

Honolulu, Hawaii

FEB 13 2019

RE: S.B. No. 1176
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 1176 entitled:

"A BILL FOR AN ACT RELATING TO FALSE CLAIMS TO THE STATE,"

begs leave to report as follows:

The purpose and intent of this measure is to continue to meet federal financial incentive requirements by:

- (1) Increasing penalty amounts for false claims to the State to be the same as the penalty amounts for 2019 under the Federal False Claims Act; and
- (2) Providing that the penalty amounts in Hawaii's false claims act for the year 2020 and thereafter shall be the same amounts and for the same effective dates as the penalty amounts adjusted and adopted by the United States Department of Justice for the Federal False Claims Act.

Your Committee received testimony in support of this measure from the Department of the Attorney General and one individual

Your Committee finds that section 1909 of the Social Security Act provides a ten percentage point increase in the State's share of any amount recovered in a state action under a false or fraudulent claim if the State has a false claims act that meets the requirements set forth in section 1909. Section 1909 further



requires that the State's false or fraudulent claims law contain a civil penalty that is not less than the amount provided under federal law. This measure brings Hawaii's false claims act into compliance with section 1909 of the federal Social Security Act.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1176, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1176, S.D. 1, and be referred to your Committee on Ways and Means.

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



KARL RHOADS, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:* SB 1176	Committee Referral: JDC, WAM	Date: 2/18/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	✓			
WAKAI, Glenn (VC)	✓			
GABBARD, Mike				✓
KIM, Donna Mercado	✓			
FEVELLA, Kurt				✓
TOTAL	3	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes