

DAVID Y. IGE  
GOVERNOR



HOLLY T. SHIKADA  
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**STATE OF HAWAII**  
**DEPARTMENT OF THE ATTORNEY GENERAL**  
425 QUEEN STREET  
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VALERIE M. KATO  
FIRST DEPUTY ATTORNEY GENERAL

November 3, 2022

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 of Litigation Deposits Trust Account Transactions and Collections Made on Behalf of Other Departments and Agencies. In accordance with section 93-16, Hawaii Revised Statutes, 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 (808) 586-1500.

Sincerely,

Holly T. Shikada  
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, Ph.D., President, University of Hawaii

Enclosure

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

Pursuant to Section 28-16(e),  
Hawaii Revised Statutes

For Fiscal Year 2021 - 2022

Submitted to the Thirty-Second State Legislature  
Regular Session of 2023

**Table of Contents**

I.	Overview of the Litigation Deposits Trust Account	1
II.	Financial Data for Fiscal Years 2020-2021 and 2021-2022	2
III.	Collections Made on Behalf of Other Departments and Agencies	3

**I. Overview of the Litigation Deposits Trust Account**

The Litigation Deposits Trust Account (name changed on July 1, 2021, from "Litigation Deposits Trust Fund" pursuant to Act 9, Special Session Laws of Hawaii 2021), appropriation number T-909-N, was established pursuant to Act 178, Session Laws of Hawaii 2002, to account for moneys 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 (HRS), the trust account 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 Litigation Deposits Trust Account 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) 2021-2022, the following significant transactions occurred in the trust account:

Revenues:

1. The account earned \$5,466.43 from the State's Investment Pool.
2. The account received a settlement of \$85,568.12 from McKinsey & Company, Inc. Case: State v. McKinsey & Co., Inc., Civ. No. 21-0-0001-38 (Haw. 1st Cir. 2021) (regarding unfair deceptive acts or practices regarding opioids).
3. The account received a settlement of \$1,500,000.00 from Monsanto Company, Case: United States v. Monsanto Co., 19-CR-00162-JMS (D. Haw. 2021) (charging defendant with violation of unlawful storage of acute hazardous waste).

Expenditures:

None.

**II. Financial Data for Fiscal Years 2020-2021 and 2021-2022**

Below are the details of the revenue and expenditure for this account for FY 2020-2021 and FY 2021-2022:

	<u>FY 2020-2021</u>	<u>FY 2021-2022</u>
Beginning Cash Balance	1,523,400.83	1,889,442.59
Beginning Encumbrances	0.00	0.00
Revenues	1,660,031.76	1,591,034.55
Expenditures	1,293,990.00	0.00
Transfers	0.00	0.00
Ending Cash Balance	1,889,442.59	3,480,477.14

Revenue by Source Code – Fiscal Year 2021-2022

<u>Source Code</u>	<u>Description</u>	<u>Revenue</u>
0288	INVESTMENT POOL ACCOUNT	5,466.43
0787	JUDGMENTS AND SETTLEMENTS	1,585,568.12
	Total Revenue:	1,591,034.55

Expenditure by Object Code - Fiscal Year 2021-2022

<u>Object Code</u>	<u>Description</u>	<u>Expenditure</u>
N/A	N/A	0.00
	Total Expenditure:	0.00

**III. Collections Made on Behalf of Other Departments and Agencies**

Section 28-16(e)(2), HRS, 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 FY 2021-2022 as follows:

<u>Department/Agency</u>	<u>Collected Amount</u>	<u>Number of Transactions</u>
Department of Human Services	12,955,131.49	1,371
Department of Labor and Industrial Relations (DLIR)	446,650.07	293
Department of Taxation (DOTAX)	2,257,192.48	543
Department of Transportation (DOT)	1,427,825.09	224
Hawaii Health System Corporation	519,456.44	2,038
Miscellaneous Department/Agency (Breakdown on the next page)	342,321.03	210
Department/Agency Total	17,948,576.60	4,679

<u>Miscellaneous Department/Agency</u> <u>(Breakdown)</u>	<u>Collected</u> <u>Amount</u>	<u>Number of</u> <u>Transactions</u>
Department of Attorney General (ATG) Labor Division	4,978.95	8
ATG-Notary Public Office	5,115.00	1
Campaign Spending Commission	1,500.00	3
Employer-Union Health Benefits Trust Fund	6,339.10	4
Department of Accounting and General Services (DAGS) Risk Management	1,323.00	4
DAGS Subrogation	173.00	3
Department of Land and Natural Resources (DLNR) Restitution	2,400.00	11
Department of Education (DOE)	9,192.55	1
DOE Criminal Restitution	5,760.00	6
DOE University of Hawai'i Stipend	19,340.18	50
DOE Worker's Compensation	16,666.66	1
Department of Human Resources Development Worker's Compensation	125,436.08	10
Department of Health (DOH) Dishonored Check	1,920.50	14
Hawaii State Ethics Commission	10,000.00	1
Hawaii State Public Library System	700.00	1
Judiciary (Bail Bond Forfeitures)	94,776.00	36
Salary Overpayments		
DOE	27,530.47	33
DOH	1,758.86	14
DLIR	2,383.85	1
DLNR	758.00	3
DOT	2,926.15	1
DOTAX	170.68	1
Department of Public Safety	1,172.00	3
Miscellaneous Department/Agency Total	342,321.03	210