

ACT 118

H.B. NO. 356

A Bill for an Act Relating to Claims Against the State.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 41D-3, Hawaii Revised Statutes, is amended to read as follows:

**“§41D-3 Adjustment of claims against the State.** (a) The attorney general may review any claim. The attorney general may refer claims to the comptroller for informal resolution.

(b) All claims against the State that are within the purview of section 41D-8 shall be reviewed in the first instance by the comptroller for informal resolution as provided in this section~~[-]; provided that:~~

~~[(e)]~~ (1) The comptroller may compromise or settle a claim within the purview of section 41D-8 for an amount not exceeding ~~[\$15,000,]~~ \$25,000 and the comptroller may pay the claim without review by the attorney general~~[-]; and~~

~~[(d)]~~ (2) The comptroller may compromise or settle and pay a tort claim not within the purview of section 41D-8 for ~~[\$10,000 or less]~~ an amount not exceeding \$25,000 without the necessity of court approval~~[-; and the comptroller may pay the claim].~~

~~[(e)]~~ ~~(c)~~ Upon referral by the comptroller, the attorney general, in the attorney general’s discretion, shall make determinations of whether a claim would or would not be within the purview of section 41D-8 for purposes of ~~[subsections (e) and (d).]~~ subsection (b).

~~[(f)]~~ ~~(d)~~ If the tort claim cannot be resolved informally as set forth in ~~[subsections (e) and (d).]~~ subsection (b), the comptroller promptly shall inform the attorney general.

~~[(g)]~~ ~~(e)~~ All of the efforts of the comptroller or the comptroller’s delegate under this section shall be “compromise negotiations” within the meaning of rule 408, Hawaii Rules of Evidence, as set forth in section 626-1.

~~[(h)]~~ ~~(f)~~ Claims compromised or settled under this section shall be paid from the state risk management revolving fund.”

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

“(f) The comptroller shall prepare, for each fiscal year, a report of all claims arbitrated, compromised, or settled ~~[for \$10,000 or less]~~ and paid from the state risk management revolving fund~~[-]~~ as provided in section 41D-3. The report

shall be submitted to the legislature twenty days prior to the commencement of the regular session next succeeding the year for which the report is made.”

SECTION 3. Section 662-11, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Claims arbitrated, compromised, or settled by the attorney general for ~~[\$10,000 or less]~~ an amount not exceeding \$25,000, shall be paid from the state risk management revolving fund. Claims arbitrated, compromised, or settled by the attorney general for more than ~~[\$10,000]~~ \$25,000 shall be paid only after funds are appropriated by the legislature for the payment of those claims.”

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019.

(Approved June 21, 2019.)