STAND. COM. REP. NO.

Honolulu, Hawaii , 2023

MAR 22

S.B. No. 1179 RE: 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:

- 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,

TARNAS, Chair

2023-2730 SB1179 HD1 HSCR HMSO

State of Hawaii House of Representatives The Thirty-second Legislature



Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.: SB 1179, SD 1		Committee Referral: JHA, FIN			Date: 3/17/2023		
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. TARNAS, David A. (C)							
2. TAKAYAMA, Gregg (VC	:)					Rock and the second second second	
		1 21					
3. GANADEN, Sonny		- ar -					
4. HOLT, Daniel							
4. Mobil, Damei				Soon di taa			
5. HASHIMOTO, Troy N.							
	14.61						
6. ICHIYAMA, Linda							
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7. ILAGAN, Greggor					398		
8. KONG, Sam Satoru	1				298 T		
o. Kono, Sam Satoru					D.F.		1.2012
9. MIZUNO, John M.	, and a set of the						
	1.71						
10. SOUZA, Kanani			/				
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TOTAL (10)			1	-		-	3
The recommendation is: Adopted Not Adopted If joint referral,							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							