

Honolulu, Hawaii

FEB 14 , 2020

RE: H.B. No. 2735
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2735 entitled:

"A BILL FOR AN ACT RELATING TO ELECTIONS,"

begs leave to report as follows:

The purpose of this measure is to encourage participation in democracy from the electorate by:

- (1) Requiring a portion of the fee for filing nomination papers to be placed into the Hawaii Election Campaign Fund for the public financing of elections;
- (2) Increasing the amount of money available to candidates participating in the partial public financing program by increasing the expenditure limit upon which it is based;
- (3) Increasing the number of signatures and fees required to file nomination papers; and
- (4) Changing the deadline to file nomination papers to the first Tuesday in May.

Your Committee received testimony in support of this measure from Common Cause Hawaii, League of Women Voters of Hawaii, and four individuals. Your Committee received comments on this



measure from Office of Elections, Campaign Spending Commission, and Office of the County Clerk of the County of Kauai.

Your Committee finds that the Hawaii State Constitution established partial public financing of campaigns for public offices of the State and its political subdivisions. Your Committee further finds that the Hawaii Election Campaign Fund, which is the source of funding for the State's partial public financing of campaigns, only receives monies through legislative appropriations and through persons who designate a portion of their income tax liability to the Fund. As of December 31, 2019, the balance of the Fund was only \$1,106,169.62. Your Committee recognizes that this amount is insufficient to finance a significant number of candidates. Your Committee also finds that the amount of money available to candidates who seek public financing should be increased to better keep up with the increasing cost of campaigns. However, to ensure that the maximum number of credible and serious candidates are able to receive funds, your Committee believes that candidates seeking public funds should demonstrate a serious level of interest and collect a reasonable number of signatures to prevent funds from being diluted.

Your Committee additionally finds that Hawaii's elections laws should also be amended to deter noncandidate committees from violating Hawaii's campaign spending laws. This includes increasing fines for noncandidate committees that make only independent expenditures and allowing the Campaign Spending Commission to assess fines against the officers of noncandidate committees.

Your Committee has amended this measure by:

- (1) Requiring the amount of money available to candidates participating in the Partial Public Financing Program to increase beginning in January 1, 2022;
- (2) Requiring all filing fees for nomination papers to be placed into the Hawaii Election Campaign Fund for the public financing of elections;
- (3) Inserting the language from H.B. No. 1707, which:



- (A) Amends the assessment of administrative fines for persons and certain noncandidate committees making only independent expenditures that violate Hawaii's campaign finance laws; and
- (B) Allows the Campaign Spending Commission to order that the payment of a fine assessed against a noncandidate committee, or any portion thereof, be paid from the personal funds of the officers of the noncandidate committee;
- (4) Changing the effective date to July 1, 2050, to encourage further discussion, and making the provisions relating to the Partial Public Financing Program and nomination papers effective January 1, 2022; and
- (5) Making technical, nonsubstantive amendments 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. 2735, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2735, H.D. 1, and be referred to your Committee on Finance.

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



CHRIS LEE, Chair



