

GOV. MSG. NO. 1139

EXECUTIVE CHAMBERS KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA

June 1, 2023

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

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 1, 2023, the following bill was signed into law:

SB1277 SD2 HD2 CD1

MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES. ACT 039

Sincerely,

Josh Breen

Josh Green, M.D. Governor, State of Hawai'i

Approved by the Governor

JUN 1 2023 on

THE SENATE THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII

ACT 039

1

S.B. NO. ¹²⁷⁷ S.D. 2 H.D. 2

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:

PART I

2 SECTION 1. In accordance with section 9 of article VII of 3 the Hawaii State Constitution and sections 37-91 and 37-93, 4 Hawaii Revised Statutes, the legislature has determined that the 5 general fund expenditure ceiling for fiscal year 2022-2023 has 6 already been exceeded by \$866,542,963 or 8.41 per cent. The 7 appropriation contained in this Act will cause the state general 8 fund expenditure ceiling to be exceeded by an additional 9 \$9,000,000 or 1.0 per cent for fiscal year 2022-2023. This 10 current declaration takes into account the additional general 11 fund appropriation authorized for fiscal year 2022-2023 in this 12 Act only. The reasons for exceeding the general fund 13 expenditure ceiling are that:

14 (1) The appropriations made in this Act are necessary to15 serve the public interest; and

16 (2) The appropriations made in this Act meet the needs17 addressed by this Act.



1		PART II		
2		SECTION 2. The following sums or so much th	ere	of as may be
3	nece	ssary for fiscal year 2022-2023 are appropria	ted	out of the
4	gene	ral revenues of the State of Hawaii to the de	par	tment of the
5	atto	rney general for the purpose of satisfying cl	aim	s for
6	legi	slative relief as to the following named pers	ons	, firms,
7	corp	orations, and entities, for claims against th	e S	tate or its
8	offi	cers or employees, for the overpayment of tax	es,	or for
9	refu	nds, reimbursements, payments of judgments or	se	ttlements,
10	or o	ther liabilities, in the amounts set forth op	pos	ite their
11	name	s:		
12 13		MENTS AGAINST THE STATE SETTLEMENTS OF CLAIMS:		AMOUNT
13 14 15				AMOUNT
13 14 15 16 17		SETTLEMENTS OF CLAIMS:	\$	AMOUNT
13 14 15 16 17 18 19	AND	SETTLEMENTS OF CLAIMS: MISCELLANEOUS CLAIMS:	\$	
13 14 15 16 17 18 19 20 21	AND	SETTLEMENTS OF CLAIMS: MISCELLANEOUS CLAIMS: Kelly and Robert Armstrong	•	100,333.33
13 14 15 16 17 18 19 20 21 22 23	AND 1. 2.	SETTLEMENTS OF CLAIMS: MISCELLANEOUS CLAIMS: Kelly and Robert Armstrong Community Empowerment Resources	\$	100,333.33 153,110.25
13 14 15 16 17 18 19 20 21 22 23 24 25	AND 1. 2. 3.	SETTLEMENTS OF CLAIMS: MISCELLANEOUS CLAIMS: Kelly and Robert Armstrong Community Empowerment Resources Garry A. Harsanyi and Kimberly M. Harsanyi	\$	100,333.33 153,110.25 406.00
13 14 15 16 17 18 19 20 21 22 23 24	AND 1. 2. 3. 4.	SETTLEMENTS OF CLAIMS: MISCELLANEOUS CLAIMS: Kelly and Robert Armstrong Community Empowerment Resources Garry A. Harsanyi and Kimberly M. Harsanyi Interval International Inc.	\$ \$ \$3	100,333.33 153,110.25 406.00 ,078,145.74

2023-2960 SB1277 CD1 SMA-2.docx

		1277
S.B.	NO.	S.D. 2
•		H.D. 2
		C.D. 1

1	8,	Morgan Stanley Smith Barney Holdings LLC	\$	239,927.00
2 3 4	9.	Mercedes Nakaza	\$	94.46
4 5 6	10.	Jyron Salamanca	\$	1,992.30
7	11.	Saltchuk Resources, Inc.	\$	550,000.00
8 9	12.	Tamura Enterprises, Inc.	\$	1,464.22
10 11	13.	The Estate of Take Yamashiro	\$	4,777.03
12 13	14.	Eric A Abella	\$	46.68
14 15	15.	Alexander & Baldwin, LLC	\$	36,080.96
16 17	16.	David W. Clausen	\$	75,000.00
18 19	17.	Moana Swan Inc.	\$	5,066.67
20 21	18.	Ruth Y. Shirai	\$	45.00
22 23				
24 25		SUBTOTAL:	\$	4,367,935.35
23 26 27		TOTAL: (SECTION 2)	\$	4,367,935.35
27 28		The sums appropriated shall be expended by t	he	department
29	of t	he attorney general for the purposes of this	Act	Ξ.
30		PART III		
31 32		SECTION 3. The legislature finds and declar	es	that the
33	foll	owing claims for legislative relief recommend	led	for approval
34	as t	o the following named persons for claims agai	nst	t the State
35	or t	he department of accounting and general servi	.ce	s or its

Page 4

1277 S.D. 2 H.D. 2 C.D. 1 S.B. NO.

4

1	officers or employees for the payment of judgment	s or
2	settlements, or other liabilities, in the amount	set forth
3	opposite their names, is approved for payment:	
4 5 6	JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	AMOUNT
7 8	DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES:	
9 10 11	1. Claim of Allison D. Wong Daniel	\$ 55,000.00 Settlement
12 13 14	2. Frances Kaluhiwa v. State of Hawaii Civil No. 1CCV-20-0000638, First Circuit	\$ 275,000.00 Settlement
15 16 17	SUBTOTAL:	\$ 330,000.00
17 18 19	TOTAL (SECTION 3):	\$ 330,000.00
20	Provided that of legislative appropriation f	or the
21	department of accounting and general services for	fiscal year
22	2022-2023 in section 3 of Act 88, Session Laws of	Hawaii 2021,
23	as amended by section 3 of Act 248, Session Laws	of Hawaii 2022,
24	the general fund sum of \$55,000 shall be expended	from the
25	fiscal year 2022-2023 budget (AGS881, general fun	ds) and the
26	general fund sum of \$275,000 shall be expended fr	om the fiscal
27	year 2022-2023 budget (AGS232, general funds), by	the department
28	of accounting and general services for the purpos	es of this Act.
29		

2023-2960 SB1277 CD1 SMA-2.docx

1	PART IV		
2 3	SECTION 4. The legislature finds and declare	es ti	hat the
4	following claim for legislative relief recommended	d fo	r approval
5	as to the following named person for claims agains	st t	he State or
6	the department of the attorney general or its off	icer	s or
7	employees for the payment of judgments or settlem	ents	, or other
8	liabilities, in the amount set forth opposite the	ir n	ame, is
9	approved for payment:		
10 11 12	JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	7	MOUNT
12 13 14	DEPARTMENT OF THE ATTORNEY GENERAL:		
15 16 17 18 19	 Honolulu Civil Beat Inc. v. Department of the Attorney General, SCAP-21-0000057; Civil No. 1CC-16-1-001743, First Circuit 	\$	79,199.38 Judgment
20 21 22 23	SUBTOTAL: TOTAL (SECTION 4):	\$ \$	79,199.38 79,199.38
23 24	Provided that of legislative appropriation f	or t	he
25	department of the attorney general for fiscal year	r 20	22-2023 in
26	section 3 of Act 88, Session Laws of Hawaii 2021,	as	amended by
27	section 3 of Act 248, Session Laws of Hawaii 2022	, th	e general
28	fund sum of \$79,199.38 shall be expended from the	fis	cal year

2023-2960 SB1277 CD1 SMA-2.docx



1	2022-2023 budget (ATG100, gener	al funds)	by the	e depai	rtment of
2	the attorney gener	al for the pu	rposes of	this A	ct.	
3 4 5 6	SECTION 5. Th		ART V finds ar	nd decla	ires tl	hat the
7	following claims f	or legislativ	e relief	recomme	ended :	for approval
8	as to the followin	g named perso	ns for cl	aims ag	ainst	the State
9	or the department	of education	or its of	ficers	or em	ployees for
10	the payment of jud	gments or set	tlements,	or oth	er lia	abilities,
11	in the amount set	forth opposit	e their r	names, i	s app	roved for
12	payment:					
13 14 15	JUDGMENTS AGAINST AND SETTLEMENTS OF					AMOUNT
14 15 16		CLAIMS:				AMOUNT
14 15 16 17 18 19 20	AND SETTLEMENTS OF DEPARTMENT OF EDUC 1. Kristen Kam, Board of Educ	CLAIMS:		vaii	\$	AMOUNT 250,000.00 Settlement
14 15 16 17 18 19 20 21 22 23 24	 AND SETTLEMENTS OF DEPARTMENT OF EDUC 1. Kristen Kam, Board of Educ Civil No. 21- 2. Cipriano Mill State of Hawa 	CLAIMS: CATION: et al. v. Sta ation, et al. 00211 JAO-KJM ano, et al. v	I, USDC		\$	250,000.00
14 15 16 17 18 19 20 21 22 23	 AND SETTLEMENTS OF DEPARTMENT OF EDUC 1. Kristen Kam, Board of Educ Civil No. 21- 2. Cipriano Mill State of Hawa Civil No. 2CC 3. Roe No. 113 v 	CLAIMS: CATION: et al. v. Sta ation, et al. 00211 JAO-KJM ano, et al. v tii, et al.	I, USDC 7. Second (Waii	Circuit	·	250,000.00 Settlement 750,000.00



7

1277 S.D. 2

S.B. NO.

1 2	TOTAL (SECTION 6): \$	35,000.00
3	Provided that of legislative appropriation for	the
4	department of human services for fiscal year 2022-20	23 in
5	section 3 of Act 88, Session Laws of Hawaii 2021, as	amended by
6	section 3 of Act 248, Session Laws of Hawaii 2022, t	he general
7	fund sum of \$35,000 shall be expended from the fisca	l year 2022-
8	2023 budget (HMS301, general funds) by the department	t of human
9	services for the purposes of this Act.	
10 11 12	PART VII	
13	SECTION 7. The legislature finds and declares	that the
14	following claims for legislative relief recommended	for approval
15	as to the following named persons for claims against	the State
16	or the department of land and natural resources or i	ts officers
17	or employees for the payment of judgments or settlem	ents, or
18	other liabilities, in the amount set forth opposite	their names,
19	is approved for payment:	
20 21 22	JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	AMOUNT
23 24	DEPARTMENT OF LAND AND NATURAL RESOURCES	
25 26 27	1. Mary Chang, et al. v. \$ State of Hawaii, et al. Civil No. 1CCV-21-0000913, First Circuit	830,000.00 Settlement

2023-2960 SB1277 CD1 SMA-2.docx

Page 9

S.B. NO. ¹²⁷⁷ S.D. 2 H.D. 2 C.D. 1

1 2 2. Healoha Carmicheal, et al. v. 49,394.67 \$ 3 Board of Land and Natural Resources, Judgment 4 SCWC-16-0000071 5 6 7 SUBTOTAL: \$ 879,394.67 8 TOTAL (SECTION 7): \$ 879,394.67 9 10 Provided that of legislative appropriation for the 11 department of land and natural resources for fiscal year 2022-12 2023 in section 3 of Act 88, Session Laws of Hawaii 2021, as 13 amended by section 3 of Act 248, Session Laws of Hawaii 2022, 14 the general fund sum of \$879,394.67 shall be expended from the 15 fiscal year 2022-2023 budget (LNR906, general funds) by the 16 department of land and natural resources for the purposes of 17 this Act. 18 PART VIII 19 20 SECTION 8. The legislature finds and declares that the 21 following claims for legislative relief recommended for approval 22 as to the following named persons for claims against the State 23 or the department of public safety or its officers or employees 24 for the payment of judgments or settlements, or other 25 liabilities, in the amount set forth opposite their name, is 26 approved for payment:

2023-2960 SB1277 CD1 SMA-2.docx

1 2 3		MENTS AGAINST THE STATE SETTLEMENTS OF CLAIMS:		AMOUNT
4 5	DEPA	RTMENT OF PUBLIC SAFETY		
6 7 8	1.	Eric Yoshioka v. State of Hawaii Civil No. 1CC-17-1-001435, First Circuit	\$	37,500.00 Settlement
9 10 11 12 13 14	2.	Cheyenne K. Chong, Individually and As Personal Representative of Wesley Chong v. State of Hawaii, Department Of Public Safety, et el. Civil No. 1CC-20-000089, First Circuit	\$	200,000.00 Settlement
15 16 17 18	3.	Janet Salas v. State of Hawaii, Department of Public Safety, et al. Civil No. 1CCV-21-0001541, First Circuit	\$	700,000.00 Settlement
19 20 21 22	4.	Civil Beat Law Center for the Public Interest v. Department of Public Safety Civil No. 1CCV-22-735, First Circuit	\$	12,672.49 Judgment
23 24 25 26	5.	Honolulu Civil Beat Inc. v. Department of Public Safety Civil No. 1CCV-21-0001329, First Circuit	\$	19,730.75 Judgment
27 28 29		SUBTOTAL:	\$	969,903.24
2) 30 31		TOTAL (SECTION 8):	\$	969,903.24
32		Provided that of legislative appropriation f	or	the
33	depa	rtment of the public safety for fiscal year 2	022	-2023 in
34	sect	ion 3 of Act 88, Session Laws of Hawaii 2021,	as	amended by
35	sect	ion 3 of Act 248, Session Laws of Hawaii 2022	, t	he general
36	fund	sum of \$969,903.24 shall be expended from th	le f	iscal year

2023-2960 SB1277 CD1 SMA-2.docx



1	2022-2023 budget (PSD900, general funds) by the department of
2	the public safety for the purposes of this Act.
3	PART IX
4 5	SECTION 9. The legislature finds and declares that the
6	following claim for legislative relief recommended for approval
7	as to the following named person for claims against the State or
8	the state public charter school commission or its officers or
9	employees for the payment of judgments or settlements, or other
10	liabilities, in the amount set forth opposite their name, is
11	approved for payment:
12 13	JUDGMENTS AGAINST THE STATE AMOUNT AND SETTLEMENTS OF CLAIMS:
13 14 15	
13 14	AND SETTLEMENTS OF CLAIMS:
13 14 15 16 17 18 19 20 21 22	AND SETTLEMENTS OF CLAIMS: STATE PUBLIC CHARTER SCHOOL COMMISSION Beth Bulgeron v. The Hawaii State Public \$ 58,000.00 Charter School Commission, et al. \$ 58,000.00 Settlement
13 14 15 16 17 18 19 20 21 22 23 24 25	AND SETTLEMENTS OF CLAIMS: STATE PUBLIC CHARTER SCHOOL COMMISSION Beth Bulgeron v. The Hawaii State Public \$ 58,000.00 Charter School Commission, et al. \$ 58,000.00 Settlement \$ 58,000.00 Settlement
13 14 15 16 17 18 19 20 21 22 23 24	AND SETTLEMENTS OF CLAIMS: STATE PUBLIC CHARTER SCHOOL COMMISSION Beth Bulgeron v. The Hawaii State Public Charter School Commission, et al. Civil No. 1CCV-20-0001620, First Circuit SUBTOTAL: \$ 58,000.00
13 14 15 16 17 18 19 20 21 22 23 24 25 26	AND SETTLEMENTS OF CLAIMS: STATE PUBLIC CHARTER SCHOOL COMMISSION Beth Bulgeron v. The Hawaii State Public Charter School Commission, et al. Civil No. 1CCV-20-0001620, First Circuit SUBTOTAL: TOTAL (SECTION 9): \$ 58,000.00 \$ 58,000.00



section 3 of Act 248, Session Laws of Hawaii 2022, the general 1 2 fund sum of \$58,000 shall be expended from the fiscal year 2022-2023 budget (EDN612, general funds) by the state public charter 3 4 school commission for the purposes of this Act. 5 PART X 6 SECTION 10. The following sums or so much thereof as may 7 be necessary for fiscal year 2022-2023 are appropriated out of 8 the state highway fund for the purpose of satisfying claims for 9 legislative relief as to the following named persons, for claims 10 against the State or its officers or employees for payments of 11 judgments or settlements, or other liabilities, in the amount 12 set forth opposite their names: 13 JUDGMENTS AGAINST THE STATE AMOUNT 14 AND SETTLEMENTS OF CLAIMS: 15 16 DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION: 17 18 Satya Simmons, et al. v. \$ 1. 500,000.00 19 State of Hawaii, et al. Settlement 20 Civil No. 2CC-17-1-000224, Second Circuit 21 22 2. James Braddock, et al. v. \$17,000,000.00 23 Misty Mitchell, et al. Settlement 24 Civil. No. 19-1-0994-06, First Circuit 25 26 27 SUBTOTAL: \$17,500,000.00 28 TOTAL (SECTION 10): 29 \$17,500,000.00

2023-2960 SB1277 CD1 SMA-2.docx



1 The sums appropriated shall be expended by the department 2 of transportation, highways division for the purposes of this 3 Act. 4 PART XI 5 SECTION 11. The sums provided in sections 2 through 10 of 6 this Act may be paid to the respective persons, firms, 7 corporations, or entities for the satisfaction or settlement of 8 the respectively identified cases, and in several amounts 9 hereinabove set forth or in lesser amounts deemed appropriate, 10 upon checks issued by the comptroller; provided that departments 11 shall obtain the approval of the attorney general before payment 12 of any claim may be made. 13 SECTION 12. Notwithstanding the sums hereinabove stated as 14 interest upon judgments against the State, payment of interest 15 shall be limited to the period from the date of the judgment, if 16 applicable, to thirty days after the effective date of this Act, 17 as provided in section 662-8, Hawaii Revised Statutes, for those 18 cases to which the statute applies. 19 SECTION 13. All unexpended and unencumbered balances of 20 the appropriations made in this Act as of the close of business 21 on June 30, 2024, shall lapse.

2023-2960 SB1277 CD1 SMA-2.docx



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

7 SECTION 15. This Act shall take effect upon its approval.

APPROVED this 1st day of June , 2023

- Jae

GÓVERNOR OF THE STATE OF HAWAI'I



THE SENATE OF THE STATE OF HAWAI'I

Date: May 4, 2023 Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate

of the Thirty-Second Legislature of the State of Hawai'i, Regular Session of 2023.

President of the Senate

Clerk of the Senate

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 4, 2023 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Second Legislature of the State of Hawaii, Regular Session of 2023.

(**J**w/

Scott K. Saiki Speaker House of Representatives

1. L. The

Brian L. Takeshita Chief Clerk House of Representatives