

Honolulu, Hawaii
FEB 09 , 2022

RE: H.B. No.'1881
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. 1881 entitled:

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

begs leave to report as follows:

The purpose of this measure is to require any person who acts
as a conduit of at least \$10,000 in certain campaign-related
activities within any two-year election period to maintain
relevant records and file reports with the Campaign Spending
Commission regarding large contributions received and that
disclose the sources of the contributions.

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

Your Committee finds that transparency is an important factor
for a healthy and strong democracy, as it allows voters to have
accurate information they need to evaluate candidates for public
office and to hold those candidates accountable if they are
elected. Your Committee further finds that existing law does not
prevent some people and corporations from transferring their money
to other entities and hiding their true identities when purchasing



campaign advertisements. This measure will require the maintenance of transfer records relating to certain campaign contributions and transfers to inform voters of the identities of those who attempt to influence elections through the purchase of campaign advertisements.

Your Committee notes that it is in agreement with the intent of this measure. However, your Committee recognizes that the wholesale insertion of model legislation into Chapter 11, Hawaii Revised Statutes, which relates to elections, can cause mechanical and execution problems for campaign spending. Your Committee further notes that stakeholders are willing to work with your Committees on Government Reform and Judiciary and Hawaiian Affairs to amend existing statute.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2112, 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 Government Reform that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1881, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1881, 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,



ANGUS L.K. MCKELVEY, Chair



