

STAND. COM. REP. NO. 627

Honolulu, Hawaii

Feb 24, 2009

RE: H.B. No. 539
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 539 entitled:

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

begs leave to report as follows:

The purpose of this bill is to amend the campaign spending law by:

- (1) Prohibiting a corporation or company from making a campaign contribution from its treasury directly to:
 - (A) A candidate or candidate's committee;
 - (B) A noncandidate committee other than one established by the corporation or company; or
 - (C) A political party;
- (2) Permitting a corporation or company to contribute from its treasury not more than \$25,000 in any two-year election period to not more than one noncandidate committee established by the corporation or company; and
- (3) Allowing a corporation's or company's noncandidate committee to make a campaign contribution to any other noncandidate committee under the same conditions and restrictions as applicable to a person or entity.

HB539 HD1 HSCR JUD HMS 2009-2309



The Hawaii Transportation Association testified in support of this bill. The Campaign Spending Commission supported the intent of this measure. The Green House, Americans for Democratic Action/Hawaii, Common Cause Hawaii, Progressive Democrats of Hawaii, and many concerned individuals opposed this bill. A concerned individual offered comments.

Your Committee has amended this bill by:

- (1) Deleting the purpose section of the bill;
- (2) Deleting the prohibition on direct contributions from corporations or companies to candidates or candidates' committees, to noncandidate committees other than their own, or to political parties;
- (3) Removing the \$1,000 restriction on contributions by persons or any other entities to noncandidate committees;
- (4) Allowing corporations and companies to contribute an unlimited amount to their own noncandidate committees; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, 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. 539, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 539, H.D. 1, and be placed on the calendar for Third Reading.

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



I. RIKI KARAMATSU, Chair



