HAWAII JUSTICE FOUNDATION

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THE HAWAII JUSTICE FOUNDATION 2025 ANNUAL REPORT

The Hawaii Justice Foundation (HJF) is currently in its best financial shape ever. The recent increase in interest rates has enabled HJF to rebuild its reserves while continuing to provide significant IOLTA grants. HJF has a strong team with its Board, officers, auditors, accountants, and management. HJF has deep and positive relationships with the Judiciary, legal service providers, IOLTA banks, HSBA, School of Law, and the general legal community. HJF is stable financially and in its management, which enables HJF to continue with our mission of working to achieve greater access to justice for Hawaii's economically challenged. Below are described the major grant activities of HJF.

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. These rates dropped precipitously with COVID, but in recent months the rates have increased dramatically. Rates remain high, although HJF anticipates further rate cuts. Grant awards 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; 2017 \$207,500; 2018 \$362,500; 2019 \$725,000; 2020 \$660,000; 2021 \$658,500; 2022 \$662,500; 2023 \$1,728,000; 2024 \$3,350,000; and 2025 \$3,291,000.

The Continuation of Funding through The Bretzlaff Foundation. In addition to IOLTA grants, each year HJF distributes funds to the ten Bretzlaff grantees, with the amount depending on the current values in HJF's Bretzlaff Endowment with Vanguard. In 2025, a total of \$147,000 was awarded.

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 ILAF, HJF has served as the ILAF Administrator. ILAF funds are distributed in cooperation with the Hawaii State Judiciary, the legal service providers, and HJF. In recent years, these sums have been \$1,000,000/year. Currently nine legal service grantees receive funds under ILAF. This is a critical part of funding for legal services, and the Legislature is to be commended for its creation of this valuable program.

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 for this event. The Conference is always the yearly highlight of access to justice activities. The fifteenth annual conference was held in-person June 20, 2025, with more than 250 people attending. Chief Justice Mark Recktenwald was the featured speaker and was very favorably received.

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. Much work remains to be done to achieve the ideal and goal of achieving "justice for all."

2025 BRETZLAFF FOUNDATION GRANTS

2025 Bretzlaff Foundation Grants Total \$147,000

Note: The amount distributed each year is 5% of the corpus value of HJF's Bretzlaff Endowment at the start of the calendar year.

Big Brothers/Big Sisters of Honolulu, Inc.

\$12,000 to fund one-on-one mentoring programs for children at risk

Boys & Girls Club of Hawaii

\$14,000 to assist with direct personnel costs for its "Spalding House" program

Community Assistance Center

\$12,000 to assist and support youthful offenders and their families through the Juvenile Anger Management Program

Foster Grandparents

\$13,000 to provide funding for programs not eligible for funding under other funding sources

Hale Kipa

\$13,000 to fund the Youth Outreach (YO!) Program for homeless youth

Hawaii Foodbank

\$20,000 to help collect, inspect and distribute food 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)

\$13,000 to fund five programs that otherwise would not be funded through traditional state funding. Funds are used for costs for recognition of volunteers, program supplies, safety equipment (PPE), incentives for teens, and membership fees

The Mediation Center of the Pacific, Inc.

\$18,000 to support for the Domestic Mediation Program and District Court Mediation Program

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

\$13,000 to provide 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

\$19,000 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

2025 IOLTA GRANTS TOTAL \$3,291,000

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

Children's Law Project (Big Island)

Provide legal services to youth on the Big Island who have been exposed to domestic violence

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 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

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

Hawaii Disability Rights Center

Provide support for advocacy for people with physical and mental disabilities

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

The Legal Clinic

Provide start-up and operating support for a clinic helping people with immigration issues

Mediation Center of the Pacific

Provide quality mediation, conciliation, and advocacy services to individuals and organizations with limited access to legal-related services on Oahu

Mediation Services of Maui

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

Native Hawaiian Legal Corporation

Provide funding for this organization designed to protect the rights and legal interests of people of Native Hawaiian descent.

Pacific Gateway

Provide funding for immigration legal services

Pono Legal

Provide legal services for Maui fire disaster victims

Roots Reborn

Provide funding for immigration legal services on Maui

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

University of Hawaii Immigration Clinic

Provide operating support for a clinic helping people with immigration issues

University of Hawaii Innocence Project

Provide support for this program designed to assist those in prison who are in fact not guilty of the crime for which he/she is currently incarcerated

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

THE 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 has generously provided funding for this Conference. In 2025 more than 250 attended the in-person event, and the Conference is always the yearly highlight of access to justice activities.

HJF PROVIDES FUNDING TO THE ACCESS TO JUSTICE COMMISSION

From the inception of the Hawaii Access to Justice Commission, HJF has operated as the "bank" for the Commission, including funding for Commission activities, its travel and other operating expenses, printing costs for the Commission's Annual Report, and partial funding for the Pro Bono Celebration,

FY 2024-25 AND 2025-2026 ILAF PROGRAM 2024-2025 and 2025-2026 ILAF Grants Total \$1,000,000 Per Year

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, with the Hawaii Justice Foundation acting as Administrator for these funds. ILAF funds are distributed in cooperation with the Hawaii State Judiciary, the low-income service providers, and HJF. ILAF is a critical part of funding for legal services. Hawaii's Legislature is to be commended for its creation and support of this valuable program that is a partnership between the Judiciary, HJF, and participating legal service providers. Currently nine legal service providers are receiving critical funding through ILAF.

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 surcharge rate increase. 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; for FY 2017-18 \$1,100,000; for FY 2018-19 \$1,000,000; for FY 2019-2020 \$1,000,000; for FY2020-21 \$1,000,000; FY2021-22 \$1,000,000; for FY 2022-23; FY 2023-24 \$1,000,000; FY 2024-25 \$1,000,000; and FY 2025-26 \$1,000,000.

Summary and Conclusion: HJF has experienced significant income increases due to higher interest rates for the IOLTA program. Our investment and endowment accounts are strong. Through careful management of our existing resources and efforts to minimize operational costs, HJF will continue to be a valuable and essential contributor to Hawaii's access to justice efforts. HJF has a strong team with its Board, officers, auditors, accountants, and management. HJF has deep and positive relationships with the Judiciary, legal service providers, IOLTA banks, HSBA, School of Law, and the general legal community. HJF looks forward to working with our justice partners to increase access to justice for all.