STAND. COM. REP. NO. 1257

Honolulu, Hawaii

MAR 2 3 2007

RE: H.B. No. 1231

H.D. 2 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

## Madam:

Your Committee on Judiciary and Labor, to which was referred H.B. No. 1231, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to appropriate funds to satisfy claims against the State for judgments, settlements, and miscellaneous payments. The appropriation request in the bill as received totals \$1,340,110.59 allocated among twenty-three claims.

Your Committee received testimony in support of this measure from the Department of the Attorney General.

Section 37-77.5, Hawaii Revised Statutes, claims against the State; remedial measures, required the Attorney General, no later than October 1, 1999, to develop and implement a procedure to advise client agencies on how to avoid future claims. The Attorney General must render advice on corrective action to eliminate or mitigate factors contributing to the State's negligence, and agencies, in turn, must heed the Attorney General's advice and implement policies and practices to avoid repetition of similar claims. Your Committee finds these measures inadequate and deserving of revision in future legislative sessions. More must be done to protect members of the public from being harmed by the negligent conduct of state employees. Recurrent problems involve design and maintenance of roadways,

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irregularities in the procurement process, and mistreatment of incarcerated individuals. Public officials must be held accountable when things go seriously awry. To this end, your Committee strongly recommends that the Attorney General and each executive department and agency take their roles and responsibilities in mitigating future claims against the State very seriously. Your Committee believes that if executive departments and agencies apply appropriate attention to such matters as inappropriate employee behavior and other actions contained in this measure, future claims against the State would certainly diminish.

Notwithstanding the foregoing, your Committee has amended this measure by:

- (1) Appropriating additional funds for two new claims that have been resolved, totaling \$78,960.19;
- (2) Designating the appropriation for Shipley v. State of Hawaii, Civil No. 05-00145, United States District Court, as a settlement, as opposed to a judgment; and
- (3) Making technical, nonsubstantive revisions for clarity and style.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1231, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1231, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Judiciary and Labor,

CLAYTON HEE, Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:* Committee  HB 123   HD2   JDL	Committee Referral: Date:			o: - 13-07	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members Members	Aye	Aye (WR)	Nay	Excused	
HEE, Clayton (C)	<b>/</b>				
KOKUBUN, Russell S. (VC)				<b>1</b>	
INOUYE, Lorraine R.					
NISHIHARA, Clarence K.				2 22 22 22	
GABBARD, Mike					
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TOTAL	3			7 -	
Recommendation:	<u> </u>				
Adopted	Not Adopted				
Chair's or Designee's Signature: Claune & Arshiharo					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

\*Only one measure per Record of Votes