

STAND. COM. REP. NO.

341

Honolulu, Hawaii

FEB 15 2007

RE: S.B. No. 1068
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 1068 entitled:

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

begs leave to report as follows:

The purpose of this measure is to add a new comprehensive
public funding program for candidates for the State House of
Representatives in addition to existing partial public financing.

Your Committee received testimony in support of this measure
from Hawaii Clean Elections, the League of Women Voters, Kokua
Council, Life of the Land, and numerous concerned individuals.
The Campaign Spending Commission (Commission) did not support the
bill as drafted. The Department of Budget and Finance opposed
\$2.5 million annual appropriations to the Hawaii Election Campaign
Fund from the Unclaimed Property Trust Fund.

The bill as received adds to chapter 11, Hawaii Revised
Statutes, a new subpart entitled Comprehensive Public Funding for
Elections to the House of Representatives, and amends other
sections in chapter 11 to reflect the changes.

Your Committee has concerns regarding the source of funds.
The Department of Budget and Finance testified that funds in the
Unclaimed Property Trust Fund belong to individual citizens and
businesses, and should not be used for purposes other than paying
claims to their rightful owners.

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The Commission's written testimony lists the balance of the Hawaii Election Campaign Fund as of December 31, 2006 as \$5,567,712.09. In oral testimony, the Commission's Executive Director stated that if current law were amended to increase matching funds available to a state representative candidate from ten to fifty per cent, it appears the Hawaii Election Campaign Fund would have sufficient resources to provide matching funds to one state representative candidate per seat in the 2008 election. The Executive Director could not predict how many candidates would apply, but current law allows the Commission to cease paying matching funds if the payment would deplete the Hawaii Election Campaign Fund.

To keep discussion of this proposal moving forward, your Committee has amended this measure by deleting its contents and inserting sections 7 and 10 of S.B. No. 1549, a Bill for an Act Relating to Campaign Spending, pertaining to partial public funding, modified to change that bill's proposed increase in matching funds available to a candidate for state representative from fourteen to fifty percent of the expenditure limit. This bill, as amended:

- (1) Amends section 11-209(a), Hawaii Revised Statutes, to:
 - (a) Reinstate language that was deleted by Act 203, Session Laws of Hawaii 2005, to allow candidates for the office of prosecuting attorney to qualify for partial public financing; and
 - (b) Increase expenditure limits for candidates who voluntarily agree to limit their campaign expenditures, including candidates for the office of prosecuting attorney; and
- (2) Amends section 11-218, Hawaii Revised Statutes, to:
 - (a) Increase matching funds available to a candidate for the office of the governor, lieutenant governor, or mayor from ten percent to fourteen percent of the expenditure limit;
 - (b) Increase matching funds available to a candidate for the office of state senator, county council, or prosecuting attorney from ten percent to fourteen percent of the expenditure limit; and



- (c) Increase matching funds available to a candidate for state representative from ten percent to fifty per cent of the expenditure limit.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1068, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1068, S.D. 1, and be referred to the Committee on Ways and Means.

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




CLAYTON HEE, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* SB 1068	Committee Referral: JDL, WAM	Date: 2/12/07		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
HEE, Clayton (C)	/			
KOKUBUN, Russell S. (VC)	/			
INOUE, Lorraine R.	/			
NISHIHARA, Clarence K.	/			
GABBARD, Mike	/			
TOTAL	5			0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:	Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	

*Only one measure per Record of Votes