

Honolulu, Hawaii

Feb 15, 2011

RE: H.B. No. 257  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 257 entitled:

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

begs leave to report as follows:

The purpose of this bill is to increase the transparency of the electoral system by expanding reporting requirements and modifying reporting deadlines by, among other things:

- (1) Defining "address", "automated phone call", and "matching payment period" to provide clarity to the State's Campaign Finance Law;
- (2) Providing that the information required in an advertisement, such as identifying the person paying for or placing the advertisement and the approval and authority of the candidate, be stated at the beginning of an advertisement via automated phone call;
- (3) Imposing a \$100 fine for the late filing or failure to file an organizational report, electioneering communication statement of information, notice of intent to hold a fundraiser, and public funds report;
- (4) Requiring that reports of candidate or noncandidate committees that are filed electronically be certified as true and correct by the candidate or specified officers



of the committee, or both, depending on the type of committee;

- (5) Revising existing preliminary report filing dates and establishing new supplemental report filing dates for candidate committees;
- (6) Requiring noncandidate committees to include in their reports:
  - (a) Contribution information, including the amount, date, and the name and address of the candidate or noncandidate committee making the contribution; and
  - (b) For independent expenditures, the name of the candidate who is supported or opposed by the expenditure;
- (7) Limiting qualifying contributions to no more than \$100 during each matching payment period for purposes of receiving public campaign funds; and
- (8) Repealing the income tax deduction for contributions to candidates qualifying for voluntary campaign expenditure limits.

The Campaign Spending Commission testified in support of this measure. The Democratic Party of Hawaii and Common Cause Hawaii supported the intent of this bill. Americans for Democratic Action commented on this measure.

Your Committee has amended this measure by:

- (1) Amending the definition of "advertisement" to explicitly include automated phone calls, provided that the automated phone call meets the same two criteria as other advertisements defined in section 11-302.
- (2) Substituting the \$100 maximum price with an unspecified amount for the purchase of tickets for events held by another candidate or noncandidate committee when using campaign funds;
- (3) Changing the effective date to January 7, 2059, to encourage further discussion; and



- (4) Making technical, nonsubstantive revisions for the purposes of 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. 257, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 257, H.D. 1, and be referred to the Committee on Finance.

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

  
\_\_\_\_\_  
GILBERT KEITH-AGARAN, Chair



