 from this settlement, with the funds to be awarded to legal aid organizations for foreclosure prevention and community redevelopment legal assistance. Through 2017, approximately \$1,300,000 will have been distributed.

**The Cades Foundation.** Each year in June, the Hawaii Access to Justice Commission hosts its Access to Justice Summit Conference held at the Richardson School of Law. The Cades Foundation has generously provided yearly financial support to HJF to provide funds for this event. The keynote speaker for 2017 was Kellye Teste, Dean of the University of Washington School Of Law. More than 250 attended the event, and the Conference is always the highlight of access to justice activities.

**Certainly we are all grateful that 2017 has shown economic improvement for HJF's income streams. Please be assured that HJF has sufficient operating income and reserves to ensure our continued ability to work for access to justice. We ask you to join with us in these efforts, and we are very optimistic for the financial outlook for 2018. Much work remains to be done to achieve the ideal and goal of achieving "justice for all."**

# **2017 BRETZLAFF FOUNDATION GRANTS**

**2017 Bretzlaff Foundation Grants Total \$100,000**

## **Big Brothers/Big Sisters of Honolulu, Inc.**

*\$10,000 to fund one-to-one mentoring programs*

## **Boys & Girls Club of Hawaii**

*\$10,000 to continue its "Power Hour" program, which is a daily homework and tutoring assistance project at its Nanakula Clubhouse*

## **Community Association of Hawaii** (formerly known as John Howard Association)

*\$10,000 to assist and support youthful offenders and their families through the Juvenile Anger Management Program*

## **Foster Grandparents**

*\$9,000 to develop a dynamic marketing campaign to increase the number of active Foster Grandparent Program volunteers*

## **Hale Kipa**

*\$10,000 to fund the Transitional Living Program for Young Adults who are Homeless*

## **Hawaii Foodbank**

*\$10,000 to help collect, inspect and distribute over 13 million pounds of food on Oahu for children and the elderly, who are the two groups most at risk of hunger in Hawaii*

## **Kids First Program (Through Friends of Kids First)**

*\$4,000 to fund four programs that otherwise would not be funded through traditional state funding. Funds are used for costs for recognition of volunteers, honoraria for training, incentives for teens, and purchase of required equipment and other items*

## **The Mediation Center of the Pacific, Inc.**

*\$15,000 to support mediation training for the Divorce and Custody Mediation Program, the Kupuna Pono Program, and the Landlord/Tenant Program*

## **Court Appointed Special Advocates (CASA) Program (fka GAL Program)**

*\$10,000 to provide five programs that otherwise could not be funded through state funds to help provide special advocates for children involved in family court issues*

## **Waikiki Health Center**

*\$12,000 to provide operational support to enable the Center to provide quality and affordable medical care, health education, and social services that are accessible to the needs of individuals and the community*

# **2017 IOLTA GRANTS**

**2017 IOLTA Grants Total \$207,500**

## **Advocates for Public Interest Law**

*Fund summer internships for law students working in public interest law firms*

## **Big Island Mediation, Inc., dba West Hawaii Mediation Center**

*Provide quality mediation, conciliation, and advocacy services to individuals and organizations with limited access to legal-related services in West Hawaii*

## **Domestic Violence Action Center**

*Provide legal advice and representation for low-income persons who are in imminent danger of harm in domestic abuse situations*

## **Ethnic Education Foundation of Hawaii**

*Provide general legal information to large numbers of the ethnic poor by translating legal information into various languages and broadcasting the translations on KNDI Radio*

## **Hale 'Opio Teen Court Project (Kauai)**

*Provide funding for a diversion program built on restorative justice principles for first-time misdemeanor or status offending youth.*

## **Hawaii Access to Justice Commission Support**

*To provide support for the Hawaii Access to Justice Commission on various projects*

## **Hawaii Appleseed Center for Law and Economic Justice (LEJ)**

*Provide funding for class action lawsuits, policy research, and legislative advocacy on behalf of Hawaii's low-income people*

## **Kauai Economic Opportunity, Inc., dba Mediation Services**

*Provide quality mediation, conciliation, and advocacy services to individuals and organizations with limited access to legal-related services in Kauai*

## **Kuikahi Mediation Services (Hilo)**

*Provide quality mediation, conciliation, and advocacy services to individuals and organizations with limited access to legal-related services in East Hawaii*

## **Legal Aid Society of Hawaii**

*Provide legal information, advice, and representation to low-income clients*

## **Mediation Services of Maui**

*Provide quality mediation, conciliation, and advocacy services to individuals and organizations with limited access to legal-related services in Maui*

## **Microsoft Portal Grant Support**

*Provide additional financial support for the development of a statewide legal access portal through one of two national grants from the Microsoft Corporation*

## **University of Hawaii Elder Law Program (UHELP) William S. Richardson School of Law**

*General support of legal services for Hawaii's low-income elderly*

## **University of Hawaii Medical/Legal Partnership William S. Richardson School of Law**

*Establish a partnership between legal service providers and a medical clinic to provide legal assistance at early stages for low-income clients*

## **Volunteer Legal Services Hawaii**

*Fund general operations to match pro bono attorney and paralegal volunteers with available cases and to provide other legal services for low-income clients*

# ***ACCESS TO JUSTICE COMMISSION***

## ***CADES FOUNDATION FUNDING FOR THE YEARLY ATJ CONFERENCE*** **\$7,500 Grant Received**

Each year the ATJ Commission hosts an access to justice conference held at the Richardson School of Law on a Friday in June. The Cades Foundation for the past several years (including 2017) has generously provided funding for this Conference. The keynote speaker for 2017 was Kellye Teste, Dean of the University Of Washington School Of Law. More than 250 attended the event, and the Conference is always the highlight of access to justice activities. Each year, HJF collects the tuition income from CLE credit requests and saves these funds for future use at the discretion of the ATJ Commission.

## ***JUSTICE FOR ALL PROJECT*** **\$99,520 Grant Received**

For 2017, Hawaii was named one of seven jurisdictions from twenty-five applicants for an award of \$99,520 from the National Center on State Courts to develop plans for providing some form of access to justice for each Hawaii resident. HJF and the Access to Justice Commission are working diligently on this project, and it is hoped that in 2018 Hawaii can receive a national renewal grant to start implementation of these plans. HJF is contributing \$10,000 supplemental funding for this project in 2017 and \$40,000 supplemental funding for 2018.

## ***BANK OF AMERICA SETTLEMENT FUNDS***

Hawaii was not part of the litigation with the Bank of America, but all states received financial benefits from the funds involved in the settlement with the Bank of America arising from the foreclosure crisis. HJF has received a total of \$1,810,000 from this settlement, with the funds to be awarded to legal aid organizations for foreclosure prevention and community redevelopment legal assistance. Through 2017, approximately \$1,300,000 will have been distributed to various Hawaii legal service providers.

## ***2017-20187 ILAF PROGRAM*** **2017-18 ILAF Grants Total \$1,100,000**

The Indigent Legal Assistance Fund (ILAF) is a process where surcharges are collected on certain filing fees in the State of Hawaii Judicial System. These funds are retained by the Judiciary for distribution to qualified low-income service providers. The Hawaii Justice Foundation acts as Administrator for these funds. ILAF funds are distributed in cooperation with the Hawaii State Judiciary, the low-income service providers, and HJF.

The amount available in ILAF funds varies each year, depending upon the number of eligible cases filed and the rate of the surcharge. The ILAF program has seen significant growth from earlier years, due to the increase in the surcharge rate. In FY 2012-13, the amount distributed was \$472,039; for FY 2013-14 \$1,400,000; for FY 2014-15 \$1,425,000; for FY 2015-16 \$1,300,000; for FY 2016-17 \$1,000,000; and for FY 2017-18 \$1,100,000.

ILAF is a critical part of funding for legal services. The Legislature is to be commended for its creation and support of this valuable program that is a partnership between the Judiciary, HJF, and the participating legal service providers.