

STAND. COM. REP. NO. 378

Honolulu, Hawaii

Feb 17, 2011

RE: H.B. No. 1011
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 1011 entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF THE ATTORNEY GENERAL,"

begs leave to report as follows:

The purpose of this bill is to assist the Attorney General in prosecuting civil claims of the State by provided a dedicated revenue stream for the Attorney General to pursue claims for the public good. Among other things, this measure:

- (1) Requires all proceeds from any civil action or settlement of a civil claim initiated or prosecuted by the attorney general or where such action was filed by the attorney general, including recoveries from false claims actions, except when the deposit is inconsistent with the court order or settlement agreement relating to the amount, to be deposited into the Litigation Deposits Trust Fund (Fund);
- (2) Provides exemptions to the requirement of item (1) above for recoveries for certain specific funds; and
- (3) Enables the Attorney General to retain and deposit into the Fund 33 percent of any recovery from any civil action or settlement of a civil claim initiated or prosecuted by the Attorney General to be used for

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staffing, expenses, equipment, and educational resources.

This measure also:

- (1) Stipulates that all unencumbered and unexpended monies in excess of \$1,000,000 remaining on balance in the Fund at the close of June 30 of each year shall lapse to the credit of the General Fund;
- (2) Clarifies that the requirements contained in this bill shall not be applicable if they would cause a violation of a federal law or a federal grant agreement; and
- (3) Requires the Attorney General to submit a report to the Legislature no later than 20 days prior to the convening of each regular session to provide an accounting of the receipts and expenditures of the Fund.

The Department of the Attorney General testified in support of this bill.

Your Committee has amended this bill by:

- (1) Changing its effective date from July 1, 2011, to January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1011, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1011, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



GILBERT KEITH-AGARAN, Chair



