

Honolulu, Hawaii

March 4, 2016

RE: H.B. No. 2156

H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2156, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to change the funding source for the operating expenses of the Campaign Spending Commission (Commission) from the Hawaii Election Campaign Fund to the general revenues of the State.

The Commission, League of Women Voters of Hawaii, Common Cause Hawaii, and one individual testified in support of this measure.

Your Committee has amended this measure by:

- (1) Deleting the provision mandating that the operating expenses of the Commission, including staff salaries and fringe benefits, are funded by the general revenues of the State;
- (2) Allowing for campaign funds to be spent on:
 - (a) Contributions to any candidate committee up to the threshold amounts set by Chapter 11, Hawaii Revised Statutes; and



- (b) Expenses for membership in civic or community groups or for protocol gifts, provided that expenses incurred do not exceed twice the allowable individual contribution amount;
- (3) Authorizing the Director of Finance, subject to certain conditions, to transfer excess trust funds from the Campaign Spending Trust Fund to the General Fund;
- (4) Deleting the inclusion of fringe benefits as a part of the appropriation for the Commission's operating expenses; 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2156, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2156, H.D. 2.

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


SYLVIA LUKE, Chair



