

DAVID Y. IGE
GOVERNOR



DEPT. COMM. NO. 202

CLARE E. CONNORS
ATTORNEY GENERAL

STATE OF HAWAII
DEPARTMENT OF THE ATTORNEY GENERAL
425 QUEEN STREET
HONOLULU, HAWAII 96813
(808) 586-1500

DANA O. VIOLA
FIRST DEPUTY ATTORNEY GENERAL

December 26, 2019

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

The Honorable Scott K. Saiki
Speaker and Members of the House of
Representatives
Thirtieth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi and Speaker Saiki:

For your information and consideration, I am transmitting a copy of the Department of the Attorney General's Annual Report on Litigation Deposits Trust Fund Transactions and Collections Made on Behalf of Other Departments and Agencies as required by section 28-16(e), Hawaii Revised Statutes (HRS). 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 586-1282.

Sincerely,

Clare E. Connors
Attorney General

Enclosure

State of Hawai‘i
Department of the Attorney General



REPORT ON
LITIGATION DEPOSITS TRUST FUND TRANSACTIONS
AND
COLLECTIONS MADE ON BEHALF OF OTHER
DEPARTMENTS AND AGENCIES

For Fiscal Year 2018 - 2019

Submitted to
The Thirtieth State Legislature
Regular Session of 2020

Table of Contents

Overview of the Litigation Deposits Trust Fund	3
Details of Revenues and Expenditures.....	3
Summary of Revenues and Expenditures	4
Summary of Collections.....	5

Overview of the
Litigation Deposits Trust Fund

The Litigation Deposits Trust Fund, appropriation number T-909-N, was established pursuant to Act 178, Session Laws of Hawaii 2002, to account for monies received through any civil action in which the State is a party where the settlement amount is \$100,000 or higher. Pursuant to section 28-16, Hawaii Revised Statutes, the trust fund is administered by the Department of the Attorney General, which must annually report to the Legislature (1) the transactions, by subsidiary account, that take place in the fund for each fiscal year, and (2) a summary of the collections made in any amount on behalf of other departments and agencies specifying the appropriate number of transactions and amount collected for each department and agency.

During Fiscal Year (FY) 2018-2019, the following significant transactions occurred in the trust fund:

REVENUES:

1. The Litigation Deposits Trust Fund earned \$57.67 from the State's Investment Pool.
2. The fund received \$19,472.31 from the Law Offices of Ian L. Mattoch for the settlement of the case Matsuda v. State of Hawaii (SOH), regarding a personal injury claim; received a court order of \$25,266.92 from Scott E. Kubota – Attorney at Law, LLLC regarding the case Silva v. Alana regarding another personal injury claim; received a settlement of \$629,6743.61 from Western Union Company regarding the case Tennielle v. The Western Union Co., a consumer class action alleging unfair and deceptive practices that resulted in a settlement for consumers and the distribution of the unclaimed funds to the states; and received \$2,320,695.94 from the dissolution and liquidation of the Cancer Fund of America group of sham charitable organizations.

EXPENDITURES:

Services to the store electronic documents:	\$1,509.55
Paid to Epiq and Encore related to tobacco settlement	
Cancer Fund:	\$989,609.62
Distribution to States for attorney time and expenses.	
Transfer \$5,316.44 to Attorney General – Tax Division	

Professional Fees:

Paid to Chong, Nishimoto, Sia for services related to the tobacco settlement.

Financial Data for Fiscal Years 2017-2018 and 2018-2019:

Below are the details of the revenue and expenditure for this account for FY 2017-2018 and FY 2018-2019

	FY 2017-2018	FY 2018-2019	FY 2019-2020
Beginning Cash Balance	3,063,527.78	2,033,938.26	4,031,515.33
Beginning Encumbrances	0.00	0.00	0.00
Revenues	430,090.12	2,995,167.45	
Expenditures	1,459,679.64	986,273.94	
Transfers		5,316.44	
Ending Cash Balance	2,033,938.26	4,037,515.33	

Revenue by Source Code – Fiscal Year 2018-2019:

T-19-909-N

Source Code	Description	Revenue
0288	INVESTMENT POOL ACCOUNT	57.67
0787	JUDGMENTS AND SETTLEMENTS	2,995,109.76

Total Revenue: 2,995,167.45

Expenditure by Object Code - Fiscal Year 2018-2019:

Object Code	Description	Expenditure
7100 – 7199	SERVICES AND FEES	1,980.76
7212	ASSESSMENTS	984,293.18
7111 - 7112	TRANSFER TO SPECIAL REVENUE FUNDS-OPERATING	5,316.44

Total Expenditure: 991,590.38

Collections Made on Behalf of Other Departments and Agencies

Section 28-16(e)(2), Hawaii Revised Statutes, requires the Department to prepare a “summary of the collections made in any amount on behalf of other departments and agencies specifying the appropriate number of transactions and amount collected for each department and agency.” This report is for fiscal year 2018-2019 is as follows:

<u>Department/Agency</u>	<u>Collected Amount</u>	<u>Number of Transactions</u>
Department of the Attorney General Asset Forfeiture	874,309.00	152
Department of Human Services	8,014,242.74	2,253
Department of Labor and Industrial Relations	59,932.88	61
Department of Transportation	2,536,706.08	162
Department of Taxation	1,267,811.84	405
Hawaii Health System Corporation	1,552,711.60	5,281
Miscellaneous (Departments of Accounting and General Services, Attorney General, Education, Health and Public Safety, Human Resources Development, University of Hawaii, etc.) –		
Breakdown below:		
Campaign Spending Commission	500.00	2
DAGS Risk Management	5,200.00	2
DAGS Subrogation	518.00	7
DOE Salary Overpayment	16,352.49	47
DOE UH Stipend	16,190.35	50
DHRD Worker’s Compensation	87,775.75	17
DOH Dishonored Check	34,520.82	11
DOH Salary Overpayment	8,328.76	6
DLNR Salary Overpayment	278.98	2
DLNR Restitution	3,184.00	9
OAG Labor Division	3,983.02	12
PSD Salary Overpayment	11,819.07	7
Judiciary (Bail Bond Forfeitures)	696,362.00	203
Miscellaneous Total	885,013.24	375
TOTAL	15,190,727.38	8,689