STAND. COM. REP. NO. 1331-22

Honolulu, Hawaii

, 2022

APR 07

RE: S.B. No. 555

S.D. 1 H.D. 1

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

Sir:

Your Committees on Government Reform and Judiciary & Hawaiian Affairs, to which was referred S.B. No. 555, S.D. 1, entitled:

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

beg leave to report as follows:

The purpose of this measure is to prohibit legislators and persons employed by or acting on behalf of legislators from holding fundraisers during any regular session or special session.

Your Committees received testimony in support of this measure from the Campaign Spending Commission, Common Cause Hawaii, Pono Hawaii Initiative, Iron Workers Stabilization Fund, Community Alliance on Prisons, League of Women Voters of Hawaii, Hawaii Family Advocacy Team, Hawaiii Alliance for Progressive Action, International Brotherhood of Electrical Workers Local 1260, and seventeen individuals.

Your Committees find that holding fundraisers during legislative sessions, including extended sessions or special sessions, could create the perception that donations received from fundraisers that are held during those time periods may potentially influence actions being taken on pending legislation. Furthermore, your Committees find that fundraisers held by all elected officials during these legislative sessions could also

potentially have an effect on the outcome of legislation because these elected officials may have an influential role in the legislative process by virtue of their position or, through their position, could affect issues that are before the Legislature. Your Committees believe that prohibiting fundraiser events during legislative sessions by all elected officials will promote public transparency and restore confidence in Hawaii's legislative process.

Your Committees find, however, that while prohibiting fundraiser events for all elected officials creates equal application of the law, the practicality of prohibiting these events during special sessions that are called by the Senate to consider nominations for appointments made by the Governor may cause issues for other elected officials who may have planned fundraiser events to be outside the window of a regular, extended, or joint special session, which now inadvertently coincides with the confirmation special sessions and, as such, would be forced to postpone or cancel the event, thereby incurring unanticipated costs and fees to their campaign spending accounts and possibly resulting in an unwarranted violation.

Accordingly, your Committees have amended this measure by:

- (1) Specifying that the prohibition against fundraising applies to any fundraiser event held to raise contributions for which any price is charged or any contribution is suggested for attendance during regular or special sessions of the state legislature;
- (2) Expanding the prohibition against fundraiser events to all state and county elected officials;
- (3) Deleting language that would have applied the prohibition in this measure to employees and persons acting on behalf of a legislator;
- (4) Defining "elected official" and "fundraiser event";
- (5) Changing its effective date to January 1, 2023; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committees note that the use of the word "county" in this amended measure includes the City and County of Honolulu, as provided in section 1-22, Hawaii Revised Statutes.

While your Committees would like to have adopted the proposed amendment to restrict elected state and county officials from soliciting or accepting any campaign contributions during a legislative session, as proposed by the Iron Workers Stabilization Fund and others in their testimony before your Committees, your Committees believe that this proposed amendment would go beyond the scope of the single subject expressed in this measure's title, Relating to Campaign Fundraising, and adoption of this proposed amendment may make the measure legally and constitutionally defective. Your Committees hope that this issue of prohibiting all solicitations and contributions during a legislative session will be resolved by future legislatures through appropriately titled measures.

As affirmed by the records of votes of the members of your Committees on Government Reform and Judiciary & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 555, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 555, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committees on Government Reform and Judiciary & Hawaiian Affairs,

ANGUS L.K. McKELVEY, Chair

2022-3024 SB555 HD1 HSCR HMSO-1

State of Hawaii

House of Representatives
The Thirty-first Legislature

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Record of Votes of the Committee on Government Reform

Bill/Resolution No.: Committee SB SS SD GVR	ee Referral:	Date	4-6-2	22		
The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)						
GVR Members	Ayes	Ayes (WR)	Nays	Excused		
1. McKELVEY, Angus L.K. (C)	V					
2. WILDBERGER, Tina (VC)	V			* * * * * * * * * * * * * * * * * * *		
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3. COSTALES, Luella			-	V		
4. ELI, Stacelynn K.M.	1		Start of the second			
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5. ICHIYAMA, Linda	V	e a talah sama para aya aya mereka aya	<u> Para di Bangkin, ayang samatah S</u>	ar turn. In Humble of Parties		
6. MIZUNO, John M.						
7. WOODSON, Justin H.	V					
O VAMACUUTA IZ-1-T						
8. YAMASHITA, Kyle T.						
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9. WARD, Gene		ed did not suppo	Ont recommendation	3		
9. WARD, Gene TOTAL (9) The recommendation is: Adopted	© Not Adopte	ed did not suppo		3		

State of Hawaii
House of Representatives
The Thirty-first Legislature

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Record of Votes of the Committee on Judiciary & Hawaiian Affairs

	ommittee Referral: GVR/JHA	Date:	Date: 4-6-22			
The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)						
JHA Members	Ayes	Ayes (WR)	Nays	Excused		
1. NAKASHIMA, Mark M. (C)						
2. MATAYOSHI, Scot Z. (VC)			· · · · · · · · · · · · · · · · · · ·			
3. ICHIYAMA, Linda	V					
4 VORAVASHI Dele T						
4. KOBAYASHI, Dale T.						
5. LoPRESTI, Matthew S.						
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6. LOWEN, Nicole E.			mine the Court of the second o	: La cindonico e cita e camou manifestama in contra		
7. McKELVEY, Angus L.K.						
8. NAKAMURA, Nadine K.						
9. TAKUMI, Roy M.			ringan a rodon i i i i i i i i i i i i i i i i i i i			
10. TOKIOKA, James Kunane			Sales Secondition of	E ROMBA I I W. C. C. C. C. C. C. C.		
11. WARD, Gene						
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TOTAL (11)	8	Ø	Q	3		
The recommendation is: 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						