

***** NOT FOR PUBLICATION *****

NO. 24849

IN THE SUPREME COURT OF THE STATE OF HAWAI'I

CION BATTULAYAN, Claimant-Appellee,

vs.

STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY,
Respondent-Appellant.

APPEAL FROM THE FIRST CIRCUIT COURT
(S.P. NO. 01-1-0321)

SUMMARY DISPOSITION ORDER

(By: Moon, C.J., Levinson, Nakayama, Acoba, and Duffy JJ.)

Respondent-appellant State Farm Mutual Automobile Insurance Company [hereinafter, State Farm] appeals from the first circuit court's December 19, 2001 final judgment in favor of claimant-appellee Cion Battulayan [hereinafter, claimant].¹ The circuit court confirmed an arbitration award of \$19,627.67 to the claimant; State Farm argues that the circuit court erred by not specifically stating that the arbitration award could not be enforced until the issue of the applicability of the covered loss deductible had been resolved.

Upon carefully reviewing the record and the briefs submitted by the parties, and having given due consideration to

¹ The Honorable Gary W.B. Chang presided over this matter.

the arguments advocated and the issues raised, we disagree with State Farm. The circuit courts are required to confirm an arbitration award unless the award is vacated, modified, or corrected; the award in this case was not vacated, modified, or corrected, such that the circuit court had no choice but to confirm the award. Furthermore, as this court stated in Gepaya v. State Farm Mut. Auto. Ins. Co., 94 Hawai'i 362, 366, 14 P.3d 1043, 1047 (2000): "[T]he arbitration award merely quantifies the amount of damages incurred by Petitioners. Thus, while the award may be confirmed by the court, no obligation as to further payment, if any, can be enforced before the resolution of the question reserved." The applicability of the covered loss deductible was specifically reserved by the arbitrator and by the circuit court; thus, according to the language of Gepaya, the confirmed arbitration award will not be enforceable until the reserved question has been resolved. This is clear from the circuit court's order, such that State Farm's appeal is without merit. However, we also take judicial notice of our decision in State Farm Mut. Auto. Ins. Co. v. Battulayan, No. 25631, ___ Hawai'i ___, ___ P.3d ___ (Haw. August ___, 2004), that the covered loss deductible is applicable to the claimant's recovery for uninsured motorist benefits. Therefore,

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IT IS HEREBY ORDERED that the circuit court's
December 19, 2001 order confirming the arbitration award is
affirmed.

DATED: Honolulu, Hawai'i, August 24, 2004.

On the briefs:

Jonathan L. Ortiz,
Wade J. Katano, and
Allison M. Fujita
for respondent-appellant
State Farm Mutual Automobile
Insurance Company

Theodore Y.H. Chinn
for claimant-appellee
Cion Battulayan