
A BILL FOR AN ACT

RELATING TO THE ATTORNEY GENERAL.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the State has an
2 interest in helping small businesses while increasing
3 competition among businesses for the benefit of consumers.

4 The purpose of this Act is to allow small businesses to
5 enter into cooperative purchasing agreements with other small
6 businesses without violating laws governing restraint of trade.

7 SECTION 2. Chapter 480, Hawaii Revised Statutes, is
8 amended by adding a new section to be appropriately designated
9 and to read as follows:

10 "§480- Cooperative purchasing by small businesses
11 authorized; filings. (a) A business entity may sponsor,
12 conduct, or administer a cooperative purchasing agreement for
13 the purchase of goods pursuant to the consent of the parties to
14 the agreement; provided that none of the parties to the
15 cooperative purchasing agreement shall have more than one
16 hundred fifty employees at the time of entering into the
17 agreement. Cooperative purchasing agreements under this section
18 shall be for the purpose of providing small businesses the



1 purchasing power necessary to acquire discounts on purchases of
2 goods and to thereby lower costs for themselves and consumers.
3 Cooperative purchasing agreements may include joint or multi-
4 party contracts.

5 (b) Cooperative purchasing agreements under this section
6 shall not be deemed in restraint of trade. No business entity,
7 method, or act thereof that complies with this section shall be
8 deemed to commit a conspiracy or combination in restraint of
9 trade or an illegal monopoly, or an attempt to lessen
10 competition or fix prices arbitrarily, or the creation of a
11 combination or pool, or to accomplish any improper or illegal
12 purpose. Any agreements authorized under this section shall not
13 be considered as illegal, in restraint of trade, or as part of a
14 conspiracy or combination to accomplish an illegal purpose or
15 act.

16 (c) The parties to a cooperative purchasing agreement
17 under this section shall promptly file with the attorney general
18 written notification of the following:

19 (1) The name, address, and other contact information of
20 each party to the cooperative purchasing agreement;



1 (2) The identity, quantity, and purchase date or schedule
2 of the goods or items that are the subject of the
3 agreement;

4 (3) A description of the market in which the goods or
5 items are intended to be sold, traded, exchanged, or
6 otherwise placed in commerce; and

7 (4) Any additional information requested by the attorney
8 general.

9 (d) The attorney general shall collect a filing fee of
10 \$1,000 for each filing pursuant to subsection (c). Filing fees
11 shall be deposited into the antitrust trust fund established
12 under section 28-13."

13 SECTION 3. Section 28-13, Hawaii Revised Statutes, is
14 amended by amending subsections (a) and (b) to read as follows:

15 "(a) There is established in the state treasury the
16 antitrust trust fund, into which shall be deposited:

17 (1) Ten per cent of any antitrust judgment or settlement
18 received by the State, except where the deposit is
19 inconsistent with the court order or settlement
20 agreement relating to the amount; ~~and~~

21 (2) Appropriations made by the legislature ~~[and]~~; and



1 (3) Filing fees for cooperative purchasing agreements
2 pursuant to section 480- .

3 (b) The antitrust trust fund shall be administered by the
4 department of the attorney general and shall be used for
5 expenditures relating to the enforcement of antitrust laws,
6 including but not limited to expenditures for training,
7 equipment purchases, educational resources, monitoring the
8 compliance of parties to cooperative purchasing agreements under
9 section 480- , and facilitating participation in antitrust
10 lawsuits and investigations initiated by other states."

11 SECTION 4. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 5. This Act shall take effect upon its approval.

14

INTRODUCED BY:



JAN 23 2012



H.B. NO. 2418

Report Title:

Restraint of Trade; Cooperative Purchasing Agreements

Description:

Allows businesses with less than 150 employees to enter into cooperative purchasing agreements and exempts these agreements from restraint of trade provisions. Requires parties to agreements to file information with the attorney general and pay a filing fee to support enforcement of the information requirement.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

