

JOSH GREEN, M.D.
GOVERNOR



ANNE E. LOPEZ
ATTORNEY GENERAL

MATTHEW S. DVONCH
FIRST DEPUTY ATTORNEY GENERAL

STATE OF HAWAII
DEPARTMENT OF THE ATTORNEY GENERAL
Ka 'Oihana O Ka Loio Kuhina
425 QUEEN STREET
HONOLULU, HAWAII 96813
(808) 586-1500

December 6, 2024

The Honorable Ronald D. Kouchi
President and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura
Speaker and Members of the
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Department of the Attorney General's Report on Receipts and Expenditures of the Antitrust Trust Fund, as required by section 28-13(d), Hawaii Revised Statutes. In accordance with section 93-16, HRS, I am also informing you that the report may be viewed electronically at <http://ag.hawaii.gov/publications/reports/reports-to-the-legislature/>.

If you have any questions or concerns, please feel free to call me at (808) 586-1500.

Sincerely,

Anne E. Lopez

Anne E. Lopez
Attorney General

c: Josh Green, M.D., Governor
Sylvia Luke, Lieutenant Governor
Legislative Reference Bureau (Attn: Karen Mau)
Leslie H. Kondo, State Auditor
Luis Salaveria, Director of Finance, Department of Budget and Finance
Stacey A. Aldrich, State Librarian, Hawaii State Public Library System
David Lassner, Ph.D., President, University of Hawaii

Enclosure

JOSH GREEN, M.D.
GOVERNOR



ANNE E. LOPEZ
ATTORNEY GENERAL

MATTHEW S. DVONCH
FIRST DEPUTY ATTORNEY GENERAL

STATE OF HAWAII
DEPARTMENT OF THE ATTORNEY GENERAL
Ka 'Oihana O Ka Loio Kuhina
425 QUEEN STREET
HONOLULU, HAWAII 96813
(808) 586-1500

REPORT ON RECEIPTS AND EXPENDITURES OF THE ANTITRUST TRUST FUND

Pursuant to Section 28-13(d), Hawaii Revised Statutes

Fiscal Year 2023-2024

Submitted to the Thirty-Third State Legislature
Regular Session of 2025

I. INTRODUCTION

Section 28-13(d), Hawaii Revised Statutes (HRS), requires the Department of the Attorney General (Department) to submit a report to the Legislature no later than twenty days prior to the convening of each regular session to provide an accounting of the receipts and expenditures of the Antitrust Trust Fund.

II. BACKGROUND

Pursuant to section 28-13, HRS, the Antitrust Trust Fund was established to provide resources to facilitate the enforcement of antitrust laws. One of the most important functions of the trust fund is to provide a means for promoting and facilitating the State's participation in multistate antitrust lawsuits and investigations. The fund is also used to cover expenses relating to the enforcement of antitrust laws including but not limited to training, equipment purchases, and educational resources.

A. Legal Authority

Act 97, Session Laws of Hawaii 2001 (Act 97) established the Antitrust Trust Fund in the State treasury. The Act took effect on June 29, 2001, and was codified as section 28-13, HRS.

B. Creation of Fund and Initial Funding

The Department of Accounting and General Services designated T-908-N as the appropriation number for the fund.

Section 3 of Act 97 authorized the Department to deposit not more than \$150,000 from the Department's general fund appropriation (ATG-100) for fiscal year 2000-2001 to the credit of the Antitrust Trust Fund. In accordance with this authorization, the Department credited \$150,000 to the fund, effective June 30, 2001.

C. Receipts and Expenditures, Generally

Section 28-13(a), HRS, authorizes the Department to deposit the following into the fund:

- (1) Ten percent of any antitrust judgment or settlement received by the State except where the deposit is inconsistent with the court order or settlement agreement relating to the amount; and
- (2) Appropriations made by the Legislature.

Section 28-13(b) authorizes the Department to use the funds for "expenditures relating to the enforcement of antitrust laws, including but not limited to expenditures for training, equipment purchases, educational resources, and facilitating participation in antitrust lawsuits and investigations initiated by other states."

III. SUMMARY OF FUND ACTIVITY IN FISCAL YEAR 2023-2024

Balance in fund as of June 30, 2023.....	\$ 14,571.64
Receipts from July 1, 2023, to June 30, 2024.....	1,487,419.36
Transfers from July 1, 2023, to June 30, 2024.....	(44,224.09)
Expenditures from July 1, 2023, to June 30, 2024.....	(50,092.14)
Amounts lapsed to the General Fund on June 30, 2024.....	<u>(1,157,674.77)</u>
 Balance as of June 30, 2024.....	 \$250,000.00

IV. ACCOUNTING OF FUND ACTIVITY IN FISCAL YEAR 2023-2024

A. Receipts

Date	Description	Amount
Various Dates	Share of investment pool interest	\$ 8,380.01
November 3, 2023	In Re Suboxone Antitrust Litigation MDL No. 2445 – Settlement	1,454,039.35
January 12, 2024	In Re LIBOR - Barclay Settlement	25,000.00
	TOTAL	\$ 1,487,419.36

B. Transfers by Journal Memoranda

Date of Transfer	Description	Amount
November 8, 2023	Litigation Fund ¹	44,224.09
	TOTAL	\$ 44,224.09

C. Expenditures

Date	Payee	Description	Amount
November 14, 2023	State of Alaska	Litigation Cost share assessment for: <i>U.S., et al., v. Google LLC</i> , Case No. 1:20-cv-03010-APM, <i>State of Colorado, et al., v. Google LLC</i> , Case No. 1:20-cv-03715-APM (consolidated)	44,224.08
June 21, 2024	Apple Computer	2-iMac Desktop and 1 MacBook Air	5,868.06
		TOTAL	\$50,092.14

D. Balance in the Antitrust Trust Fund

Section 28-13(c), HRS, provides that all unencumbered and unexpended moneys in excess of \$250,000 remaining on balance in the Antitrust Trust Fund at the close of June 30 of each year shall lapse to the credit of the general fund.

On June 30, 2024, the sum of \$1,157,674.77 lapsed to the credit of the general fund leaving a balance of \$250,000 in the fund.

¹ The report for fiscal year 2022-2023 disclosed in a note that a cost share assessment of \$44,224.09 was due on or before November 9, 2022, for pending litigation: *U.S., et al., v. Google LLC*, Case No. 1:20-cv-03010-APM, *State of Colorado, et al., v. Google LLC*, Case No. 1:20-cv-03715-APM (consolidated). Because the monies in the Fund were insufficient to pay the assessment, the Department paid the assessment using operating appropriations for litigation in the Litigation Fund. The amount noted in the **Transfer** section reflected is the refund of \$44,224.09 to the Litigation Fund.