
A BILL FOR AN ACT

RELATING TO CLAIMS AGAINST THE STATE.

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

1 SECTION 1. Section 41D-4, Hawaii Revised Statutes, is
2 amended by amending subsection (f) to read as follows:

3 "(f) The comptroller shall prepare, for each fiscal year,
4 a report of all claims arbitrated, compromised, or settled for
5 \$10,000, or the amount as adjusted pursuant to section 662-
6 11(c), or less paid from the state risk management revolving
7 fund. The report shall be submitted to the legislature twenty
8 days prior to the commencement of the regular session next
9 succeeding the year for which the report is made."

10 SECTION 2. Section 662-11, Hawaii Revised Statutes, is
11 amended to read as follows:

12 "**§662-11 Compromise.** (a) The attorney general may
13 arbitrate, compromise, or settle any claim cognizable under this
14 chapter.

15 (b) Claims arbitrated, compromised, or settled by the
16 attorney general for \$10,000, or the amount as adjusted pursuant
17 to subsection (c), or less shall be paid from the state risk
18 management revolving fund. Claims arbitrated, compromised, or



1 settled by the attorney general for more than \$10,000, or the
2 amount as adjusted pursuant to subsection (c), shall be paid
3 only after funds are appropriated by the legislature for the
4 payment of those claims.

5 (c) Beginning on July 1, 2014, and no later than July 1 in
6 each year thereafter, the comptroller shall adjust for inflation
7 the threshold amount for claims arbitrated, compromised, or
8 settled by the attorney general that may be paid from the state
9 risk management revolving fund pursuant to subsection (b). The
10 comptroller shall use \$10,000 as the base figure for the first
11 year and apply the United States Department of Labor Consumer
12 Price Index for All Urban Consumers (CPI-U) for the previous
13 year to determine the new base figure, and use the resulting
14 figure as the new base figure each year thereafter. The
15 comptroller shall publish on the department of accounting and
16 general services's website the adjusted amount and shall notify
17 the legislature and the attorney general of the adjusted
18 amount."

19 SECTION 3. This Act does not affect rights and duties that
20 matured, penalties that were incurred, and proceedings that were
21 begun before its effective date.



- 1 SECTION 4. New statutory material is underscored.
- 2 SECTION 5. This Act shall take effect on July 1, 2014.



Report Title:

Claims Against the State; Risk Management Fund Ceiling;
Adjustment

Description:

Requires the cap amount for settlements for claims against the State that do not need approval from the Legislature to be adjusted annually for inflation and for the adjusted cap amount to be published and reported. Effective July 1, 2014. (HB677 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

