JAN 2 2 2007

A BILL FOR AN ACT

RELATING TO EMINENT DOMAIN.

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

- 1 SECTION 1. Chapter 101, Hawaii Revised Statutes, is
- 2 amended by adding a new section to be appropriately designated
- 3 and to read as follows:
- 4 "\$101- Good faith offer of settlement; award of
- 5 attorney's fees. (a) Not later than forty-five days before the
- 6 scheduled trial date on the issue of just compensation, the
- 7 plaintiff shall file and serve on the defendant an offer of
- 8 settlement. Not more than five days after the date the offer of
- 9 settlement is served, the party served shall respond by filing
- 10 and serving upon the other party an acceptance or a counter
- 11 offer of settlement. The offer or counter offer must state that
- 12 it is made under this section and specify the amount, exclusive
- 13 of interest and costs, that the party serving the offer is
- 14 willing to pay or accept, as the case may be, as just
- 15 compensation and damages for the property sought to be acquired.
- 16 The offer or counter offer supersedes any other offer previously
- 17 made by the party. An offer of settlement is considered

- 1 rejected unless an acceptance in writing is filed and served on
- 2 the party making the offer.
- 3 (b) If there is a trial and the amount of just
- 4 compensation and damages awarded to the defendant by the
- 5 judgment, exclusive of interest and costs, is greater than the
- 6 amount specified in the plaintiff's offer of settlement in
- 7 subsection (a), the court shall require the plaintiff to pay the
- 8 defendant's litigation expenses, including reasonable attorney's
- 9 fees, in an amount that does not exceed twenty-five per cent of
- 10 the amount of the judgment, exclusive of interest and costs."
- 11 SECTION 2. This Act does not affect rights and duties that
- 12 matured, penalties that were incurred, and proceedings that were
- 13 begun, before its effective date.
- 14 SECTION 3. New statutory material is underscored.
- 15 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

SB LRB 07-1210.doc

Report Title:

Eminent Domain

Description:

Requires condemning authority to make offer of settlement. Makes condemning authority liable for defendant's litigation expenses if offer rejected and court award is greater than offer.