



DEPARTMENT OF THE ATTORNEY GENERAL

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For Immediate Release
June 30, 2016

News Release 2016-40

**ATTORNEY GENERAL APPEALS DECISION REGARDING
DEPARTMENT OF HAWAIIAN HOME LANDS FUNDING**

HONOLULU – The State of Hawaii filed a notice of appeal today of the circuit court’s decision in Nelson v. Hawaiian Homes Commission, Civil No. 07-1-1663-08 JHC, Attorney General Doug Chin announced.

In 2007, three beneficiaries of the Hawaiian Homes Commission Act sued the State, alleging that the State had inadequately funded the Department of Hawaiian Home Lands (DHHL). This year a circuit court ordered the State to fulfill its duty under the State Constitution by appropriating “sufficient general funds” to DHHL for its fiscal year (FY) 2015-2016 administrative and operating budget. Governor David Ige then proposed, and state legislators appropriated \$17.1 million for FY 2015-2016 and \$23.9 million for FY 2016-2017 for DHHL’s administration and operating budget. Today’s appeal does not impact these appropriations and it does not stop DHHL from spending this money.

Attorney General Chin said, “The circuit court decision raised important policy and constitutional issues. These included questions about separation of powers and questions about what expenses are appropriately included in DHHL’s administration and operating budget pursuant to the State Constitution. Some believe this year’s appropriation is too much, while others feel it is still not enough. A decision from the State Supreme Court should help provide more direction in future years, and may avoid more lawsuits down the road.”

A copy of the State’s notice of appeal is attached.

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Director of Finance, in his official capacity as
the State Director of Finance ("State Defendants")

Electronically Filed
Intermediate Court of Appeals
CAAP-16-0000496
30-JUN-2016
04:31 PM

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAI'I

RICHARD NELSON III, KALIKO CHUN,
JAMES AKIONA, SR., SHERILYN ADAMS,
KELII IOANE, JR., and CHARLES AIPIA,

Plaintiffs-Appellees,

vs.

HAWAIIAN HOMES COMMISSION, THE
DEPARTMENT OF HAWAIIAN HOME
LANDS, JOBIE MASAGATANI, in her official
capacity as Chair of the Hawaiian Homes
Commission, WILLIAM K. RICHARDSON,
MICHAEL P. KAHIKINA, RENWICK V.I.
TASSILL, DOREEN NAPUA GOMES, GENE
ROSS DAVIS, WALLACE A. ISHIBASHI,
and DAVID B. KAAPU, in their official
capacities as members of the Hawaiian Homes
Commission,

DHHL Defendants-Appellees,

and

WESLEY MACHIDA, in his official capacity
as the State Director of Finance, and the STATE
OF HAWAI'I,

State Defendants-Appellants.

(continued on next page)

CIVIL NO. 07-1-1663-08 JHC

ON APPEAL FROM:

- 1) FIRST AMENDED FINAL
JUDGMENT, filed 5/31/2016;
- 2) FINDINGS OF FACT, CONCLUSIONS
OF LAW, AND ORDER, filed
11/27/2015;
- 3) ORDER AMENDING ORDER ISSUED
NOVEMBER 27, 2015, filed 3/8/16;
- 4) ORDER DENYING IN PART AND
GRANTING IN PART THE STATE
DEFENDANTS' MOTION FOR
RECONSIDERATION OF, OR TO
ALTER OR AMEND, THE
JUDGMENT AND ORDER, FILED
DECEMBER 21, 2015, filed 3/8/16;
- 5) ORDER DENYING THE STATE
DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT FILED
APRIL 17, 2015, filed 6/19/15;
- 6) ORDER DENYING THE DHHL
DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT RE: COUNT
II FILED JULY 24, 2014, filed 6/19/15;
- 7) CLERK'S TAXATION OF COSTS,
filed 12/17/15;

- 8) ORDER GRANTING IN PART AND DENYING IN PART STATE DEENDANTS' MOTION SEEKING REDUCTION OF CLERK'S TAXATION OF COSTS, FILED DECEMBER 17, 2015, filed 3/8/16;
- 9) CLERK'S TAXATION OF COSTS, filed 5/2/16; and
- 10) FINAL JUDGMENT, filed 12/11/15.

CIRCUIT COURT OF THE FIRST CIRCUIT
HON. JEANNETTE H. CASTAGNETTI,
Judge

STATE DEFENDANTS' NOTICE OF APPEAL

APPENDICES 1, 2, 3, 4, 5, 6, 7, 8, 9 & 10

CERTIFICATE OF SERVICE

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAI'I

RICHARD NELSON III et al.,

Plaintiffs-Appellees,

vs.

HAWAIIAN HOMES COMMISSION et al.,

DHHL Defendants-Appellees,

vs.

WESLEY MACHIDA, et al.,

State Defendants-Appellants.

CIVIL NO. 07-1-1663-08 JHC

STATE DEFENDANTS' NOTICE OF
APPEAL

CIRCUIT COURT OF THE FIRST CIRCUIT

HON. JEANNETTE H. CASTAGNETTI,
Judge

STATE DEFENDANTS' NOTICE OF APPEAL

Notice is hereby given that the State of Hawai'i, and its Director of Finance, Wesley Machida, in his official as the State Director of Finance ("State Defendants"), defendants in the above named case, hereby appeal to the Intermediate Court of Appeals of the State of Hawaii from the following rulings of the Circuit Court of the First Circuit, in the above-entitled case, Civil No. 07-1-1663-08 JHC: (1) the First Amended Final Judgment, filed May 31, 2016, (2) the Findings of Fact, Conclusions of Law, and Order, filed November 27, 2015, (3) the Order Amending Order Issued November 27, 2015, filed March 8, 2016, (4) the "Order Denying in Part and Granting in Part the State Defendants' Motion for Reconsideration of, or to alter or amend, the Judgment and Order, filed December 21, 2015," filed March 8, 2016, (5) the "Order Denying the State Defendants' Motion for Summary Judgment Filed April 17, 2015," filed June 19, 2015, (6) the "Order Denying the DHHL Defendants' Motion for Summary Judgment Re: Count II filed July 24, 2014," filed June 19, 2015, (7) the "Clerk's Taxation of Costs," filed December 17, 2015, (8) the "Order Granting in Part and Denying in Part State Defendants' Motion Seeking Reduction of Clerk's Taxation of Costs, filed December 17, 2015," filed March 8, 2016, (9) the

"Clerk's Taxation of Costs," filed May 2, 2016, and 10) the Final Judgment, filed December 11, 2015. These rulings are attached, respectively, as Appendices 1, 2, 3, 4, 5, 6, 7, 8, 9 & 10.

DATED: Honolulu, Hawaii, June 30, 2016.

s/ Girard D. Lau
GIRARD D. LAU
CHARLEEN M. AINA
Deputy Attorneys General

Attorneys for Defendants State of
Hawaii and its Director of Finance
("State Defendants").