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# 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:**

1 PART I

2 SECTION 1. The following sums or so much thereof as may be  
3 necessary for fiscal year 2025-2026 are appropriated out of the  
4 general revenues of the State of Hawaii to the department of the  
5 attorney general for the purpose of satisfying claims for  
6 legislative relief as to the following named persons, firms,  
7 corporations, and entities, for claims against the State or its  
8 officers or employees, for the overpayment of taxes, or for  
9 refunds, reimbursements, payments of judgments or settlements,  
10 or other liabilities, in the amounts set forth opposite their  
11 names:

12	JUDGMENTS AGAINST THE STATE		AMOUNT
13	AND SETTLEMENTS OF CLAIMS:		
14			
15	1. MISCELLANEOUS CLAIMS:		
16			
17	Joan Arakawa and Kevin Arakawa	\$	1,494.72
18			
19	Steve Boucher and Judy Boucher	\$	1,102.00
20			
21	Citibank NA	\$	780.72



1	Silvia Frumento	\$ 1,425.12
2		
3	Clarice H. Kam	\$ 724.11
4		
5	Maria Lundblad	\$ 104,460.50
6		
7	U.S. Department of the Treasury and the	\$ 1,223,732.22
8	Treasury Office of Inspector General	(Reimbursement)
9	Reminding All Emergency Rental Assistance	
10	Award Recipients of Responsibilities and	
11	Requirements for Reporting Fraud and	
12	Reimbursing Fraud Losses and Unallowable	
13	Costs dated October 4, 2024	
14		
15	SUBTOTAL:	<u>\$ 1,333,719.39</u>
16		
17	2. DEPARTMENT OF THE ATTORNEY GENERAL:	
18		
19	Roynes J. Dural II v. State of Hawaii	\$ 420,833.00
20	Civil No. 1CCV-21-0001461, First Circuit	(Settlement)
21		
22	Roynes J. Dural II	\$
23		(Interest)
24		
25	Alvin F. Jardine, III v. State of Hawaii	\$ 600,000.00
26	Civil No. 2SP16-1-000056, Second Circuit	(Settlement)
27		
28	Alvin F. Jardine, III	\$
29	(Outstanding statutory amount owed)	
30		
31	Alvin F. Jardine, III	\$
32		(Interest)
33		
34	SUBTOTAL:	<u>\$ 1,020,833.00</u>
35		
36	3. DEPARTMENT OF CORRECTIONS AND REHABILITATION:	
37		
38	Judith M. Gatioan v. State of Hawaii	\$ 800,000.00
39	Civil No. 1CCV-24-0001719, First Circuit	(Settlement)
40		
41	Susan O'Gorman v. State of Hawaii,	\$ 600,000.00



1	Department of Public Safety	(Settlement)
2	Civil No. 1CCV-24-0000912, First Circuit	
3		
4	SUBTOTAL:	\$ 1,400,000.00
5		
6	4. DEPARTMENT OF EDUCATION:	
7		
8	D.C. v. State of Hawaii,	\$ 400,000.00
9	Department of Education	(Settlement)
10	Civil No. 1CCV-20-0000657, First Circuit	
11		
12	DOE Parents v. State of Hawaii,	\$ 500,000.00
13	Department of Education	(Settlement)
14	Civil No. 1CCV-22-0001456, First Circuit	
15		
16	In the Matter of K.P. v. Department of	\$ 8,000,000.00
17	Education, State of Hawaii	(Settlement)
18	Impartial Due Process	
19	Hearing No. DOE-SY2425-041	
20		
21	Victoria Ramos v. Hawaii State	\$ 36,951.86
22	Department of Education	(Settlement)
23	Civil No. 3CCV-23-0000394, Third Circuit	
24		
25	South Point Investment Group, LLC v.	\$ 100,000.00
26	State of Hawaii	(Settlement)
27	Civil No. 3CCV-20-0000040, Third Circuit	
28		
29	United Public Workers v. Keith Hayashi	\$ 75,000.00
30	Case No. CE-01-539	(Settlement)
31		
32	SUBTOTAL:	\$ 9,111,951.86
33		
34	5. DEPARTMENT OF HAWAIIAN HOME LANDS:	
35		
36	William Kaholoa'a Jr. v. Hawaiian Homes	\$ 1,330,000.00
37	Commission, State of Hawaii	(Settlement)
38	Civil No. 2CCV-24-0000037, Second Circuit	
39		
40	SUBTOTAL:	\$ 1,330,000.00
41		



1	6.	DEPARTMENT OF HEALTH:	
2			
3		HELG Administrative Services, LLC v.	\$ 100,000.00
4		Department of Health	(Settlement)
5		Civil No. 1CC191000332, First Circuit	
6			
7		SUBTOTAL:	<u>\$ 100,000.00</u>
8			
9	7.	DEPARTMENT OF HUMAN SERVICES:	
10			
11		Tera Graves v. State of Hawaii,	\$ 600,000.00
12		Department of Human Services	(Settlement)
13		Civil No. 3CCV-19-0000022, Third Circuit	
14			
15		SUBTOTAL:	<u>\$ 600,000.00</u>
16			
17	8.	DEPARTMENT OF LAND AND NATURAL RESOURCES:	
18			
19		Lolita Silva v. Nelson Alana	\$ 2,000,000.00
20		Civil No. 2CC121000778, Second Circuit	(Settlement)
21			
22		SUBTOTAL:	<u>\$ 2,000,000.00</u>
23			
24	9.	DEPARTMENT OF LAW ENFORCEMENT:	
25			
26		Thomas Cayetano v.	\$ 47,500.00
27		Department of Public Safety	(Settlement)
28		Civil No. 1CCV-22-0000179, First Circuit	
29			
30		SUBTOTAL:	<u>\$ 47,500.00</u>
31			
32	10.	OFFICE OF THE PUBLIC DEFENDER:	
33			
34		Joshua Spriestersbach v. Office of the	\$ 200,000.00
35		Public Defender	(Settlement)
36		Civil No. 1CCV-24-0000470, First Circuit	
37			
38		SUBTOTAL:	<u>\$ 200,000.00</u>
39			
40		TOTAL (SECTION 1):	\$17,144,004.25



1 The sums appropriated shall be expended by the department  
2 of the attorney general for the purposes of this Act.

3 PART II

4 SECTION 2. The following sums or so much thereof as may be  
5 necessary for fiscal year 2025-2026 are appropriated out of the  
6 state highway fund for the purpose of satisfying claims for  
7 legislative relief as to the following named persons, for claims  
8 against the State or its officers or employees for payments of  
9 judgments or settlements, or other liabilities, in the amount  
10 set forth opposite their names:

<b>11 JUDGMENTS AGAINST THE STATE</b>	<b>AMOUNT</b>
<b>12 AND SETTLEMENTS OF CLAIMS:</b>	
<b>13</b>	
<b>14 DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION:</b>	
<b>15</b>	
<b>16</b> Anacleto R. Battad v. Lawrence J. Dill	\$ 1,100,000.00
<b>17</b> Civil No. 5CC181000177, Fifth Circuit	(Settlement)
<b>18</b>	
<b>19</b> Pualani Kanaka'ole Kanahale v.	\$ 68,186.76
<b>20</b> State of Hawaii	(Judgment)
<b>21</b> Civil No. 1CCV-20-0000235, First Circuit	
<b>22</b>	
<b>23</b> The Estate of Matthew Louis Perreira v.	\$ 300,000.00
<b>24</b> State of Hawaii	(Settlement)
<b>25</b> Civil No. 2CCV-22-0000045, Second Circuit	
<b>26</b>	
<b>27</b> Cransten Takayama v. Aaron Napoleon	\$ 600,000.00
<b>28</b> Civil No. 1CCV-22-0000040, First Circuit	(Settlement)
<b>29</b> Shauntel Takayama v. Aaron Napoleon	
<b>30</b> Civil No. 1CCV-22-0000110, First Circuit	
<b>31</b> Maximum Legal Services Corp. v. Aaron Napoleon	



1 Civil No. 1CCV-22-0000094, First Circuit  
 2 Donoven Ruiz v. Aaron Napoleon  
 3 Civil No. 1CCV-22-0000109, First Circuit  
 4  
 5 SUBTOTAL: \$ 2,068,186.76  
 6  
 7 TOTAL (SECTION 2): \$ 2,068,186.76

8 The sums appropriated shall be expended by the department  
 9 of transportation, highways division, for the purposes of this  
 10 Act.

11 PART III

12 SECTION 3. Section 37-77, Hawaii Revised Statutes, is  
 13 amended to read as follows:

14 **"§37-77 Claims for legislative relief.** All claims for  
 15 refunds, reimbursements, or other payments, authorization for  
 16 which is sought from the legislature, shall, as a condition to  
 17 their being considered by the legislature, be filed with the  
 18 attorney general together with all data and documents in support  
 19 thereof within six years from the date on which the claim for  
 20 payment matured. Claims that have exceeded the time limitations  
 21 of section 40-68 may not be presented under this section. In  
 22 the absence of a showing of sufficient reason therefor, failure  
 23 to comply with this paragraph shall be deemed sufficient cause  
 24 for refusal of the legislature to consider the claims.



1           The attorney general shall, immediately upon receipt  
2 thereof, refer any claim and data so received by the attorney  
3 general to the agency concerned or the comptroller, and the  
4 agency to which the reference is made or the comptroller shall  
5 immediately investigate the claim, secure all available data and  
6 documents bearing thereon, and refer the same back to the  
7 attorney general with its recommendations thereon. The attorney  
8 general shall review the claim and make a recommendation to the  
9 legislature as to the disposition of the claim.

10           The attorney general shall, within five days after the  
11 opening of the session, transmit to the legislature the claims  
12 which are then recommended for approval in an appropriate  
13 legislative bill form, together with an explanation for each  
14 claim. Additional recommendations for approval may be  
15 transmitted later in the session. All claims for which there is  
16 a recommendation of denial shall also be reported to the  
17 legislature with an explanation. The data and documents  
18 submitted by claimants shall be available for inspection by the  
19 legislature.

20           The attorney general shall, within five days after the  
21 opening of the session, transmit to the speaker of the house of



1 representatives, president of the senate, and chairs of the  
2 house and senate judiciary committees a report that provides a  
3 good faith estimate of each possible judgment against the State  
4 that has not yet settled. The report shall be deemed  
5 confidential and privileged communication to the legislature and  
6 shall not be disclosed pursuant to sections 92F-13 and  
7 92F-19(b).

8       The attorney general shall consult with the governor prior  
9 to entering into any settlement agreement for awards exceeding  
10 \$75,000 that are subject to legislative approval."

11       SECTION 4. Section 37-77.5, Hawaii Revised Statutes, is  
12 amended by amending subsection (b) to read as follows:

13       "(b) The attorney general shall submit a report to the  
14 speaker of the house of representatives, the president of the  
15 senate, and the chairs of the house and senate judiciary  
16 committees no later than [~~twenty~~] forty days prior to the  
17 convening of each regular legislative session describing the  
18 claims and the attendant circumstances therein and containing  
19 the advice for corrective action rendered to the agency. The  
20 report shall also contain [~~the remedial measures which the~~  
21 ~~attorney general shall take or recommended that the legislature~~



1 ~~take if an agency fails to take corrective action within a~~  
2 ~~reasonable period of time.],~~ for each settled claim for which  
3 payment is sought, the following information:

- 4 (1) The action taken by the employee or department that  
5 led to the claim;
- 6 (2) The attorney general's recommended action to prevent  
7 similar types of claims from occurring in the future;
- 8 (3) After consulting with the department, the attorney  
9 general's recommended timeline to complete the  
10 recommended action;
- 11 (4) Whether the department implemented the recommended  
12 action in a timely fashion and any responses from the  
13 agency to the attorney general's recommended action;  
14 and
- 15 (5) The remedial measures that the attorney general takes  
16 or recommends the legislature take if an agency fails  
17 to take corrective action within a reasonable period  
18 of time.

19 The attorney general shall submit a report to the speaker  
20 of the house of representatives, the president of the senate,  
21 and the chairs of the house and senate judiciary committees no





1 as provided in section 662-8, Hawaii Revised Statutes, for those  
2 cases to which the statute applies.

3 SECTION 7. The appropriations made by this Act shall not  
4 lapse at the end of the fiscal period for which the  
5 appropriations are made; provided that all moneys from the  
6 appropriations that are unexpended and unencumbered as of June  
7 30, 2027, shall lapse as of that date.

8 SECTION 8. If any provision of this Act, or the  
9 application thereof to any person or circumstance, is held  
10 invalid, the invalidity does not affect other provisions or  
11 applications of the Act that can be given effect without the  
12 invalid provision or application, and to this end the provisions  
13 of this Act are severable.

14 SECTION 9. Statutory material to be repealed is bracketed  
15 and stricken. New statutory material is underscored.

16 SECTION 10. This Act shall take effect on March 22, 2075.



**Report Title:**

AG; Claims Against the State; Reports; Appropriations

**Description:**

Makes appropriations and approves payments for claims against the State, its officers, and its employees. Prohibits claims for refunds, reimbursements, or other payments, authorization for which is sought from the Legislature that exceed the time limitations of section 40-68, Hawaii Revised Statutes, from being claimed. Requires the Attorney General to submit a confidential report within five days after the opening of a Regular Session to the Speaker of the House of Representatives, President of the Senate, and Chairs of the House and Senate Judiciary Committees that provides a good faith estimate of each possible judgment against the State that has not yet settled. Requires the Attorney General to submit a report every five years to the Legislature containing further incidents that occurred in an agency that led to a claim. Effective 3/22/2075.  
(SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

