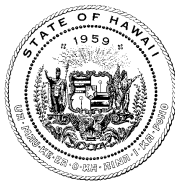


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## **REPORT ON THE ANTITRUST TRUST FUND**

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

**Fiscal Year 2012 - 2013**

**Submitted to the Twenty-Seventh State Legislature  
Regular Session of 2014**

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 a measure of 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 2012-2013**

- Balance as of June 30, 2012.....\$165,052.22 <sup>1</sup>
- Receipts from July 1, 2012 to June 30, 2013.....\$42,789.72
- Transfers from July 1, 2012 to June 30, 2013.....\$18,187.42
- Expenditures from July 1, 2012 to June 30, 2013.....\$66,472.58
- Balance as of June 30, 2013.....\$123,181.94 <sup>2</sup>

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<sup>1</sup> The balance included \$18,374.08 awaiting distribution in accordance with settlement protocols, and \$44,987.37 awaiting distribution in accordance with a settlement agreement.

<sup>2</sup> The balance included \$186.66 awaiting distribution in accordance with a court-approved settlement, and \$78,627.93 awaiting distribution in accordance with a settlement agreement.

**III. FUND ACTIVITY IN FISCAL YEAR 2012-2013**

**A. Receipts**

DATE OF RECEIPT	DESCRIPTION OF RECEIPT	AMOUNT
Various dates for allocations applicable to FY 2012-2013	Share of Investment Pool Interest	\$412.72
March 20, 2012	Share of Multistate E-Book Settlement	42,377.00
<b>TOTAL</b>		<b>\$42,789.72</b>

**B. Transfers by Journal Memoranda**

DATE OF TRANSFER	PAYEE	DESCRIPTION OF TRANSFER	AMOUNT
June 28, 2013	Dept. of Human Services	Share of Remeron Settlement	\$18,187.42
<b>TOTAL</b>			<b>\$18,187.42</b>

**C. Expenditures**

DATE OF PAYMENT	PAYEE	PURPOSE OF EXPENDITURE	AMOUNT
Various dates for expenditures applicable to FY 2012-2013	Deputy Attorney General	Portion of Payroll Expenses	\$64,215.78
October 17, 2012	Various Payees	Travel-Related Expenses for Attendance at ABA Antitrust Masters Course VI: - Registration fee.....\$475.00 - Air fare.....925.00 - Per diem/meals.....731.80 - Ground transp/baggage fees...125.00	2,256.80
<b>TOTAL</b>			<b>\$66,472.58</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, 2013, was \$123,181.94. This amount included \$186.66 awaiting distribution in accordance with a court-approved settlement, and \$78,627.93 awaiting distribution in accordance with a settlement agreement, leaving \$44,367.35 available for use pursuant to statute, which amount included \$8,736.44 retained in the account pursuant to section 28-13(a)(1).