



ORIGINAL

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

GOV. MSG. NO. 527

April 21, 2006

The Honorable Robert Bunda, President
and Members of the Senate
Twenty-Third State Legislature
State Capitol, Room 003
Honolulu, Hawaii 96813

Dear Mr. President and Members of the Senate:

This is to inform you that on April 21, 2006, the following bill was signed into law:

HB3250 HD1

A BILL FOR AN ACT RELATING TO
SUPERSEDEAS BONDS.
(ACT 011)

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Lingle".

LINDA LINGLE

A BILL FOR AN ACT

RELATING TO SUPERSEDEAS BONDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 607, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§607- Limit on supersedeas bond. (a) In any civil
5 action brought under any legal theory, the amount of a
6 supersedeas bond or other form of security necessary to stay
7 execution of a judgment granting legal, equitable, or any other
8 form of relief during the entire course of all appeals or
9 discretionary review of that judgment by all appellate courts
10 shall be set in accordance with applicable law, except that:

11 (1) The total amount of the supersedeas bond or other form
12 of security that is required of any party shall not
13 exceed \$25,000,000, regardless of the amount or any
14 other provision of the judgment that is appealed;

15 (2) If the party posting the supersedeas bond is a "small
16 business concern" as defined by section 210-1, the
17 supersedeas bond shall not exceed \$1,000,000; and



1 (3) If a party in whose favor the judgment has been
2 entered proves to a court by a preponderance of the
3 evidence that an appellant who has posted a
4 supersedeas bond is intentionally dissipating assets
5 outside the ordinary course of its business for the
6 purpose of avoiding payment of the judgment, a court
7 may require the appellant to post a supersedeas bond
8 in an amount up to the total amount of the judgment
9 appealed. Dissipation of assets shall not include
10 expenditures, including payments to the owners of a
11 business, of the kind that the appellant made in the
12 regular course of business prior to entry of the
13 judgment being appealed.

14 (b) This section shall not apply to the limitation on
15 bonds for tobacco master settlement agreement signatories and
16 their successors and affiliates under section 328L-7.

17 (c) For purposes of this section:

18 "Civil action" includes, without limitation, cases
19 involving individual, aggregated, class action, or otherwise
20 joined claims.

21 "Legal, equitable, or any other form of relief" means all
22 forms of relief, including without limitation, compensatory,



1 special, punitive, exemplary or other damages, injunctive
2 relief, or any other form of relief."

3 SECTION 2. This Act shall apply to all judgments entered
4 on or after its effective date, regardless of the date the civil
5 action was filed.

6 SECTION 3. New statutory material is underscored.

7 SECTION 4. This Act shall take effect upon its approval.

APPROVED this 21 day of APR 2006



GOVERNOR OF THE STATE OF HAWAII

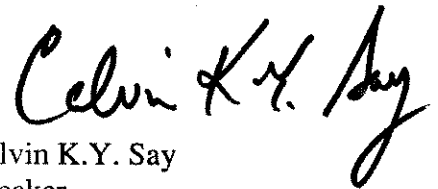


HB No. 3250, HD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: March 7, 2006
Honolulu, Hawaii

We hereby certify that the foregoing Bill on this day passed Third Reading in the House of Representatives of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006.



Calvin K.Y. Say
Speaker
House of Representatives

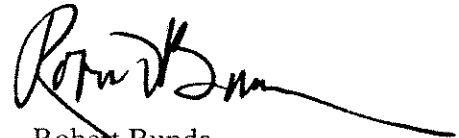


Patricia Mau-Shimizu
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAII

Date: April 3, 2006
Honolulu, Hawaii

We hereby certify that the foregoing Bill on this day passed Third Reading in the Senate of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006.



Robert Bunda
President of the Senate



Paul Kawaguchi
Clerk of the Senate