



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-NINTH LEGISLATURE, 2018**

ON THE FOLLOWING MEASURE:

H.B. NO. 2418, RELATING TO FUNDS USED FOR THE SETTLEMENT OF CLAIMS.

BEFORE THE:

HOUSE COMMITTEE ON JUDICIARY

DATE: Wednesday, February 7, 2018 **TIME:** 2:00 p.m.

LOCATION: State Capitol, Room 325

TESTIFIER(S): Russell A. Suzuki, Acting Attorney General, or
Anne Horiuchi, Deputy Attorney General or
Ryan Roylo, Deputy Attorney General or
Holly Shikada, Deputy Attorney General

Chair Nishimoto and Members of the Committee:

The Department of the Attorney General ("Department") supports part I of this bill.

The purpose of part I, section 1, is to authorize the Department of Education to expend previously appropriated funds to satisfy the settlement of class counsel attorney's fees related to a class action lawsuit against the State. Part II lapses unexpended and unencumbered carryover balances.

The expenditure of \$1,500,000 in part I is that portion of the settlement negotiated, with the assistance of the United States District Court for the District of Hawaii, to satisfy class counsel's attorney's fees. This case was in litigation for seven (7) years. The State originally prevailed at trial, but the trial decision was overturned by the Ninth Circuit Court of Appeals and remanded for a determination of the appropriate remedy for Class Members. The negotiations relating to the remedies took place over a four (4) year time span. The Department submits that \$1,500,000 in attorney's fees for class counsel is reasonable for this case.

Thank you for the opportunity to provide testimony in support of part I of this bill.

HB-2418

Submitted on: 2/5/2018 2:20:44 PM

Testimony for JUD on 2/7/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez		Oppose	No

Comments:



LATE

STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/07/2018
Time: 02:00 PM
Location: 325
Committee: House Judiciary

Department: Education

Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education

Title of Bill: HB 2418 RELATING TO FUNDS USED FOR THE SETTLEMENT OF CLAIMS.

Purpose of Bill: Authorizes the Department of Education to expend previously appropriated funds to satisfy the settlement of class counsel attorney's fees related to a class action lawsuit against the State.

Department's Position:

The Department supports the intent of HB 2418. The Department was aware of the settlement, associated attorney fees, and had planned accordingly to cover costs for this case, without a separate appropriation request via ATG-1. However, this is a unique circumstance driven by the expansiveness of the case, as it relates to the change in requirements for special education services up to age 22.

With regard to Part II, the unencumbered carryover balance as of June 30, 2017 has been committed towards special education programmatic services. While the department understands the concern this measure seeks to address, there are current projects underway that the department has committed funds, which include covering shortfalls in contracted services (i.e. OT, PT, SLP) and positions at the complex areas to provides the supports necessary to train school level personnel to incorporate inclusive practices.

The Hawaii State Department of Education seeks to advance the goals of the Strategic Plan which is focused on student success, staff success, and successful systems of support. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.