A BILL FOR AN ACT

RELATING TO CLAIMS AGAINST THE STATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. Chapter 37-77, Hawaii Revised Statutes, is amended to read as follows:

"§37-77 Claims for legislative relief. (a) All claims for refunds, reimbursements, or other payments, authorization for which is sought from the legislature, shall, as a condition to their being considered by the legislature, be filed with the attorney general together with all data and documents in support thereof within six years from the date on which the claim for payment matured. In the absence of a showing of sufficient reason therefor, failure to comply with this paragraph shall be deemed sufficient cause for refusal of the legislature to consider the claims.

(b) The attorney general shall, immediately upon receipt thereof, refer any claim and data so received by the attorney general to the agency concerned or the comptroller, and the agency to which the reference is made or the comptroller shall immediately investigate the claim, secure all available data and
documents bearing thereon, and refer the same back to the attorney general with its recommendations thereon. The attorney general shall review the claim and make a recommendation as to the disposition of the claim.

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

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

(d) For all settlements and judgments for claims against the State, its officers, and employees, that exceed the amounts that may be paid by the comptroller pursuant to section 41D-3, the attorney general shall investigate and determine whether all
or a portion of the settlement or judgment should be paid out of
the affected department's or departments' operating budget, or
out of the general fund, and advise the legislature of its
recommendation for each claim. In making this recommendation,
the attorney general shall consider how the department's actions
or inactions affected the event that resulted in the legal
dispute. In addition, the attorney general may consider the
size of the department's budget compared to the settlement or
judgement amount. The attorney general's recommendations shall
be deemed a confidential and privileged communication to the
legislature and shall not be disclosed pursuant to sections
92F-13 and 92F-19. If the legislature disagrees with the
attorney general's recommendation that all or a portion of the
settlement or judgment should be paid out of the general fund,
such funding shall be from the affected department's or
departments' operating budget. If the affected departments do
not have the funds to pay the settlement or judgment out of
their operating budgets, the legislature may appropriate funds
to satisfy the settlement or judgment out of the general fund
and require the affected departments to reimburse the general
fund."
1 SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

3 SECTION 3. This Act shall take effect on July 1, 2020.
Report Title:
Claims Against the State; AG; Payments; Departments;
Departmental Budget

Description:
Provides that claims against the State exceeding the amounts that may be paid by the comptroller shall be paid by the department or agency that is found liable for the claim, as determined by the Attorney General. (SD1)

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