

STAND. COM. REP. NO.

577

Honolulu, Hawaii

February 15, 2013

RE: H.B. No. 1481
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 1481 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Exclude the Office of Governor or Lieutenant Governor from eligibility for partial public financing;
- (2) Require eligible candidates seeking to use partial public financing to submit an application to the Campaign Spending Commission (Commission) that includes the names, addresses, and signatures from two hundred registered voters from the district for which the candidate seeks office and two hundred qualifying contributions thirty days before the primary election upon which the Commission will base its decision of whether to certify the candidate;
- (3) Makes certification decisions made by the Commission final and conclusive;
- (4) Allows eligible candidates to raise funds in amounts that exceed the voluntary expenditure limits, subject to certain restrictions;

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- (5) Establishes the maximum amount of public funds available in each election per candidate, but allows the candidate to receive supplemental public funds in proportion to the amount raised by the candidate in excess of the voluntary expenditure limits;
- (6) Allows, instead of requires, a candidate who has voluntarily agreed to limit expenditures and receives contributions in excess of the expenditure limit for an election to reserve the excess for use after the applicable election; and
- (7) Requires the disbursement of matching public funds to be made by check or automatic transfer of funds.

Americans for Democratic Action, Hawaii Chapter; Open Law Alliance; Voter Owned Hawaii; Malu Aina; and numerous concerned individuals supported this measure. The Campaign Spending Commission opposed this measure. The Office of the County Clerk of the County of Maui, Office of the County Clerk of the County of Kauai, Office of the City Clerk, and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Establishing a comprehensive public funding program for candidates to the state Senate or House of Representatives modeled on the Hawaii County Council Public Funding Pilot Program established by Act 244, Session Laws of Hawaii 2008, which does the following:
 - (A) Amends the requirements for candidates to the state legislature by requiring:
 - (i) For candidates to the House of Representatives, two hundred signatures from registered voters from the district for which the candidate seeks office, and \$100 in qualifying contributions from fifteen of those registered voters; and
 - (ii) For candidates to the Senate, four hundred signature from registered voters from the district for which the candidate seeks office, and \$100 in qualifying contributions from thirty of those registered voters;



- (B) Amends the formula by which public funding will be determined to be the average of statewide expenditures for the 1012 House of Representative and Senate races, minus the three highest and three lowest expenditure amounts to allow \$34,800 in funding for candidates to the House of Representatives, and \$68,000 in funding for candidates to the Senate;
 - (C) Prohibiting Candidates from raising or spending an additional monies or from receiving any other public monies;
 - (D) Deleting all reference to candidates for the House of Representatives or the Senate from the existing partial public funding program; and
 - (E) Delaying the application of this program until the 2016 elections;
- (2) Making the bill effective in January 1, 2015 instead of 2013; and
 - (3) 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. 1481, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1481, H.D. 1, and be referred to the Committee on Finance.

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



KARL RHOADS, Chair



