

Honolulu, Hawaii

FEB 28 2020

RE: S.B. No. 3074
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 3074, S.D. 1, 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 facilitate the public funding of campaigns for elective office by:

- (1) Increasing by ten percent annually the maximum limit imposed on aggregate expenditures by publicly-funded candidates; and
- (2) Beginning on January 1, increasing the amount of voluntary state income tax check-off contributions that taxpayers may designate to be paid over to the Hawaii election campaign fund.

Your Committee received written comments in support of this measure from Common Cause Hawaii and four individuals.

Your Committee received written comments on this measure from the Department of Taxation, Campaign Spending Commission, and Tax Foundation of Hawaii.

Your Committee finds that as campaign costs have risen over the years, increased public funds should also be available for



candidates. Your Committee notes that increasing the maximum limit imposed on aggregate expenditures by publicly-funded candidates will also have the effect of increasing the amount of public funding available to candidates, thus providing a more level playing field in elections.

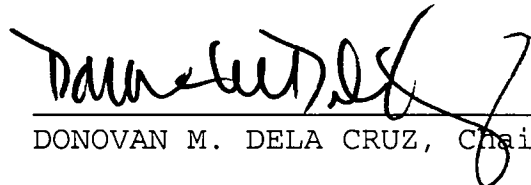
Your Committee also recognizes the merits of increasing the amounts that taxpayers may designate from their owed tax liability to the Hawaii election campaign fund as state income tax check-off contributions.

Your Committee has amended this measure by:

- (1) In the amendments pertaining to state income tax check-off contributions, clarifying that certain thresholds relating to gross income refer to federal adjusted gross income;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3074, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3074, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DONOVAN M. DELA CRUZ, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 3074, SB1	Committee Referral: JDC, WAM	Date: 2/19/20		
<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-between; align-items: flex-start;"> <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
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
HARIMOTO, Breene	X			
INOUE, Lorraine R.				X
KAHELE, Kaiali'i				X
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.		X		
FEVELLA, Kurt	X			
TOTAL	10	1		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="display: flex; justify-content: space-between; font-size: small;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: x-small; margin-top: 5px;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div>				

*Only one measure per Record of Votes