

Honolulu, Hawaii

March 2, 2012

RE: H.B. No. 2174

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2174, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to make various amendments to Hawaii's campaign spending law by, among other things:

- (1) Adding a definition of the word "entity";
- (2) Clarifying that any person who fails to file or files a substantially defective or deficient report is subject to monitoring and penalties;
- (3) Requiring that every report to be filed by an individual or entity must be certified as complete and accurate by that individual or entity;
- (4) Making all reports available for public inspection on the Campaign Spending Commission's (Commission) website in a searchable database;
- (5) Adding additional disclosure requirements for noncandidate committee reports;



- (6) Requiring that any expenditure that is contracted or paid for and that will be rendered during the last three days of an election period must also be included in a late expenditures report;
- (7) Requiring late reports from entities that make contributions or independent expenditures in an aggregate amount of more than \$500 within fourteen through four calendar days prior to any election;
- (8) Authorizing the Commission to assess a fine against a person, party, or candidate for failure to file required reports;
- (9) Mandating additional information to be contained in each statement of information;
- (10) Mandating certain requirements for advertisements;
- (11) Replacing the Comptroller with the Executive Director of the Campaign Spending Commission as the person who must notify the Legislature and public regarding the adoption, amendments, or repeal of rules concerning disclosure of contributions and expenditures; and
- (12) Mandating that the Commission adopt, amend, or repeal rules to ensure the proper disclosure of contributions and expenditures in accordance with Part III of Chapter 11, Hawaii Revised Statutes, along with other requirements.


The League of Women Voters and numerous individuals testified in support of this measure. The Campaign Spending Commission, Department of the Attorney General, Common Cause Hawaii, and Americans for Democratic Action provided comments on this measure.

Your Committee notes the concern of the Department of the Attorney General that corporations are already required to file disclosure reports under current campaign finance laws.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2174, H.D. 1, and recommends that it pass Third Reading.



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


MARCUS R. OSHIRO, Chair



