

May 29, 2025

The Honorable Ronald D. Kouchi President of the Senate, and Members of the Senate Thirty-Third State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Nadine Nakamura Speaker, and Members of the House of Representatives Thirty-Third State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on May 29, 2025, the following bill was signed into law:

S.B. NO. 336, H.D. 1, C.D. 1 RELATING TO THE DEFENSE OF STATE EMPLOYEES.

ACT 120

Mahalo,

Jòsh Green, M.D.

Governor, State of Hawai'i

on MAY 2 9 2025

THE SENATE
THIRTY-THIRD LEGISLATURE, 2025
STATE OF HAWAII

ACT 120 S.B. NO. 336 H.D. 1 C.D. 1

## A BILL FOR AN ACT

RELATING TO THE DEFENSE OF STATE EMPLOYEES.

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

- 1 SECTION 1. The legislature finds that Act 44, Session Laws
- 2 of Hawaii 2022 (Act 44), clarified the personal liability
- 3 requirements for professionally licensed or certified employees
- 4 of the State. However, the legislature notes that Act 44 did
- 5 not clarify the circumstances under which the State has a duty
- 6 to defend professionally licensed or certified state employees.
- 7 Act 44 also did not establish a procedure that would allow the
- 8 attorney general to confidentially withdraw from representing a
- 9 professionally licensed or certified state employee. The
- 10 legislature believes that the prejudice that the professionally
- 11 licensed or certified state employee would suffer from the
- 12 public disclosure of the attorney general's reasons for
- 13 withdrawing from representation outweighs the public's right to
- 14 access said information.
- 15 Accordingly, the purpose of this Act is to:
- 16 (1) Declare that the State has a duty to defend
- 17 professionally licensed or certified state employees



1		from civil actions when the employee's actions were
2		within the scope of employment and were not grossly
3		negligent or wanton, as long as the employee is
4		cooperating with the State's defense;
5	(2)	Clarify that professionally licensed or certified
6		state employees may employ their own attorneys at
7		their own expense;
8	(3)	Require the attorney general to work with the
9		professionally licensed or certified state employee to
10		amicably transfer representation to the successor
11		counsel chosen by the employee if the State declines
12		to defend the employee from a civil action on certain
13		grounds; and
14	(4)	Require the attorney general to file a confidential
15		motion to withdraw as counsel if the attorney general
16		and professionally licensed or certified state
17		employee cannot amicably transfer representation to
18		the successor counsel.
19	SECT	ION 2. Chapter 662, Hawaii Revised Statutes, is
20	amended by	y adding a new section to be appropriately designated

and to read as follows:

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ī	beiense of professionally licensed or certified
2	state employees; decision not to defend. (a) The attorney
3	general, on behalf of the State, shall defend any civil action
4	or proceeding brought in any court against any professionally
5	licensed or certified employee of the State for damage to
6	property or personal injury, including death, resulting from the
7	act or omission of the professionally licensed or certified
8	state employee while acting within the scope of the employee's
9	employment; provided that the attorney general shall have no
10	obligation to defend when the civil action or proceeding results
11	from the professionally licensed or certified state employee's
12	gross negligence or wanton act or omission, or if the employee
13	does not provide all information and assistance that the
14	attorney general deems necessary to the defense of the employee.
15	(b) The professionally licensed or certified state
16	employee may employ an attorney at the employee's own expense,
17	in lieu of the attorney general, to defend any civil action or
18	proceeding brought in any court against the employee.
19	(c) If the attorney general declines to defend a civil
20	action or proceeding against a professionally licensed or
21	certified state employee who was acting within the scope of the

- 1 employee's employment on the grounds that the civil action or
- proceeding results from the employee's gross negligence or
- 3 wanton act or omission or that the employee is not providing all
- 4 information and assistance that the attorney general deems
- 5 necessary, the attorney general shall work with the
- 6 professionally licensed or certified state employee to amicably
- 7 transfer representation to the successor counsel chosen by the
- 8 professionally licensed or certified state employee.
- **9** (d) If the attorney general and the professionally
- 10 licensed or certified state employee cannot amicably transfer
- 11 representation to the successor counsel, the attorney general
- 12 shall file a motion to withdraw as counsel not less than thirty
- 13 days before the close of discovery in the action or proceeding.
- (e) Any motion to withdraw as counsel, and all related
- 15 pleadings, records, notices, exhibits, and other evidence
- 16 regarding the motion, shall be designated as confidential and
- 17 shall be submitted by means of a confidential information form
- 18 or other appropriate manner pursuant to court rules.
- 19 (f) After the attorney general's motion to withdraw as
- 20 counsel is filed, the professionally licensed or certified state

- 1 employee shall have not less than thirty days to respond to the
- 2 motion.
- 3 (g) Upon the filing of the attorney general's motion to
- 4 withdraw as counsel, the court shall conduct a hearing regarding
- 5 the attorney general's duty to defend the professionally
- 6 licensed or certified state employee in the civil action or
- 7 proceeding.
- **8** (h) At any proceeding regarding the motion to withdraw as
- 9 counsel, only the court, court personnel, attorney general,
- 10 employees of and counsel retained by the department of the
- 11 attorney general, professionally licensed or certified state
- 12 employee and the employee's attorney, if retained, and other
- 13 individuals approved by the court may be present."
- 14 SECTION 3. This Act does not affect rights and duties that
- 15 matured, penalties that were incurred, and proceedings that were
- 16 begun before its effective date.
- 17 SECTION 4. New statutory material is underscored.
- 18 SECTION 5. This Act shall take effect on July 1, 2025.

APPROVED this 29th day of May , 2025

GOVERNOR OF THE STATE OF HAWAI'I

## THE SENATE OF THE STATE OF HAWAI'I

Date: April 30, 2025 Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2025.

Clerk of the Senate

SB No. 336, HD 1, CD 1

## THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.

Nadine K. Nakamura

Speaker

House of Representatives

W. L. Tille

Machie K. Muhr

Brian L. Takeshita

Chief Clerk

House of Representatives