HOUSE CONCURRENT RESOLUTION

REQUESTING THE ESTABLISHMENT OF MEANINGFUL CAMPAIGN FINANCE REFORM IN THE UNITED STATES AND THE STATE OF HAWAII.

WHEREAS, "campaign finance reform" means the political effort to change the involvement of money in politics, primarily in political campaigns; and

WHEREAS, although attempts to regulate campaign finance by legislation date back to 1867, the first successful attempts to nationally regulate and enforce campaign finance originated in the 1970s; and

WHEREAS, the Federal Election Campaign Act (FECA) of 1972 required candidates to disclose sources of campaign contributions and campaign expenditures; and

WHEREAS, fueled by public relation to the Watergate Scandal, the FECA was amended in 1974 with the introduction of statutory limits on contributions, and a comprehensive system of regulation and enforcement with the creation of the Federal Election Commission (FEC); and

WHEREAS, the 1974 amendment attempted to restrict the influence of wealthy individuals by limiting individual donations to \$1,000 and donations by political action committees (PACs) to \$5,000; and

WHEREAS, however, the 1976 decision of the United States Supreme Court in *Buckley v. Valeo*, 424 U.S. 1, struck down several provisions of the 1974 amendment that limited campaign expenditures, independent expenditures by individuals and groups, and expenditures by a candidate from personal funds; and

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WHEREAS, considered the foundation constitutional law surrounding modern campaign finance, the Buckley decision introduced the idea that money counts as speech, and that restraints on unlimited spending in U.S. elections campaigns were prohibited; and

WHEREAS, nevertheless, the United States Congress continued its efforts to reign in the influence of money in politics; and

WHEREAS, the Bipartisan Campaign Reform Act (BCRA) of 2002, also known as "McCain-Feingold", after its sponsors, is the most recent major federal law on campaign finance, which revised some of the legal limits on expenditures set in 1924, and prohibited unregulated contributions (commonly known as "soft money" to national political parties; and

 WHEREAS, "soft money" also refers to funds spent by independent organizations that do not specifically advocate the election or defeat of candidates, and funds that do not specifically advocate the election or defeat of candidates, and funds which are not contributed directly to candidate campaigns; and

WHEREAS, but in early 2010, the United States Supreme Court ruled in *Citizens United v. Federal Election Commission*, 558 U.S. 310, that corporate funding of independent political broadcasts in candidate elections cannot be limited pursuant to the right of these entities to free speech; and

 WHEREAS, the rulings of the United States Supreme Court in Buckley and in Citizens United have significantly restricted the ability of the federal government to regulate campaign finance; and

WHEREAS, in the words of Senator John McCain, one of the two original sponsors of the BCRA of 2002, with the *Citizens United* ruling, "campaign finance reform is dead"; and

WHEREAS, because the United States Supreme Court is the highest tribunal in our judicial system, its decisions impact all of the laws of the United States - not just federal law as it is enforced on federal elections, but more relevant to the Hawaii State Legislature, Hawaii state laws and the manner they are applied to state and county elections; and

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WHEREAS, even if the Hawaii State Legislature were to approve an amendment to the Constitution of the State of Hawaii, and such amendment was ratified by the electorate, the State would still be barred from restricting campaign finances beyond the extend allowed under the Buckley and Citizens United decisions; and

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WHEREAS, in testimony to the House Committee on Judiciary on House Bill No. 1499, which was heard on January 28, 2014, the Attorney General of the State of Hawaii wrote:

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". . . Unfortunately, the proposed constitutional amendment, if ratified, cannot have any practical legal effect. The State of Hawaii remains subject to the Citizens United ruling construing the federal Constitution, regardless of any amendment made to the Hawaii Constitution. .

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"Amending the text of the Hawaii Constitution is within the State's power, but doing so in this manner will have no practical legal effect due to Citizens United and earlier case law from the United States Supreme Court, including Buckley v. Valeo, 424 U.S. 1 (1976), interpreting the federal Constitution. . .

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". . . Therefore, even if this proposed amendment passed and was ratified, the State of Hawaii would still be subject to this ruling from Buckley, as well as the ruling from Citizen United that corporations are entitled to make unlimited independent expenditures regarding elections. Even if

the State Constitution was amended, our laws would still be subject to the Supreme Court's federal constitutional rulings about money used to influence elections. Only an amendment to the <u>federal</u> constitution — or a subsequent, overruling decision from the United States Supreme Court — can undo the <u>Citizens United</u> decision or the broader proposition regarding First Amendment protections for contributions and expenditures from <u>Buckley</u>." [Emphasis in original.]

WHEREAS, accordingly, the only way that the legal effect of the *Buckley* and *Citizens United* rulings can be changed to allow for meaningful campaign finance reform applicable to both federal and state law, either the Constitution of the United States must be amended, or the United States Supreme Court must overrule or revise their holdings in *Buckley* and *Citizens United*; now, therefore;

BE IT RESOLVED by the House of Representatives of the Twenty-Seventh Legislature of the State of Hawaii, the Senate concurring, that the Congressional Delegation of the State of Hawaii is requested to introduce legislation before the United States Congress to overrule the *Buckley* and *Citizens United* decisions, allowing for meaningful campaign finance reform to be established on both the federal and state levels; and

BE IT FURTHER RESOLVED that the United States Supreme Court is urged to overrule its previous decisions in *Buckley* and *Citizens United* to allow for meaningful campaign finance reform to be established on both the federal and state levels; and

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to Hawaii's Congressional Delegation, and the Chief Justice of the Supreme Court of the United States.

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