

Honolulu, Hawaii

FEB 12 , 2020

RE: H.B. No. 2738
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. 2738 entitled:

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

begs leave to report as follows:

The purpose of this measure is to protect the State's democratic self-governance by:

- (1) Prohibiting foreign nationals and foreign corporations from making independent expenditures;
- (2) Requiring every corporation that contributes or expends funds in a State election to file a statement of certification regarding its status as a foreign corporation; and
- (3) Requiring noncandidate committees making only independent expenditures to obtain a statement of certification from each top contributor required to be listed in an advertisement.

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



Your Committee finds that the State has a compelling interest in securing its democratic self-governance from foreign influence.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) 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. 2738, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2738, 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



State of Hawaii
House of Representatives
The THIRTIETH Legislature

HSCE 317-20

Record of Votes of the Committee on Judiciary

| Bill/Resolution No.: HB 2738 | Committee Referral: JUD, FIN | Date: 2/5/2020 | | |
|---|--|--------------------------|------|----------|
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| JUD Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. LEE, Chris (C) | / | | | |
| 2. SAN BUENAVENTURA, Joy A. (VC) | / | | | |
| 3. BROWER, Tom | / | | | |
| 4. CREAGAN, Richard P. | / | | | |
| 5. LOWEN, Nicole E. | / | | | |
| 6. McKELVEY, Angus L.K. | / | | | |
| 7. NAKASHIMA, Mark M. | | | | / |
| 8. PERRUSO, Amy A. | / | | | |
| 9. SAY, Calvin K.Y. | / | | | |
| 10. TAKAYAMA, Gregg | / | | | |
| 11. YAMANE, Ryan I. | / | | | |
| 12. THIELEN, Cynthia | / | £ | | £ |
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| TOTAL (12) | 10 | 1 | | 1 |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s) | | | | |
| Vice Chair's or designee's signature: _____ | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |