

Honolulu, Hawaii

MAR 05 2009

RE: S.B. No. 93

S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Judiciary and Government Operations, to which was referred S.B. No. 93 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Clarify that if the candidate or candidate's committee returns or refunds a contribution or contributions that exceed twenty per cent of the total contributions received during a reporting period within seven days of the last day of the reporting period, the candidate and candidate committee is not in violation of the limit on contributions from nonresidents law;
- (2) Clarify the definition of "electioneering communication" to also mean advertising that is susceptible of no reasonable interpretation other than as an appeal to vote for or against a specific candidate;
- (3) Require that a noncandidate committee file a preliminary report on July 31 prior to each primary election; and
- (4) Repeal the provision allowing the filing of a short form report for expenditures totaling \$2,000 or less.

Your Committee received testimony in support of this measure from the Campaign Spending Commission and League of Women Voters



of Hawaii. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that the twenty per cent limit on contributions from nonresident persons, first enacted by Act 2003, Session Laws of Hawaii 2005, may need to be revisited with regards to the percentage amount and the limitation of receiving such contributions in each reporting period. It has been brought to your Committee's attention that the prohibition on receiving such contributions within a reporting period may subvert the intended result of applying the rule to the total of such contributions within any election cycle.

Your Committee has amended this measure by:

- (1) Deleting the amendment to the definition of "electioneering communication", on the recommendation of the Campaign Spending Commission;
- (2) Deleting the requirement of an additional preliminary report on July 31 of each primary election;
- (3) Changing the twenty per cent threshold to an unspecified amount; and
- (4) Changing the effective date to July 1, 2050 to continue the discussions on this matter.

As affirmed by the record of votes of the members of your Committee on Judiciary and Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 93, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 93, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Government Operations,


BRIAN T. TANIGUCHI, Chair



