

Honolulu, Hawaii

MAR 03 2022

RE: S.B. No. 3164
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 3164 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) Require the maintenance of transfer records relating to certain campaign contributions and transfers;
- (2) Require certain covered persons to seek permission from contributors to use transfer contributed funds for independent campaign spending;
- (3) Require certain major contributors to disclose and maintain relevant records relating to the identities of other contributors;
- (4) Require certain covered persons to file disclosure reports with the Campaign Spending Commission;
- (5) Facilitate the identification of certain top contributors of funds for certain political advertisements; and
- (6) Prohibit structured transactions.



Your Committee received testimony in support of this measure from Common Cause Hawaii, Campaign Legal Center, League of Women Voters of Hawaii, and two 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 has amended this measure by:

- (1) Inserting an effective date of July 30, 2075, to encourage further discussion; and
- (2) 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 S.B. No. 3164, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3164, S.D. 1, and be placed on the calendar for Third Reading.

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



KARL RHOADS, Chair



