

STAND. COM. REP. NO.

1435

Honolulu, Hawaii

MAR 22 , 2023

RE: S.B. No. 1179
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred S.B. No. 1179, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Prohibit political spending by foreign nationals, foreign corporations, and foreign-influenced business entities;
- (2) Require every business entity that contributes or expends funds in an election to file a statement of certification regarding its limited foreign influence; and
- (3) Require noncandidate committees making only independent expenditures to obtain a statement of certification from each top contributor required to be listed in an advertisement.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, League of Women Voters of

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Hawaii, Free Speech For People, Center for American Progress, and four individuals.

Your Committee finds that the State has a compelling interest in securing its democratic self-governance from foreign influence. This measure will protect the integrity of Hawaii's elections and boost public trust in elected representatives.

Your Committee has amended this measure by:

- (1) Clarifying when a business entity is considered a "foreign investor";
- (2) Prohibiting contributions or donations to any person by a foreign national, foreign corporation, or foreign-influenced business entity if the contribution or donation is earmarked for the recipient to make a campaign finance expenditure;
- (3) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (4) 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 Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1179, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1179, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,



DAVID A. TARNAS, Chair



