Honolulu, Hawaii

## MAR 2 1 2025

RE: H.B. No. 370

> H.D. 2 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

## Sir:

Your Committee on Judiciary, to which was referred H.B. No. 370, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PARTIAL PUBLIC FINANCING OF ELECTIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1)Increase the amount of funds available to candidates who qualify to participate in the Partial Public Financing Program, including candidates for the Board of Trustees of the Office of Hawaiian Affairs, who run statewide;
- (2) Encourage participation in the Partial Public Financing Program by providing for the adjustment of the amount of minimum qualifying contributions required for certain offices;
- Increase matching fund payments for excess qualifying contributions; and
- Appropriate funds to increase the amount of funds (4)available in the Partial Public Financing Program and to permit the Campaign Spending Commission to hire more

staff to address the anticipated increase in participation in the Program.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, League of Women Voters of Hawaii, Democratic Party of Hawai'i, Hawai'i Alliance for Progressive Action, Our Hawai'i, and twenty-six individuals.

Your Committee received testimony in opposition to this measure from Hawaii Patriot Republicans and one individual.

Your Committee finds that the amount of funds available to candidates through the State's Partial Public Funding Program has not changed in over twenty years. Your Committee further finds that since 1995-1996, the value of the dollar has risen to approximately \$2.07, and inflation in media prices, postage, and labor costs make the Partial Public Funding Program's amounts far less than competitive, with the existing amounts being far below the amounts spent by privately funded candidates who won election to the same office. Your Committee also finds that the number of candidates using the Partial Public Funding Program has decreased every year since at least 2016. This measure will strengthen the State's Partial Public Funding Program and make public financing a more viable option for candidates in the State.

Your Committee has amended this measure by:

- (1)Inserting language that increases the cap on the amount of expenditures a candidate can make in the Partial Public Funding Program;
- (2) Specifying that the maximum amount of partial public campaign financing available for all elective offices shall not exceed sixty-seven percent of the expenditure limit established by section 11-423(d), Hawaii Revised Statutes;
- Limiting the maximum amount of public funds available so (3) that a candidate shall not receive any public funds that, when combined with the candidate's qualifying contributions, are in excess of the expenditure limit;

- (4) Restoring the qualifying contribution threshold for the Office of Hawaiian Affairs to the existing statutory amount of \$1,500; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this measure contains unspecified appropriation amounts. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee respectfully requests that it consider inserting an appropriation amount of \$16,000,000 to fund the Partial Public Financing Program.

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 H.B. No. 370, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 370, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

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

KARL RHOADS, Chair

## The Senate Thirty-Third Legislature State of Hawai'i

## Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral:		I .	Date:	
HB 370, HD2	JDC,	JDC, WAM		3/18/25	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)		/			
GABBARD, Mike (VC)					V
CHANG, Stanley		\( \)			
SAN BUENAVENTURA, Joy A.		\			
AWA, Brenton		~			
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TOTAL		4			1
Recommendation:  Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow File with Committee Report Clerk's Office D			Pink Prafting Agency		denrod e File Copy

\*Only one measure per Record of Votes