STAND. COM. REP. NO. 216

Honolulu, Hawaii

## FEB 1 9 2015

RE: S.B. No. 363 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

## Madam:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 363 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the maximum amount of public funds available in each election to a candidate participating in the partial public funding program for the Office of Governor, Lieutenant Governor, or Mayor to not exceed fifty percent of the established expenditure limit for each election;
- (2) Increase the matching contribution amount from the State from \$1 for each \$1 of qualifying contributions to \$2 for each \$1 of qualifying contributions in excess of the minimum qualifying contribution amounts; and
- (3) Make an appropriation to increase funds available to candidates participating in the partial public funding program.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, Common Cause Hawaii, League of Women Voters of Hawaii, Libertarian Party of Hawaii, and three individuals.

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Your Committee finds that existing law provides a partial public funding program to allow candidates running for elective office to be awarded monies from the State for a campaign. To qualify, a candidate is required to raise a set minimal amount, which the State will match. However, the program has a low participation rate because it fails to provide sufficient financial incentives for candidates to adequately compete against candidates who receive campaign contributions from private sources and because the amount of money awarded to each qualifying candidate fails to reflect inflation and the rising cost of living. This measure assists in increasing partial public financing program participation by increasing the maximum amount of public funds available and the matching contribution amounts from the State.

Your Committee has amended this measure by:

- (1) Deleting the purpose section (section 1);
- (2) Deleting amendments to section 11-425(a), Hawaii Revised Statutes (HRS), and replacing them with amendments to section 11-425(b), HRS, to amend the maximum amount of public funds available in each election to a candidate for the office of state senator, state representative, or prosecuting attorney to not exceed fifty percent of the established expenditure limit for each election;
- (3) Amending the matching contribution amount from the State to an unspecified amount for each \$1 of qualifying contributions in excess of the minimum qualifying contribution amounts;
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 363, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 363, S.D. 1, and be referred to the Committee on Ways and Means.

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

GILBERT S.C. KEITH-AGARAN, Chai

## The Senate Twenty-Eighth Legislature State of Hawai'i

## Record of Votes Committee on Judiciary and Labor JDL

| Bill / Resolution No.:*                                                                                                    | Committee Referral: |     | Dat         | Date: / /   |         |
|----------------------------------------------------------------------------------------------------------------------------|---------------------|-----|-------------|-------------|---------|
| 5B 363                                                                                                                     | JDL, WAM 2/10/15    |     |             |             |         |
| 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)                                                                                               |                     | /   |             |             |         |
| ESPERO, Will                                                                                                               |                     |     |             |             |         |
| GABBARD, Mike                                                                                                              |                     |     |             |             | V       |
| IHARA, Jr., Les                                                                                                            |                     |     |             |             |         |
| THIELEN, Laura H.                                                                                                          |                     |     |             |             |         |
| SLOM, Sam                                                                                                                  |                     |     |             | V           |         |
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| TOTAL                                                                                                                      | ,                   | 5   |             | 1           | 1       |
| Recommendation:  Adopted                                                                                                   |                     |     | Not Adopted |             |         |
| 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