

STAND. COM. REP. NO. 134 -22

Honolulu, Hawaii

FEB 09 , 2022

RE: H.B. No. 1423  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Government Reform, to which was referred  
H.B. No. 1423 entitled:

"A BILL FOR AN ACT RELATING TO VIOLATIONS OF CAMPAIGN FINANCE  
LAW,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Increase the amount of the fine that may be assessed against a noncandidate committee that makes only independent expenditures and has received at least one contribution of more than \$10,000 or spent more than \$10,000 in an election period; and
- (2) Authorize the Campaign Spending Commission to order that the fine, or any portion of the fine, assessed against a noncandidate committee be paid from the personal funds of the officers of the noncandidate committee.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, Green Party of Hawai'i, Common Cause Hawaii, League of Women Voters of Hawaii, and seven individuals.

2022-1127 HB1423 HD1 HSCR HMSO



Your Committee finds that this measure increases the amount of fines assessed against a committee that makes only independent expenditures, otherwise known as Super PACs or large political action committees. The increase in the amount of the fine is necessary in enforcement cases against Super PACs.

Your Committee has amended this measure by:

- (1) Changing the fine to an unspecified amount; and
- (2) Changing its effective date to July 1, 2112, to encourage further discussion.

Should your Committee on Judiciary and Hawaiian Affairs deliberate on this measure, your Committee on Government Reform respectfully requests that it consider increasing the fine for campaign spending law violations against certain noncandidate committees that make only independent expenditures to \$10,000 or more, as these fines would mainly affect large political action committees who have a large amount of funds and resources available. A \$5,000 fine against a large political action committee, as originally proposed in this measure, may not be a sufficient enough deterrent.

As affirmed by the record of votes of the members of your Committee on Government Reform that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1423, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1423, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on  
behalf of the members of the  
Committee on Government Reform,

  
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ANGUS L.K. MCKELVEY, Chair



