STAND. COM. REP. NO. 216

Honolulu, Hawaii

FEB 1 4 2020

S.B. No. 3074 RE:

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 3074 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:

- Increase the maximum amount of public funds available in (1) each election to certain state and county candidates by ten percent annually; and
- (2) Increase the amount of voluntary state income tax check-off contributions that may be designated for the Hawaii election campaign fund beginning on January 1, 2021.

Your Committee received testimony in support of this measure from Common Cause Hawaii and six individuals. Your Committee received comments on this measure from the Department of Taxation and Campaign Spending Commission.

Your Committee finds that the amount of public funds available for campaigns has not changed since 1995, despite the consistent increase in the costs of elections over the decades. Your Committee finds that increasing the amounts of public

financing available to candidates will provide a more competitive playing field in public elections.

Your Committee further finds that taxpayers may designate a certain amount of their owed tax liability to be transferred from the general fund to the Hawaii Election Campaign Fund as state income tax check-off contributions. The intent of this measure is to increase the amount that may be designated to the Hawaii Election Campaign Fund and to allow taxpayers with income levels of \$200,000 or more to designate higher amounts of state income tax check-off contributions to the Fund.

Your Committee has amended this measure by:

- (1) Deleting section 2 and instead amend existing statutory language to allow higher income earners to designate state income tax check-off contributions to be transferred to the Hawaii Election Campaign Fund at a higher rate; and
- (2) 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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3074, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3074, 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,

KARL RHOADS, Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:* Committee Referral: Date: 2/7/2020				
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
RHOADS, Karl (C)				
KEOHOKALOLE, Jarrett (VC)				
GABBARD, Mike				
KIM, Donna Mercado				
FEVELLA, Kurt				
				
				. ,
	-			
		 		
				1
TOTAL	4			(
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