

NO. 26563

IN THE SUPREME COURT OF THE STATE OF HAWAI'I

AFL HOTEL & RESTAURANT WORKERS HEALTH & WELFARE TRUST FUND,
by its Trustees, Plaintiff-Appellee,

vs.

JESUS ALONZO and ERLINDA DOMINGUEZ, Defendants-Appellants,

and

ERLINDA DOMINGUEZ, Third-Party Plaintiff-Appellant,

vs.

DEREK R. KOBAYASHI and REGAN M. IWAO,
Third-Party Defendants-Appellees.

APPEAL FROM THE FIRST CIRCUIT COURT
(CIV. NO. 02-1-0337)

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STATE OF HAWAII

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FILED

SUMMARY DISPOSITION ORDER

(By: Moon, C.J., Levinson, Nakayama, and Duffy JJ.,
and Circuit Judge Bissen in place of Acoba, J., recused)

In this breach of contract action, defendant-appellant Jesus Alonzo and defendant-appellant/third-party plaintiff-appellant Erlinda Dominguez [hereinafter collectively, Appellants] appeal from the May 3, 2004 final judgment of the Circuit Court of the First Circuit¹ in favor of plaintiff-appellee AFL Hotel & Restaurant Workers Health & Welfare Trust Fund [hereinafter, AFL] and third-party defendants/appellees Derek Kobayashi & Regen Iwao, awarding damages in the principal

¹ The Honorable Dexter Del Rosario presided over this matter.

amount of \$1,407.78, together with attorneys' fees of \$15,715.00 and costs of \$891.52, for breach of a subrogation agreement pursuant to which AFL loaned Alonzo \$1,407.78 to pay medical expenses arising out of a motor vehicle accident. On appeal, Appellants argue that the circuit court erred by: (1) denying Dominguez's motion to dismiss for failure to state a claim against her; (2) concluding that the Employment Retirement Income Security Act of 1974 (ERISA), as amended, 29 U.S.C. § 1000 et seq. (2000), does not preempt AFL's claim; (3) concluding that AFL's complaint was not barred as premature; and (4) concluding that Alonzo and his counsel Dominguez are jointly liable for fees, costs, and damages.

Upon carefully reviewing the record and briefs submitted, we hold that the circuit court lacked subject matter jurisdiction because the amount in controversy, exclusive of fees, costs, and interests, did not exceed \$10,000. Hawai'i Revised Statutes (HRS) § 604-5(a) (Supp. 2001) (providing that district courts shall have exclusive jurisdiction over civil actions in which the amount in controversy, exclusive of fees, costs, and interest, does not exceed \$10,000). Here, the amount in controversy was only \$1,407.78, the amount loaned by AFL under the subrogation agreement. Accordingly, the circuit court lacked subject matter jurisdiction and the judgment below is void, notwithstanding the lack of jurisdictional objections from the

parties or the court. See Wong v. Wong, 79 Hawai'i 26, 29, 897 P.2d 953, 956 (1995) ("A judgment rendered without subject matter jurisdiction is void, questions about the trial court's subject matter jurisdiction may be raised at any stage in the case, and 'we have jurisdiction here on appeal, not on the merits, but for purposes of correcting an error in jurisdiction.'") (Quoting Bush v. Hawaiian Homes Comm'n, 76 Hawai'i 128, 133, 870 P.2d 1272, 1277 (1994)). Therefore,

IT IS HEREBY ORDERED that the circuit court's May 3, 2004 final judgment is vacated and the case is remanded with directions to enter an order dismissing the case for lack of subject matter jurisdiction.

DATED: Honolulu, Hawai'i, March 30, 2006.

On the briefs:

Erlinda Dominguez and
Ronald N. Federizo
for defendants-appellants
Jesus Alonzo and Erlinda
Dominguez and third-party
plaintiff-appellant
Erlinda Dominguez

Derek R. Kobayashi and
Regan M. Iwao (of Goodsill
Anderson Quinn & Stifel)
for plaintiff-appellee
AFL Hotel & Restaurant Workers
Health & Welfare Trust Fund,
by its Trustees, and third-
party defendants-appellees
Derek R. Kobayashi and
Regan M. Iwao

