
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.



HB 3250

HD1

Report Title:

Judgments; Appeals; Supersedeas Bond

Description:

Limits the amount of any supersedeas bond, except bonds posted by tobacco master settlement agreement signatories and their successors and affiliates, that may be required to stay execution of a judgment on a civil case pending appeal. Permits court to set the bond up to the total amount of the judgment if appellant dissipates assets during pendency of appeal to avoid paying the judgment. (HB3250 HD1)

