
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 the
11 total amount of such supersedeas bond or other form of security
12 that is required of any party may not exceed \$25,000,000,
13 regardless of the amount or other provision of the judgment that
14 is appealed.

15 (b) If the party posting the supersedeas bond is a small
16 business concern as defined by section 210-1, the supersedeas
17 bond required under subsection (b) may not exceed \$1,000,000.



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

13 (d) For purposes of this section:

14 "Civil action" includes without limitation cases involving
15 individual, aggregated, class action, or otherwise joined
16 claims.

17 "Legal, equitable, or any other form of relief" means all
18 forms of relief including without limitation compensatory,
19 special, punitive, exemplary or other damages, injunctive
20 relief, and any other form of relief."



Report Title:

Judgments; Appeals; Supersedeas Bond

Description:

Limits the amount of any supersedeas bond that may be required to stay execution of a judgment on a civil case pending appeal. Permits court to set a higher amount if appellant dissipates assets during pendency of appeal.

