THE SENATE THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII

S.B. NO. ¹⁴⁹⁰ s.D. 1 H.D. 1

A BILL FOR AN ACT

RELATING TO 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 not clarify the circumstance under which the State will have a 5 6 duty to defend professionally licensed or certified state 7 employees. 8 The purpose of this Act is to: 9 (1)Clarify that the State shall have a duty to defend 10 professionally licensed or certified state employees

11 from civil actions when the employee was acting within 12 the scope of their employment and was not grossly 13 negligent or wanton; and

14 (2) Clarify that if the State refuses to defend any state
15 employee from civil actions on certain grounds when
16 the State would generally do so, that the State is
17 required to file a motion to be heard with the court.

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| 1 | SECTION 2. Chapter 662, Hawaii Revised Statutes, is |
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| 2 | amended by adding two new sections to be appropriately |
| 3 | designated and to read as follows: |
| 4 | " <u>§662-</u> Defense of state employees; professionally |
| 5 | licensed; certified. The attorney general shall defend any |
| 6 | civil action or proceeding brought in any court against any |
| 7 | professionally licensed or certified employee of the State for |
| 8 | damage to property or personal injury, including death, |
| 9 | resulting from the act or omission of the professionally |
| 10 | licensed or certified state employee who was acting within the |
| 11 | scope of the employee's employment; provided that the attorney |
| 12 | general shall have no obligation to defend when the civil action |
| 13 | or proceeding results from the professionally licensed or |
| 14 | certified state employee's gross negligence or wanton act or |
| 15 | omission; provided further that the professionally licensed or |
| 16 | certified state employee may employ an attorney, in lieu of the |
| 17 | attorney general, to defend any civil action or proceeding |
| 18 | brought in any court against the state employee at the |
| 19 | employee's own expense. |
| 20 | §662- Attorney general; decision not to defend, state |
| 21 | employees. If the attorney general refuses to defend a civil |

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| 1 | action or proceeding against a state employee, on the grounds |
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| 2 | that the civil action or proceeding results from the employee's |
| 3 | gross negligence or wanton act or omission, and the employee |
| 4 | would otherwise be entitled to a defense by the attorney |
| 5 | general, the attorney general shall file a motion within thirty |
| 6 | days of the close of discovery in the action or proceeding. |
| 7 | After the motion is filed, the employee shall have no less than |
| 8 | thirty days to respond to the motion. Upon the attorney |
| 9 | general's motion, the court shall conduct a hearing regarding |
| 10 | the attorney general's duty to defend the employee in that civil |
| 11 | action or proceeding." |
| 12 | SECTION 3. New statutory material is underscored. |

13 SECTION 4. This Act shall take effect on January 1, 2050.

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Report Title:

State Employees; Professionally Licensed; Certified; Duty to Defend

Description:

Requires the Attorney General to defend professionally licensed or certified state employees from civil actions or proceedings, subject to certain circumstances. Establishes certain filing and hearing requirements for when the Attorney General refuses to defend a state employee. Requires that if the State refuses to defend a state employee from civil actions on certain grounds, that the State file a motion to be heard with the court. Effective 1/1/2050. (HD1)

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