

JAN 21 2011

S.B. NO. 128

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# A BILL FOR AN ACT

RELATING TO THE ATTORNEY GENERAL.

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

1           SECTION 1. Chapter 28, Hawaii Revised Statutes, is amended  
2 by adding a new section to be appropriately designated and to  
3 read as follows:

4           "§28- Attorney general operations special fund. (a)

5 There is established in the state treasury the attorney general  
6 operations special fund. The attorney general operations  
7 special fund shall be administered by the department of the  
8 attorney general. Any law to the contrary notwithstanding, the  
9 moneys in the fund shall be used to fund the operations of the  
10 department.

11           (b) Within the attorney general operations special fund  
12 shall be the antitrust trust subaccount. The following amounts  
13 shall be deposited into the antitrust trust subaccount:

14           (1) Ten per cent of any antitrust judgment or settlement  
15 received by the State except where the deposit is  
16 inconsistent with the court order or settlement  
17 agreement relating to the amount; and

18           (2) Appropriations made by the legislature.



1        (c) The antitrust trust subaccount shall be used for  
2 expenditures including the enforcement of antitrust laws, such  
3 as expenditures for training, equipment purchases, educational  
4 resources, and facilitating participation in antitrust lawsuits  
5 and investigations initiated by other states.

6        (d) All unencumbered and unexpended moneys in excess of  
7 \$ \_\_\_\_\_ remaining on balance in the antitrust trust  
8 subaccount at the close of June 30 of each year shall lapse to  
9 the credit of the attorney general operations special fund.

10       (e) Within the attorney general operations special fund  
11 shall be the tobacco enforcement subaccount. The following  
12 amounts shall be deposited into the tobacco enforcement  
13 subaccount:

14       (1) Tobacco settlement moneys as provided by section  
15       328L-2(a);

16       (2) The allocated portion of the stamp fee designated to  
17       pay for the cost of enforcing the cigarette tax stamp  
18       as provided by section 245-26; and

19       (3) Fines as provided for by section 245-41.

20       (f) Moneys in the tobacco enforcement subaccount shall be  
21 used for administering, operating, monitoring, and ensuring  
22 compliance with and enforcement of:



- 1        (1) The Master Settlement Agreement as defined in chapter
- 2                    675 and any other statutes or programs relating to
- 3                    that agreement;
- 4        (2) Chapter 675;
- 5        (3) Tobacco prevention programs;
- 6        (4) The cigarette tax stamp as defined in chapter 245 and
- 7                    any other statutes or programs relating to that
- 8                    chapter;
- 9        (5) Chapter 245;
- 10       (6) Chapter 486P and any other statutes or programs
- 11                   relating to that chapter; and
- 12       (7) Any other requirement deemed necessary to carry out
- 13                   the purposes of the subaccount.
- 14       (g) All unencumbered and unexpended moneys in excess of
- 15       \$ \_\_\_\_\_ remaining on balance in the tobacco enforcement
- 16       subaccount at the close of June 30 of each year shall not lapse
- 17       to the credit of the state general fund, but shall remain in the
- 18       attorney general operations special fund.
- 19       (h) Within the attorney general operations special fund
- 20       shall be deposited investment earnings from moneys in the
- 21       litigation deposits trust fund, as provided by section 28-16(d).



1        (i) The department of the attorney general shall submit a  
2 report to the legislature, no later than twenty days prior to  
3 the convening of each regular session, providing an accounting  
4 of the receipts and expenditures of the fund."

5        SECTION 2. Section 28-16, Hawaii Revised Statutes, is  
6 amended by amending subsection (d) to read as follows:

7        "(d) Moneys in the fund may be invested by the department  
8 in securities as provided by section 36-21. Investment earnings  
9 shall be deposited in the [~~general fund.~~] attorney general  
10 operations special fund."

11        SECTION 3. Section 245-26, Hawaii Revised Statutes, is  
12 amended by amending subsection (a) to read as follows:

13        "(a) Stamps shall be sold at their denominated values,  
14 plus a stamp fee of 1.7 per cent of the denominated value of  
15 each stamp sold, composed of the aggregate of:

16        (1) .2 per cent of the denominated value of the stamp to  
17 pay for the cost to the State of providing the stamps,  
18 with that amount to be deposited to the credit of the  
19 department of taxation's cigarette tax stamp  
20 administrative special fund; and

21        (2) 1.5 per cent of the denominated value of the stamp to  
22 pay for the cost of enforcing the stamp tax, with that



1 amount to be deposited to the credit of the department  
2 of the attorney general's tobacco enforcement [~~special~~  
3 ~~fund,~~] subaccount;  
4 provided that the department by rule may modify the stamp fee to  
5 reflect actual costs incurred by the State in providing the  
6 stamps."

7 SECTION 4. Section 245-41, Hawaii Revised Statutes, is  
8 amended by amending subsection (c) to read as follows:

9 "(c) Where the attorney general initiates and conducts an  
10 investigation resulting in the imposition and collection of a  
11 criminal fine pursuant to this part, one hundred per cent of the  
12 fine shall be distributed to the attorney general to be  
13 deposited to the credit of the department of the attorney  
14 general's tobacco enforcement [~~special fund,~~] subaccount;  
15 provided that if the attorney general engages the prosecuting  
16 attorney for the investigation or prosecution, or both,  
17 resulting in the imposition and collection of a criminal fine  
18 under this part, the fine shall be shared equally between the  
19 attorney general and the prosecuting attorney."

20 SECTION 5. Section 28-13, Hawaii Revised Statutes, is  
21 repealed.



1           ~~["§28-13] Antitrust trust fund. (a) There is~~  
2 ~~established in the state treasury the antitrust trust fund, into~~  
3 ~~which shall be deposited:~~

4           ~~(1) Ten per cent of any antitrust judgment or settlement~~  
5           ~~received by the State except where the deposit is~~  
6           ~~inconsistent with the court order or settlement~~  
7           ~~agreement relating to the amount; and~~

8           ~~(2) Appropriations made by the legislature.~~

9           ~~(b) The antitrust trust fund shall be administered by the~~  
10 ~~department of the attorney general and shall be used for~~  
11 ~~expenditures relating to the enforcement of antitrust laws,~~  
12 ~~including but not limited to expenditures for training,~~  
13 ~~equipment purchases, educational resources, and facilitating~~  
14 ~~participation in antitrust lawsuits and investigations initiated~~  
15 ~~by other states.~~

16           ~~(c) All unencumbered and unexpended moneys in excess of~~  
17 ~~\$250,000 remaining on balance in the antitrust trust fund at the~~  
18 ~~close of June 30 of each year shall lapse to the credit of the~~  
19 ~~general fund.~~

20           ~~(d) The department of the attorney general shall submit a~~  
21 ~~report to the legislature no later than twenty days prior to the~~



1 ~~convening of each regular session to provide an accounting of~~  
2 ~~the receipts and expenditures of the fund."]~~

3 SECTION 6. Section 28-15, Hawaii Revised Statutes, is  
4 repealed.

5 [~~"§28-15 Tobacco enforcement special fund. (a) There is~~  
6 ~~established in the state treasury the tobacco enforcement~~  
7 ~~special fund, into which shall be deposited the tobacco~~  
8 ~~settlement moneys as provided by section 328L-2(a), the~~  
9 ~~allocated portion of the stamp fee designated to pay for the~~  
10 ~~cost of enforcing the cigarette tax stamp as provided by section~~  
11 ~~245-26, and fines as provided for by section 245-41.~~

12 ~~(b) The tobacco enforcement special fund shall be~~  
13 ~~administered by the department of the attorney general and shall~~  
14 ~~be used for administering, operating, monitoring, and ensuring~~  
15 ~~compliance with and enforcement of:~~

16 ~~(1) The Master Settlement Agreement as defined in chapter~~  
17 ~~675 and any other statutes or programs relating to~~  
18 ~~that agreement;~~

19 ~~(2) Chapter 675;~~

20 ~~(3) Tobacco prevention programs;~~



- 1       ~~(4) The cigarette tax stamp as defined in chapter 245 and~~  
2           ~~any other statutes or programs relating to that~~  
3           ~~chapter;~~
- 4       ~~(5) Chapter 245;~~
- 5       ~~(6) Chapter 486P and any other statutes or programs~~  
6           ~~relating to that chapter; and~~
- 7       ~~(7) Any other requirement deemed necessary to carry out~~  
8           ~~the purposes of the fund.~~

9       ~~(c) All unencumbered and unexpended moneys in excess of~~  
10       ~~\$500,000 remaining on balance in the tobacco enforcement special~~  
11       ~~fund at the close of June 30 of each year shall lapse to the~~  
12       ~~credit of the state general fund.~~

13       ~~(d) The department of the attorney general shall submit a~~  
14       ~~report to the legislature, no later than twenty days prior to~~  
15       ~~the convening of each regular session, providing an accounting~~  
16       ~~of the receipts and expenditures of the fund." ]~~

17       SECTION 7. Statutory material to be repealed is bracketed  
18       and stricken. New statutory material is underscored.

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1 SECTION 8. This Act shall take effect upon its approval.

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INTRODUCED BY: Sharon Chun Calles

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**Report Title:**

Attorney General; Attorney General Operations Special Fund

**Description:**

Establishes an attorney general operations special fund; moneys from the antitrust trust subaccount, tobacco settlement moneys, and investment earnings from the litigation deposits trust fund shall be deposited into this special fund.

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

