

STAND. COM. REP. NO. 503-24

Honolulu, Hawaii

FEB 16, 2024

RE: H.B. No. 2806
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 2806, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO OPIOID LITIGATION PROCEEDS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Hawaii Opioid Litigation Proceeds Special Fund to serve as the repository for all opioid litigation proceeds received by the State;
- (2) Establish the Hawaii Opioid Litigation Proceeds Council to administer the special fund and oversee the expenditure of all opioid litigation proceeds received by the State; and
- (3) Appropriate funds from the Hawaii Opioid Litigation Proceeds Special Fund for the establishment of positions within the Alcohol and Drug Abuse Division of the Department of Health.

Your Committee received testimony in support of this measure from the Hawai'i Health & Harm Reduction Center; Hawaii Substance Abuse Coalition; and five individuals. Your Committee received comments on this measure from the Department of the Attorney

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General; Department of Health; Department of Budget and Finance; and Tax Foundation of Hawaii.

Your Committee finds that the Master Settlement Agreement against manufacturers and distributors of opioids included the establishment of a Hawaii Opioid Settlement Advisory Committee to fulfill expenditure oversight requirements on proceeds relating to the settlement of opioid litigation. Your Committee further finds that the Hawaii Opioid Settlement Advisory Council is responsible for ensuring all funds are spent within the parameters set by the Master Settlement Agreement. This measure is intended to establish a statutory framework to support the ongoing work of the Hawaii Opioid Settlement Advisory Council and ensure settlement proceeds from opioid litigation are expended in a manner that is consistent with the Master Settlement Agreement.

Your Committee has amended this measure by:

- (1) Adopting language proposed by the Department of the Attorney General and Department of Health, which:
 - (A) Requires the Hawaii Opioid Litigation Proceeds Council to oversee the Hawaii Opioid Settlement Advisory Committee's expenditure of the opioid litigation proceeds;
 - (B) Amends the administration of the Hawaii Opioid Litigation Proceeds Special Fund and the requirements for disbursing funds;
 - (C) Amends the purpose, membership, and duties of the Hawaii Opioid Litigation Proceeds Council;
 - (D) Deletes language related to the effect of controlling court orders on the disbursement and expenditure of monies from the Hawaii Opioid Litigation Proceeds Special Fund; and
 - (E) Increases the number of program director and outreach coordinator positions to two each; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2806, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 2806, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,



DAVID A. TARNAS, Chair



