

STAND. COM. REP. NO.

744

Honolulu, Hawaii

Feb 16, 2007

RE: H.B. No. 661

H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 661 entitled:

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

begs leave to report as follows:

The purpose of this bill is promote clean, fair elections and provide a viable, competitive alternative to private financing by establishing a comprehensive public funding system for election campaigns of the State House of Representatives.

Kokua Council, Americans for Democratic Action, UNITE HERE! Local 5, Life of the Land, Democratic Party of Hawaii, Progressive Democrats of Hawaii, Advocates for Consumer Rights, ASUH-HawCC Democracy Matters RISO Club, Hawaii Clean Elections, and numerous concerned individuals supported this bill. The Campaign Spending Commission (Commission) did not support this measure. The Department of Budget and Finance opposed this bill. The Legislative Reference Bureau submitted comments.

Your Committee finds that this measure will help to reduce the influence of private financing on campaigns.

Your Committee has amended this measure by:

- (1) Changing the scope of the comprehensive public funding system from the State House of Representatives to elections involving the county councils;

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- (2) Reducing the minimum amount of funds, from \$6,000,000 to \$5,000,000, in the Hawaii Election Campaign Fund needed for the Commission to certify candidates and provide funding for comprehensive public funding for elections;
- (3) Revising the requirements for candidates seeking certification as a comprehensive publicly funded candidate by requiring the candidates to submit:
  - (A) Two hundred signatures and qualifying contributions for the county of Kauai;
  - (B) Two hundred signatures and qualifying contributions for the county of Hawaii;
  - (C) Two hundred signatures and qualifying contributions for the county of Maui; and
  - (D) Four hundred signatures and qualifying contributions for the city and county of Honolulu;from registered voters in the district for which the candidate seeks office;
- (4) Specifying that a comprehensively publicly funded candidate may accept in-kind contributions aggregating less than \$200 in any single month from any single source;
- (5) Specifying that the Commission shall not distribute comprehensive public funding to certified candidates that exceeds the total amount of \$5,000,000 for all candidates subject to the comprehensive public funded system;
- (6) Changing the limitation on equalizing funds from 200 percent of the base amount of comprehensive public funding allotted to the certified candidate to an amount equal to the base amount;
- (7) Commencing 45 days before the primary election day, specifying that nonparticipating candidates and the candidates' committees shall file supplemental excess reports within 24 hours after any encumbrances or expenditures that exceed \$1,000 in aggregate;



- (8) Commencing 45 days before the general election day, specifying that noncandidate committees, parties, and other persons that incur independent expenditures that expressly advocate the nomination, election, or defeat of a certified candidate shall file an independent expenditure report with the Commission within 24 hours when expenditures exceed \$1,000 in an election period;
- (9) Deleting the provision requiring that no less than \$2,500,000 shall be appropriated from the Unclaimed Property Trust Fund on an annual basis and deposited into the Hawaii Election Campaign Fund;
- (10) Inserting a general fund appropriation to fund the Hawaii Election Campaign Fund;
- (11) Changing the appropriation amount for the Commission to support comprehensive publicly funded elections to an unspecified amount;
- (12) Changing its effective date to January 1, 2112; and
- (13) Making technical, nonsubstantive amendments for style, clarity, and consistency.

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. 661, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 661, H.D. 1, and be referred to the Committee on Finance.

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

  
\_\_\_\_\_  
TOMMY WATERS, Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

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**Record of Votes of the Committee on Judiciary**

<b>Bill/Resolution No.:</b> <div style="text-align: center;">HB 661</div>		<b>Date:</b> <div style="text-align: center; font-size: 1.5em;">2/13/07</div>		
<b>Committee Referral:</b> <div style="text-align: center;">JUD</div>		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
<b>The recommendation is to:</b> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="width: 45%;"> <input type="checkbox"/> Pass, unamended  <input type="checkbox"/> Hold         </div> <div style="width: 45%;"> <input checked="" type="checkbox"/> Pass, with amendments  <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration         </div> </div>				
JUD Members	Ayes	Ayes (WR)	Nays	Excused
1. WATERS, Tommy (C)	✓			
2. OSHIRO, Blake K. (VC)	✓			
3. CALDWELL, Kirk	✓			
4. EVANS, Cindy	✓			
5. GREEN, Josh, M.D.	✓			
6. ITO, Ken	✓			
7. LUKE, Sylvia	✓			
8. McKELVEY, Angus L.K.	✓			
9. MORITA, Hermina M.	✓			
10. SONSON, Alex M.	✓			
11. SOUKI, Joseph M.	✓			
12. TSUJI, Clift		✓		
13. YAMANE, Ryan I.	✓			
14. YAMASHITA, Kyle T.	✓			
15. MARUMOTO, Barbara C.	✓			
16. PINE, Kymberly Marcos	✓			
17. THIELEN, Cynthia				✓
TOTAL	15	1		1
<b>The recommendation is:</b> <div style="margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted  <input type="checkbox"/> Not Adopted         </div> <p style="margin-top: 10px;">If joint referral, _____ did not support recommendation. committee acronym(s)</p>				
<b>Vice Chair's or designee's signature:</b> <div style="text-align: center; margin-top: 10px;"> </div>				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – HMSO    Duplicate (Pink) – Clerk's Office				