STAND. COM. REP. NO.

Honolulu, Hawaii , 2013

RE: H.B. No. 1147 H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1147, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to encourage transparency in the elections process by:

- Amending disclosure requirements for advertisements, including by requiring noncandidate committees that make only independent expenditures to identify certain top contributors in their advertisements, defining top contributors, and providing penalties for violations;
- (2) Clarifying that any person, as defined in section 11-302, Hawaii Revised Statutes, who fails to file or files a substantially defective or deficient campaign spending report is subject to monitoring and penalties including fines;
- (3) Requiring the Campaign Spending Commission (Commission) to make all reports filed with the Commission publicly available on the Commission's website in a searchable database;
- (4) Amending the contribution and expenditure reporting requirements for candidates, candidate committees, and



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noncandidate committees, including by requiring noncandidate committees making only independent expenditures to certify that no expenditures have been coordinated with a candidate, candidate committee, or any agent of a candidate or candidate committee;

- (5) Clarifying filing requirements for late contribution and late expenditure reports for candidates, candidate committees, and noncandidate committees;
- (6) Expanding the information required to be included in any statement of information filed with the Commission to report electioneering communication expenditures to include the identities of the individuals who authorized the expenditure, candidates supported or opposed by the communication, and certain top contributors;
- (7) Expanding the definition of "electioneering communication" to include any advertisement that is broadcasted or published by electronic means; and
- (8) Repealing filing requirements specific to corporations.

Common Cause Hawaii, League of Women Voters of Hawaii, Open Law Alliance, and numerous individuals supported this measure. The Campaign Spending Commission and Americans for Democratic Action/Hawaii offered comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to November 5, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1147, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1147, H.D. 2.



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

SYLVIA NUKE, Chair



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State of Hawaii House of Representatives The Twenty-seventh Legislature



Record of Votes of the Committee on Finance

Bill/Resolution No.:	Committee Referral:	Date:		
HB 1147, HD1	JUD, FIN	FEB 27, 2013		
The committee is reconsidering its previous decision on the measure.				
The recommendation is to:				
Pass short form bill with HD to recommit for future public hearing (recommit)				
		I		
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)				
2. NISHIMOTO, Scott Y. (VC)				
3. JOHANSON, Aaron Ling (VC)				
4. CULLEN, Ty J.K.				
5. HASHEM, Mark J.				
6. ING, Kaniela				
7. JORDAN, Jo				
8. KOBAYASHI, Bertrand				
9. LOWEN, Nicole E.				
10. MORIKAWA, Dee				
11. ONISHI, Richard H.K.				
12. TAKAYAMA, Gregg				
13. TOKIOKA, James Kunane				
14. WOODSON, Justin H.				
15. YAMASHITA, Kyle T.				
16. FUKUMOTO, Beth				
17. WARD, Gene				
TOTAL (17)	12			
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				