STAND. COM. REP. NO. **505**-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

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,

DAVED A TARNAS Chair

State of Hawaii



Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.: HB 2806, HD 1 Committee Referral: HLT, JHA, FIN 2/14/24				
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
JHA Members	Ayes	Ayes (WR)	Nays	Excused
1. TARNAS, David A. (C)	X			
2. TAKAYAMA, Gregg (VC)				
2. TAKAYAMA, Gregg (VC)		Marie Carlos		X
3. EVSLIN, Luke A.	X			(35)
4. GANADEN, Sonny		X		
5. HOLT, Daniel	/			
6. ICHIYAMA, Linda	X	,		
7 HACAN Chaggan	~			
7. ILAGAN, Greggor				
8. KONG, Sam Satoru	X			
9. MIYAKE, Tyson K.	X			于中华之内的 100 mm
10. SOUZA, Kanani		V		
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TOTAL (10)	7	2	82	1
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				