

Honolulu, Hawaii

MAR 21 2019

RE: H.B. No. 627
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 627, H.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:

- (1) Classify any independent expenditure as a contribution to a candidate or as a contribution to each opposing candidate; and
- (2) Require any advertisement by a noncandidate committee that makes only independent expenditures to disclose all contributors for the advertisement.

Your Committee received testimony in support of this measure from Common Cause Hawaii. Your Committee received testimony in opposition to this measure from the League of Women Voters of Hawaii. Your Committee received comments on this measure from the Campaign Spending Commission; Department of the Attorney General; and Hawaii Association of Broadcasters, Inc.

Your Committee finds that transparency in campaign advertising is important for ensuring fair and properly run elections. Your Committee further finds that independent



expenditures advocating for the election of a candidate benefit that candidate as much as direct contributions to the candidate's committee do. However, your Committee additionally finds that classifying independent expenditures supporting or opposing a candidate as a contribution to that candidate or as a contribution to each opposing candidate would result in those candidates and their committees being responsible for election expenses over which they have no control.

Accordingly, your Committee has amended this measure by:

- (1) Requiring noncandidate committees and other persons making independent expenditures to indicate which candidates they are supporting or opposing on expenditure reports and electioneering communication statements instead of attributing independent expenditures to the candidates and candidate committees that benefit from the expenditures;
- (2) Requiring the Campaign Spending Commission to post independent expenditure information for each candidate on the Commission's website;
- (3) Removing language requiring any advertisement by a noncandidate committee that makes only independent expenditures to disclose all contributors for the advertisement; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 627, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 627, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.



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

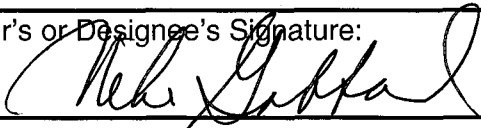
Karl Rhoads

KARL RHOADS, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:*	Committee Referral:	Date:
HB 627, HD1	JDC, WAM	3/15/19
<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)
RHOADS, Karl (C)	✓	
WAKAI, Glenn (VC)		✓
GABBARD, Mike	✓	
KIM, Donna Mercado	✓	
FEVELLA, Kurt		✓
TOTAL	3	—
Nay	—	—
Excused		2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature: 		
Distribution:	Original	Yellow
File with Committee Report	Clerk's Office	Pink
		Drafting Agency
		Goldenrod
		Committee File Copy

*Only one measure per Record of Votes