

Honolulu, Hawaii

March 2, 2006

RE: H.B. No. 3101
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 3101 entitled:

"A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING,"

begs leave to report as follows:

The purpose of this bill is to ensure that candidates for office engage in fair and consistent practices by requiring businesses, individuals, and organizations to disclose, on the return address of campaign-related material, that the material contained in the mailing is campaign-related.

Several concerned individuals testified in support of this bill. The Representative of the 42nd representative district supported this measure with an amendment. The Campaign Spending Commission offered comments.

Your Committee has amended this bill by deleting its contents and inserting provisions that, among other things:

- (1) Establish reporting conditions and penalties for failure to file or correct reports;
- (2) Amend the definition of "contribution" to include loans and provision of or payment for legal and accounting services;



- (3) Exempt accounting services provided by the campaign treasurer and deputy campaign treasurer from the definitions of "contributions" and "expenditures";
- (4) Establish an aggregate campaign contribution limit of \$25,000 by any one person to any number of candidates;
- (5) Remove the exemption of immediate family members from campaign contribution limits;
- (6) Establish conditions that treat two corporations as one corporation for the purposes of campaign contribution limits;
- (7) Delete the prohibition of knowing solicitations of contributions by state contractors;
- (8) Require that all campaign advertisements and mailings clearly state on the advertisement or envelope that the advertisement is or the envelope contains campaign material;
- (9) Add the office of the prosecuting attorney to the statutory provisions regarding candidates who voluntarily agree to limit their campaign expenditures;
- (10) Repeal the requirement for candidates to designate a central committee responsible for aggregating total contributions and expenditures; and
- (11) Change the effective date to January 1, 2006, to encourage further discussion.

Your Committee has also made technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3101, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3101, H.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



SYLVIA LUKE, Chair



