STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 0 3 2023

RE: S.B. No. 201 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 201 entitled:

"A BILL FOR AN ACT RELATING TO CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS AND GRANTEES OF THE STATE,"

begs leave to report as follows:

The purpose and intent of this measure is to extend the ban on campaign contributions from state and county contractors to grantees of the State under chapter 42F, Hawaii Revised Statutes, and to the owners, officers, employees, and immediate family of the government contractor or state grantee.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, Department of the Attorney General, Commission to Improve Standards of Conduct, and three individuals.

Your Committee finds that it is common for contractors to circumvent the ban on campaign contributions from state and county contractors by having persons connected to the contractor make political contributions. A few of these situations also involve false name contributions where the contributors are reimbursed for their contributions. Grantees, similar to contractors, receive state funds and thus should be treated similarly in the context of political contributions. This measure will help to prevent the



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corruption, or at least the appearance of corruption, of elected officials.

Based on concerns raised in testimony that this measure's application is overbroad, your Committee has amended this measure by removing employees of any state of county contractor from those who are banned from making campaign contributions.

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. 201, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 201, 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



The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee	Committee Referral:			Date:		
68 201	JDC			2	19	23	
The Committee is reconsidering its previous decision on this measure.							
The Recommendation is:							
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313							
Members		Aye 🖌	Aye (W	R)	Nay	Excused	
RHOADS, Karl (C)							
GABBARD, Mike (VC)		V/					
ELEFANTE, Brandon J.C.							
SAN BUENAVENTURA, Joy	A.	V					
AWA, Brenton		V					
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TOTAL		5					
Recommendation:							
Chair's or Designee's Signature:							
Distribution: Original File with Committee R	Yellow Pink Goldenrod eport Clerk's Office Drafting Agency Committee File Copy						

*Only <u>one</u> measure per Record of Votes