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December 9, 2021

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

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

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Department of the Attorney General's Report on Receipts and Expenditures of 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 586-1500.

Respectfully,

Clare E. Connors
Attorney General

c: David Y. Ige, Governor
Josh Green, Lieutenant Governor
Legislative Reference Bureau (Attn.: Karen Mau)
Leslie H. Kondo, State Auditor
Craig K. Hirai, Director of Finance, Department of Budget and Finance
Stacey A. Aldrich, State Librarian, Hawaii State Public Library System
David Lassner, PhD., President, University of Hawaii

Enclosure

State of Hawai'i

Department of the Attorney General



**REPORT ON RECEIPTS AND EXPENDITURES OF THE
ANTITRUST TRUST FUND**

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

For Fiscal Year 2020 - 2021

Submitted to
The Thirty-First State Legislature
Regular Session of 2022

OVERVIEW OF THE ANTITRUST TRUST FUND

Section 28-13(d), Hawaii Revised Statutes (HRS), 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, HRS, the Antitrust Trust Fund was established to provide resources to facilitate the enforcement of 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 expenses relating to the enforcement of antitrust laws including but not limited to training, equipment purchases, and educational resources.

A. Legal Authority for the Antitrust Trust Fund.

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

B. Creation of Fund and Initial Funding.

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

Section 3 of Act 97 authorized the Department to deposit not more than \$150,000 from the Department's general fund appropriation (ATG-100) for fiscal year 2000-2001 to the credit of the Antitrust Trust fund. In accordance with this authorization, the Department credited \$150,000 to the fund, effective June 30, 2001.

C. Receipts and Expenditures, Generally.

1. Receipts.

Section 28-13(a), HRS, 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), HRS, 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 2020-2021

Balance as of June 30, 2020	\$166,768.19
Receipts into the fund from July 1, 2020 to June 30, 2021 (added)	\$176,558.30
Transfers out of the fund to the State treasury from July 1, 2020 to June 30, 2021 (subtracted)	\$0
Expenditures out of the fund for antitrust enforcement expenses from July 1, 2020 to June 30, 2021 (subtracted)	\$94,832.39
Balance as of June 30, 2021 (totaled)	\$248,494.10

III. FUND ACTIVITY IN FISCAL YEAR 2019-2020

A. Receipts.

DATE OF RECEIPT	DESCRIPTION OF RECEIPT	AMOUNT
October 7, 2020	New York Department of Law-Settlement relating to London Interbank Offered Rate (LIBOR)	50,000.00
October 27, 2020	<i>State of New York et al. vs. Deutsche Telekom AG, et al.</i> , Civil No.19-cv-5434: Reimbursement of cost share assessment	45,722.00
October 27, 2020	<i>State of New York et al. vs. Deutsche Telekom AG, et al.</i> , Civil No.19-cv-5434: Distribution of funds to litigating states	79,997.27
Various dates	Investment Pool Interest	839.03
TOTAL		\$176,558.30

B. Transfers by Journal Memoranda.

DATE OF TRANSFER	DESCRIPTION OF TRANSFER	AMOUNT
		0
TOTAL		\$0

C. Expenditures.

DATE	PAYEE	PURPOSE OF EXPENDITURE	AMOUNT
September 8, 2020	Capitol Forum	Subscription	300.00
September 9, 2020	Commonwealth of Pennsylvania	In Re: Generic Pharmaceuticals Pricing Antitrust Litigation, MDL No. 2724: Cost share assessment	12,670.01
April 26, 2021	State of Maine	<i>State of New York et al., vs Facebook, Inc.</i> , Civil No. 20-cv-3589: Cost share assessment	21,777.96
May 25, 2021	Fisher Hawaii	Purchase of replacement desk chair	240.11
May 25, 2021	State of Maine	<i>State of New York et al., vs Facebook, Inc.</i> , Civil No. 20-cv-3589: Cost share assessment	55,868.62
June 18, 2021	Deputy Attorney General	Portion of payroll expenses	3,975.69
TOTAL			\$94,832.39

D. Balance in the Antitrust Trust Fund.

Section 28-13(c), HRS, 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, 2021 was \$248,494.10.