

# S.B. NO. 3029

JAN 24 2024

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## A BILL FOR AN ACT

MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES.

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

1 PART I

2 SECTION 1. In accordance with section 9 of article VII of  
3 the Constitution of the State of Hawaii and sections 37-91 and  
4 37-93, Hawaii Revised Statutes, the legislature has determined  
5 that the general fund expenditure ceiling for fiscal year 2023-  
6 2024 has already been exceeded by \$1,005,342,735 or 9.4 per  
7 cent. The appropriations contained in this Act will cause the  
8 state general fund expenditure ceiling for fiscal year 2023-2024  
9 to be further exceeded by \_\_\_\_\_ or \_\_\_\_ per cent. This  
10 declaration takes into account the additional general fund  
11 appropriation authorized for fiscal year 2023-2024 in this Act  
12 only. The reasons for exceeding the general fund expenditure  
13 ceiling are that:

- 14 (1) The appropriations made in this Act are necessary to  
15 serve the public interest; and  
16 (2) The appropriations made in this Act meet the needs  
17 addressed by this Act.

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1 PART II

2 SECTION 2. The following sums or so much thereof as may be  
3 necessary for fiscal year 2023-2024 are appropriated out of the  
4 general revenues of the State of Hawaii to the department of the  
5 attorney general for the purpose of satisfying claims for  
6 legislative relief as to the following named persons, firms,  
7 corporations, and entities, for claims against the State or its  
8 officers or employees, for the overpayment of taxes, or for  
9 refunds, reimbursements, payments of judgments or settlements,  
10 or other liabilities, in the amounts set forth opposite their  
11 names:

12	JUDGMENTS AGAINST THE STATE		AMOUNT
13	AND SETTLEMENTS OF CLAIMS:		
14			
15	1. MISCELLANEOUS CLAIMS:		
16			
17	Employers Insurance Company of Wausau	\$	147,657.77
18			
19	Merrill Lynch Pierce Fenner & Smith	\$	13,824.40
20			
21	Amy Chang	\$	27.00
22			
23	County of Hawaii, Hawaii Fire Department	\$	360,000.00
24			
25	James X He and Yue-Chuen C. Lin	\$	559.00
26			
27	The Estate of Morris A. Inasaki	\$	550.00
28			
29	Laura Ishii	\$	120.00
30			
31	Matthew W. Payne	\$	445.00
32			
33	Chaniel Ramo	\$	167.00

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1	Two Spirits, Inc.	\$	358,413.97
2			
3	Wallace K. Yashima	\$	3,916.04
4			
5	Wallace Yashima & Hyang-Suk Yashima	\$	746.00
6			
7	SUBTOTAL:	\$	<u>886,426.18</u>
8			
9	2. AGRIBUSINESS DEVELOPMENT CORP:		
10			
11	Ohana Best LLC v. State of Hawaii, et al.	\$	1,250,000.00
12	Civil No. 1CC-19-1001640, First Circuit		(Settlement)
13			
14	SUBTOTAL:	\$	<u>1,250,000.00</u>
15			
16	3. DEPARTMENT OF THE ATTORNEY GENERAL:		
17			
18	Rodney Pagba v. Anne E. Lopez, et al.	\$	5,707.00
19	Civil No. 1CCV-19-0002046, First Circuit		(Settlement)
20			
21	Michael Santucci v. City and County	\$	28,000.00
22	of Honolulu, et al.		(Judgment)
23	Civil No. 22-cv-00142 DKW-KJM, USDC		
24			
25	Todd Yukutake, et al. v. Anne E. Lopez	\$	50,000.00
26	Civil No. 22-cv-00323 JAO-WRP, USDC		(Judgment)
27			
28	SUBTOTAL:	\$	<u>83,707.00</u>
29			
30	4. DEPARTMENT OF EDUCATION:		
31			
32	John Roe No. 122 v. State of Hawaii, et al.	\$	450,000.00
33	Civil No. 1CCV-19-0002046, First Circuit		(Settlement)
34			
35	Amanda Kelly v. Debra Farmer, et al.	\$	50,000.00
36	Civil No. 1CCV-20-0000825, First Circuit		(Settlement)
37			
38	SUBTOTAL:	\$	<u>500,000.00</u>
39			

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1	5.	DEPARTMENT OF LAND AND NATURAL RESOURCES:	
2			
3		Courtney Ledford v. Ethan Feguson, et al.	\$ 1,250,000.00
4		Civil No. 17-1-0416, Third Circuit	(Settlement)
5			
6		SUBTOTAL:	<u>\$ 1,250,000.00</u>
7			
8	6.	DEPARTMENT OF PUBLIC SAFETY:	
9			
10		Leinette Reyes, et al. v. Eric Tanaka	\$ 2,000,000.00
11		Civil No. 17-cv-00143 JAO-KJM, USDC	(Settlement)
12			
13		SUBTOTAL:	<u>\$ 2,000,000.00</u>
14			
15	7.	HAWAII PUBLIC HOUSING AUTHORITY:	
16			
17		Edwin Kalamau, Sr. v.	\$ 107,695.12
18		State of Hawaii, et al.	(Judgment)
19		Civil No. 1CCV-22-0000701, First Circuit	
20			
21		SUBTOTAL:	<u>\$ 107,695.12</u>
22			
23		TOTAL (SECTION 2):	\$ 6,077,828.30
24			

25 The sums appropriated shall be expended by the department  
 26 of the attorney general for the purposes of this Act.

27 PART III

28 SECTION 3. The following sums or so much thereof as may be  
 29 necessary for fiscal year 2023-2024 are appropriated out of the  
 30 state highway fund for the purpose of satisfying claims for  
 31 legislative relief as to the following named persons, for claims  
 32 against the State or its officers or employees for payments of  
 33 judgments or settlements, or other liabilities, in the amount  
 34 set forth opposite their names:

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1 JUDGMENTS AGAINST THE STATE	AMOUNT
2 AND SETTLEMENTS OF CLAIMS:	
3	
4 DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION:	
5	
6 Michelle Banks, et al. v.	\$ 3,900,000.00
7 State of Hawaii, et al.,	(Settlement)
8 Civil No. 1CCV-22-0000089, First Circuit	
9	
10 Bianca Chavez v. Department of	\$ 125,000.00
11 Transportation, et al.,	(Settlement)
12 Civil No. 1CC191001542, First Circuit	
13	
14 David Lawrence, et al. v. State of Hawaii	\$ 2,950,000.00
15 Civil No. 2CCV-22-0000273, Second Circuit	(Settlement)
16	
17 Patrick Mitchell, et al. v.	\$ 125,000.00
18 State of Hawaii, et al.,	(Settlement)
19 Civil No. 3CCV-20-0000024, Third Circuit	
20	
21 Charles David Yandell, et al. v. State of	\$ 100,000.00
22 Hawaii Department of Transportation, et al.,	(Settlement)
23 Civil No. 5CCV-21-0000100, Fifth Circuit	
24	
25 SUBTOTAL:	<u>\$ 7,200,000.00</u>
26	
27 TOTAL (SECTION 3):	\$ 7,200,000.00

28 The sums appropriated shall be expended by the department  
 29 of transportation, highways division, for the purposes of this  
 30 Act.

PART IV

32 SECTION 4. The sums hereinabove may be paid to the  
 33 respective persons, firms, corporations, or entities for the  
 34 satisfaction or settlement of the respectively identified cases,  
 35 and in several amounts hereinabove set forth or in lesser

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1 amounts deemed appropriate, upon checks issued by the  
2 comptroller; provided that departments shall obtain the approval  
3 of the attorney general before payment of any claim may be made.

4 SECTION 5. Notwithstanding the sums hereinabove stated as  
5 interest upon judgments against the State, payment of interest  
6 shall be limited to the period from the date of the judgment, if  
7 applicable, to thirty days after the effective date of this Act,  
8 as provided in section 662-8, Hawaii Revised Statutes, for those  
9 cases to which the statute applies.

10 SECTION 6. All unexpended and unencumbered balances of the  
11 appropriations made in this Act as of the close of business on  
12 June 30, 2025, shall lapse.

13 SECTION 7. If any provision of this Act, or the  
14 application thereof to any person or circumstance, is held  
15 invalid, the invalidity does not affect other provisions or  
16 applications of the Act that can be given effect without the  
17 invalid provision or application, and to this end the provisions  
18 of this Act are severable.

19 SECTION 8. This Act shall take effect upon its approval.

20

21

INTRODUCED BY:



22

BY REQUEST

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**Report Title:**

Claims Against the State

**Description:**

Makes appropriations and approves payments for claims against the State, its officers, and its employees.

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

## JUSTIFICATION SHEET

DEPARTMENT: Attorney General

TITLE: A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES.

PURPOSE: To provide for the authorization and payment of claims against the State for refunds of taxes, for judgments and settlements, and for other miscellaneous payments as provided by chapters 37, 661, and 662, Hawaii Revised Statutes.

MEANS: Authorize and appropriate funds for the payment of such claims.

JUSTIFICATION: This bill serves as the vehicle by which claims against the State are transmitted to the Legislature for its consideration. The Legislature will be asked to authorize and fund the payment of such claims by an appropriation of general and special funds. Timely passage of this bill will serve to minimize interest on those amounts for which interest is accruing.

Impact on the public: There would be no direct impact on the public other than the persons whose claims are being paid.

Impact on the department and other agencies: Claims eligible for payment from a special fund will generally be charged to that special fund rather than the general fund. Certain claims will be paid from a department's appropriation as reflected in the budget bill. In such case, that department will be responsible for finding the moneys in its budget to pay for the judgments and settlements rendered against it.

GENERAL FUND: \$6,077,828.30.

OTHER FUNDS: \$7,200,000.00.



PPBS PROGRAM  
DESIGNATION: Various.

OTHER AFFECTED  
AGENCIES: None.

EFFECTIVE DATE: Upon approval.