

DAVID Y. IGE  
GOVERNOR



**DEPT. COMM. NO. 203**

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**STATE OF HAWAII**  
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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 the Antitrust Trust Fund, as required by section 28-13(d), 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

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**REPORT ON THE ANTITRUST TRUST FUND**

**Pursuant to Section 28-13(d), Hawaii Revised Statutes**

**Fiscal Year 2018 - 2019**

**Submitted to the Thirtieth State Legislature  
Regular Session of 2020**

Section 28-13(d), Hawaii Revised Statutes, requires the Department of the Attorney General ("Department") to submit a report to the Legislature no later than twenty days prior to the convening of each regular session to provide an accounting of the receipts and expenditures of the Antitrust Trust Fund.

**I. BACKGROUND ON THE ANTITRUST TRUST FUND**

Pursuant to section 28-13, the Antitrust Trust Fund was established to provide resources to facilitate the enforcement of the antitrust laws. One of the most important functions of the trust fund is to provide a means for promoting and facilitating the State's participation in multistate antitrust lawsuits and investigations. The fund is also used to cover other expenses relating to antitrust enforcement such as training, equipment purchases, and educational resources.

**A. Legal Authority for the Antitrust Trust Fund**

Act 97, Session Laws of Hawaii 2001, authorized the creation of the Antitrust Trust Fund in the State treasury. The Act took effect on June 29, 2001, and is codified as section 28-13, Hawaii Revised Statutes.

**B. Creation of Fund and Initial Funding**

The Department of Accounting and General Services established the appropriation number for the fund as T-908-N.

Section 3 of Act 97, Session Laws of Hawaii 2001, authorized the

Department to deposit not more than \$150,000 from the Department's general fund appropriation for fiscal year 2000-2001 to the credit of the fund. In accordance with this authorization, effective June 30, 2001, \$150,000 was credited to the fund.

**C. Receipts and Expenditures, Generally**

**1. Receipts**

Section 28-13(a) authorizes the Department to deposit the following amounts into the fund:

- (1) Ten percent of any antitrust judgment or settlement received by the State except where the deposit is inconsistent with the court order or settlement agreement relating to the amount; and
- (2) Appropriations made by the Legislature.

**2. Expenditures**

Section 28-13(b) authorizes the Department to use the fund for "expenditures relating to the enforcement of antitrust laws, including but not limited to expenditures for training, equipment purchases, educational resources, and facilitating participation in antitrust lawsuits and investigations initiated by other states."

**II. SUMMARY OF FUND ACTIVITY IN FISCAL YEAR 2018-2019**

- Balance as of June 30,  
2018.....\$246,969.60
- Receipts from July 1, 2018 to June 30,  
2019.....\$43.91

- Transfers from July 1, 2018 to June 30,  
 2019.....\$492.25
- Expenditures from July 1, 2018 to June 30,  
 2019.....\$27,853
- Balance as of June 30,  
 2019.....\$219,159.79

**III. FUND ACTIVITY IN FISCAL YEAR 2018-2019**

**A. Receipts.**

DATE OF RECEIPT	DESCRIPTION OF RECEIPT	AMOUNT
Various dates	Share of investment pool interest	\$43.91
<b>TOTAL</b>		<b>\$43.91</b>

**B. Transfers by Journal Memoranda.**

None.

**C. Expenditures.**

DATE OF PAYMENT	PAYEE	PURPOSE OF EXPENDITURE	AMOUNT
Various dates	Deputy Attorney General	Portion of costs to attend NAAG Antitrust Litigation and Training Seminar; Denver Colorado	\$492.25
March 5, 2019	For the Record, Inc.	Deposition costs incurred for non-public antitrust investigation	\$1,995.50
May 24, 2019	Apple, Inc.	Purchase of computer for antitrust deputy attorney general	\$2,227.23
May 30, 2019	Department of Legal Affairs, State of Florida	Cost share contribution for non-public multi-state antitrust investigation	\$541.28

Various dates	Maine Attorney General (Cost Share Administrator)	Cost share contribution for multi-state antitrust litigation – <i>In Re: Suboxone (Buprenorphine Hydrochloride and Nalaxone) Antitrust Litigation</i> ; MDL 2445	\$22,597.46
		<b>TOTAL</b>	<b>\$27,853.72</b>

**D. Balance in the Antitrust Trust Fund.**

Section 28-13(c) provides that all unencumbered and unexpended moneys in excess of \$250,000 remaining on balance in the Antitrust Trust Fund at the close of June 30 of each year shall lapse to the credit of the general fund. The balance in the fund as of June 30, 2019 was \$219,159.79.