



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
TWENTY-NINTH LEGISLATURE, 2018**

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**ON THE FOLLOWING MEASURE:**

H.B. NO. 2418, H.D. 1, S.D. 1, RELATING TO FUNDS USED FOR THE SETTLEMENT OF CLAIMS.

**BEFORE THE:**

SENATE COMMITTEE ON WAYS AND MEANS

**DATE:** Thursday, March 29, 2018                      **TIME:** 10:50 a.m.

**LOCATION:** State Capitol, Room 211

**TESTIFIER(S):** WRITTEN COMMENTS ONLY. For more information, call or Anne T. Horiuchi, Deputy Attorney General or Ryan W. Roylo, Deputy Attorney General or Melissa J. Kolonie, Deputy Attorney General at (808) 586-1255.

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Chair Dela Cruz and Members of the Committee:

The Department of the Attorney General ("Department") supports this bill, and requests that it be amended to be effective upon approval.

The purpose of this bill is to authorize the Department of Education to expend previously appropriated funds to satisfy the settlement of class counsel attorney's fees related to a class action lawsuit against the State. The bill currently has a defective effective date.

The expenditure of \$1,500,000 is that portion of the settlement negotiated, with the assistance of the United States District Court for the District of Hawaii, to satisfy class counsel's attorney's fees. This case was in litigation for seven (7) years. The State originally prevailed at trial, but the trial decision was overturned by the Ninth Circuit Court of Appeals and remanded for a determination of the appropriate remedy for Class Members. The negotiations relating to the remedies took place over a four (4) year time span. The Department submits that \$1,500,000 in attorney's fees for class counsel is reasonable in this case.

Thank you for the opportunity to provide testimony in support of this bill.



STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

**Date:** 03/29/2018  
**Time:** 10:50 AM  
**Location:** 211  
**Committee:** Senate Ways and Means

**Department:** Education

**Person Testifying:** Dr. Christina M. Kishimoto, Superintendent of Education

**Title of Bill:** HB 2418, HD1, SD1 RELATING TO FUNDS USED FOR THE SETTLEMENT OF CLAIMS.

**Purpose of Bill:** Authorizes the Department of Education to expend previously appropriated funds to satisfy the settlement of class counsel attorney's fees related to a class action lawsuit against the State. Effective 7/1/2050. (SD1)

**Department's Position:**

The Department supports the intent of HB 2418, HD 1, SD1. The Department was aware of the settlement, associated attorney fees, and had planned accordingly to cover costs for this case, without a separate appropriation request via ATG-1. However, this is a unique circumstance driven by the expansiveness of the case, as it relates to the change in requirements for special education services up to age 22.

The Hawaii State Department of Education seeks to advance the goals of the Strategic Plan which is focused on student success, staff success, and successful systems of support. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at [www.hawaiipublicschools.org](http://www.hawaiipublicschools.org).