

Honolulu, Hawaii

FEB 19 2015

RE: S.B. No. 577  
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. 577 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:

- (1) Require various campaign spending fines to be deposited  
into the Hawaii election campaign fund;
- (2) Require the Campaign Spending Commission's operating  
expenses to be paid from the general fund; and
- (3) Authorize the Campaign Spending Commission to use monies  
from the Hawaii election campaign fund for investigation  
expenses rather than operating expenses.

Your Committee received testimony in support of this measure  
from the Campaign Spending Commission, Common Cause Hawaii, League  
of Women Voters of Hawaii, and one individual. Your Committee  
received comments on this measure from the Department of  
Accounting and General Services and one individual.

Your Committee finds that the Hawaii election campaign fund  
is the source of funding for the State's partial public funding  
program. The fund has been significantly depleted since 2009,  
when state law was changed to divert various campaign spending  
fines to the general fund, rather than the Hawaii election



campaign fund, and to make the Hawaii election campaign fund the source of funding for the Campaign Spending Commission's operating expenses. This measure replenishes and establishes a consistent source of funding for the partial public funding program.

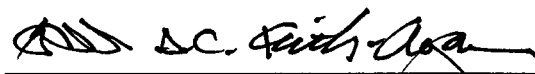
Your Committee notes the written testimony submitted by the Campaign Spending Commission indicating that the Commission has been operating at a deficit of approximately \$500,000 for the past six fiscal years. Given this trend, the Commission is concerned that its revenue is insufficient to sustain its operations and programs in the long term. Your Committee requests your Committee on Ways and Means to, if it chooses to hear this measure, explore various sustainable funding mechanisms for the Campaign Spending Commission.

Your Committee has amended this measure by:

- (1) Deleting the purpose section;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) 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. 577, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 577, 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,

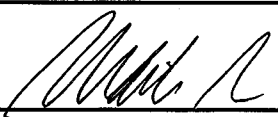


GILBERT S.C. KEITH-AGARAN, Chair



The Senate  
Twenty-Eighth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Judiciary and Labor**  
**JDL**

Bill / Resolution No.:* <div style="text-align: center; font-size: 1.2em;">SB 577</div>	Committee Referral: <div style="text-align: center; font-size: 1.2em;">JDL, WAM</div>	Date: <div style="text-align: center; font-size: 1.2em;">2/6/15</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)	✓			
SHIMABUKURO, Maile S.L. (VC)	✓			
ESPERO, Will	✓			
GABBARD, Mike				✓
IHARA, Jr., Les	✓			
THIELEN, Laura H.	✓			
SLOM, Sam				✓
<b>TOTAL</b>	5			2
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted         <input type="checkbox"/> Not Adopted         </div>				
Chair's or Designee's Signature: <div style="text-align: center; font-size: 1.5em; margin-top: 10px;">  </div>				
<b>Distribution:</b> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div>				

\*Only one measure per Record of Votes