

STAND. COM. REP. NO. 2695

Honolulu, Hawaii

MAR 04 2016

RE: S.B. No. 2438
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2438, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to change the means of financing of the Campaign Spending Commission's operating expenses, including staff salaries and fringe benefits, from the Hawaii election campaign fund to the general revenues of the State.

Your Committee received written comments in support of this measure from the Campaign Spending Commission, the League of Women Voters, Common Cause Hawaii, and one individual.

Your Committee received written comments in opposition to this measure from Ho'omana Pono, LLC.

Your Committee finds that the Campaign Spending Commission's operating expenses are currently funded through the Hawaii election campaign fund. The Hawaii election campaign fund is also used to provide funding to candidates under the public funding program.

Your Committee also finds that the Campaign Spending Commission has operated at an average net deficit of approximately \$524,000 for the past seven fiscal years. The Campaign Spending Commission has attempted to increase its revenue to address its

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continued deficit, but these efforts have been unsuccessful. The Campaign Spending Commission projects that the funds in the Hawaii election campaign fund will be near depletion by December 2017, and as a result, sufficient moneys will not be available in the fund to finance the public funding program. Your Committee believes that the continued existence of the public funding program is an important component of the State's democratic process, and funding of the Campaign Spending Commission's operating expenses through the general revenues of the State will preserve funding for the public funding program.

Your Committee notes that the fringe benefits for the Campaign Spending Commission positions shall be paid by the Department of Budget and Finance under the applicable budget program ID and that the other operating expenses of the Campaign Spending Commission, including staff salaries, shall be paid through funds appropriated in the Commission's budget program ID.

Accordingly, your Committee has amended this measure to exclude the cost of the fringe benefits by reducing the amount of the appropriation from \$661,545 to \$495,506.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2438, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2438, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

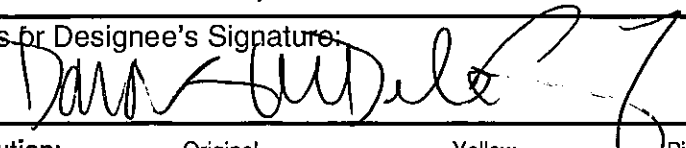


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2438, SD1	Committee Referral: SDL, WAM	Date: 2/24/16		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene				/
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	10			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes