
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. Chapter 37-77, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§37-77 Claims for legislative relief.** (a) All claims
4 for refunds, reimbursements, or other payments, authorization
5 for which is sought from the legislature, shall, as a condition
6 to their being considered by the legislature, be filed with the
7 attorney general together with all data and documents in support
8 thereof within six years from the date on which the claim for
9 payment matured. In the absence of a showing of sufficient
10 reason therefor, failure to comply with this paragraph shall be
11 deemed sufficient cause for refusal of the legislature to
12 consider the claims.

13 (b) The attorney general shall, immediately upon receipt
14 thereof, refer any claim and data so received by the attorney
15 general to the agency concerned or the comptroller, and the
16 agency to which the reference is made or the comptroller shall
17 immediately investigate the claim, secure all available data and



1 documents bearing thereon, and refer the same back to the
2 attorney general with its recommendations thereon. The attorney
3 general shall review the claim and make a recommendation as to
4 the disposition of the claim.

5 (c) The attorney general shall, within five days after the
6 opening of the session, transmit to the legislature the claims
7 which are then recommended for approval in an appropriate
8 legislative bill form, together with an explanation for each
9 claim. Additional recommendations for approval may be
10 transmitted later in the session. All claims for which there is
11 a recommendation of denial shall also be reported to the
12 legislature with an explanation. The data and documents
13 submitted by claimants shall be available for inspection by the
14 legislature.

15 The attorney general shall consult with the governor prior
16 to entering into any settlement agreement for awards exceeding
17 \$75,000 that are subject to legislative approval.

18 (d) For all settlements and judgments for claims against
19 the State, its officers, and employees, that exceed the amounts
20 that may be paid by the comptroller pursuant to section 41D-3,
21 the attorney general shall investigate and determine whether all



1 or a portion of the settlement or judgment should be paid out of
2 the affected department's or departments' operating budget, or
3 out of the general fund, and advise the legislature of its
4 recommendation for each claim. In making this recommendation,
5 the attorney general shall consider how the department's actions
6 or inactions affected the event that resulted in the legal
7 dispute. In addition, the attorney general may consider the
8 size of the department's budget compared to the settlement or
9 judgement amount. The attorney general's recommendations shall
10 be deemed a confidential and privileged communication to the
11 legislature and shall not be disclosed pursuant to sections
12 92F-13 and 92F-19. If the legislature disagrees with the
13 attorney general's recommendation that all or a portion of the
14 settlement or judgment should be paid out of the general fund,
15 such funding shall be from the affected department's or
16 departments' operating budget. If the affected departments do
17 not have the funds to pay the settlement or judgment out of
18 their operating budgets, the legislature may appropriate funds
19 to satisfy the settlement or judgment out of the general fund
20 and require the affected departments to reimburse the general
21 fund."



1 SECTION 2. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.
3 SECTION 3. This Act shall take effect on July 1, 2020.



Report Title:

Claims Against the State; AG; Payments; Departments;
Departmental Budget

Description:

Provides that claims against the State exceeding the amounts that may be paid by the comptroller shall be paid by the department or agency that is found liable for the claim, as determined by the Attorney General. (SD1)

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