



**TESTIMONY OF THE STATE ATTORNEY GENERAL
TWENTY-FOURTH LEGISLATURE, 2008**

ON THE FOLLOWING MEASURE:

H.B. NO. 3054, RELATING TO CHAPTER 480, HAWAII REVISED STATUTES

BEFORE THE:

HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

DATE: Wednesday, January 30, 2008 **TIME:** 2:00 PM

LOCATION: State Capitol, Room 325
Deliver to: CPC Vice-Chair, Room 315, 5 copies

TESTIFIER(S): Mark J. Bennett, Attorney General
or Rodney I. Kimura, Deputy Attorney General

Chair Herkes and Members of the Committee:

The Attorney General strongly supports this bill. The primary purpose of this bill is to amend chapter 480, Hawaii Revised Statutes, to reconfirm the right of government entities to bring an action for damages notwithstanding their status as indirect purchasers.

Additionally, this bill seeks to clarify the ability of government entities to bring an action based on unfair methods of competition and unfair or deceptive acts or practices declared unlawful by section 480-2, and clarify that any civil action or proceeding authorized by chapter 480 may be brought in any appropriate court.

This bill proposes to amend section 480-14 to expressly provide that whenever the State or any county is injured in its business or property by reason of anything forbidden or declared unlawful by chapter 480, that the State or any county may sue to recover damages even if the entity was an indirect purchaser.

In terms of background, under federal antitrust law, indirect purchasers have been barred from seeking damages in federal court since the Supreme Court's 1977 decision in *Illinois Brick Co. v. Illinois*, 431 U.S. 720 (1977).