STAND. COM. REP. NO. A

Honolulu, Hawaii

FEB 1 1 2016

RE: S.B. No. 2438 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 2438 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- Change the source of funding for the operating expenses of the Campaign Spending Commission from the Hawaii election campaign fund to the general revenues of the State; and
- (2) Appropriate an unspecified amount to the Campaign Spending Commission for operating expenses, including staff salaries and fringe benefits.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, Americans for Democratic Action Hawaii, Common Cause Hawaii, League of Women Voters of Hawaii, and two individuals.

Your Committee finds that the Hawaii election campaign fund is the source of funding for the State's partial public funding program. According to the Campaign Spending Commission, for the past seven fiscal years, the Commission has operated at an average net deficit of approximately \$524,000. If this trend continues, the Commission projects that the funds in the Hawaii election campaign fund will be close to depletion as early as August 2017,



STAND. COM. REP. NO. Page 2 2459

which may result in the Commission running a limited public funding program. Furthermore, by December 2017, the funds are projected to be near depletion, which will result in the Commission being unable to run the partial public funding program for the 2018 election. This measure restores the original purpose of the Hawaii election campaign fund to fund the partial public funding program while maintaining a consistent funding source for the operating expenses for the Campaign Spending Commission to maintain the partial public funding program.

Your Committee has amended this measure by inserting the appropriation amount suggested by the Campaign Spending Commission to cover the Commission's operating expenses, including salaries and fringe benefits for fiscal year 2017.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2438, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2438, 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 and Labor,

and A.C. Such Chair GILBERT S.C.



The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee Referral: Date: / /			1	
SB 2438	JDL,	WAN	1	2/4/	16
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
KEITH-AGARAN, Gilbert S.C. (C)					
SHIMABUKURO, Maile S.L. (VC)					
GABBARD, Mike					
KIM, Donna Mercado					
THIELEN, Laura H.					
SLOM, Sam					/
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TOTAL	/	ζ			/
Recommendation:					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes