

STAND. COM. REP. NO. 1130

Honolulu, Hawaii

March 27, 2015

RE: S.B. No. 202
S.D. 1
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 202, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to assure public access to information on the ballot issue or candidate that is the object of a noncandidate committee's expenditures by clarifying reporting requirements for the noncandidate committees' electioneering communications.

One concerned individual testified in support of this measure. The Department of the Attorney General and Campaign Spending Commission provided comments.

Your Committee finds that the current expenditure reporting requirements regarding ballot issue advocacy by noncandidate committees provide insufficient information to the public. Noncandidate committees who are ballot issue committees are required to disclose the ballot issue advocacy only in the organizational report and not in periodic expenditure reports. Additionally, noncandidate committees that are not registered to, and do not, exclusively advocate on ballot issues or questions are not required to report their ballot issue advocacy in any campaign spending report. Your Committee believes that mandating

SB202 HD1 HSCR JUD HMS 2015-2839



disclosure of ballot issue advocacy expenditures will result in consistent and more transparent reporting.

Your Committee has amended this measure to:

- (1) Amend the preamble to state that the measure is intended to increase, and not merely clarify, the reporting requirements for all expenditures that relate to ballot issue advocacy;
- (2) Require noncandidate committees to identify the ballot issue or question and whether the committee supports or opposes the ballot issue or question when reporting any expenditures related to ballot issue advocacy;
- (3) Align the reporting on expenditures for ballot issue advocacy with the late contribution and expenditure report statute;
- (4) Amend the definition of "independent expenditures" to include ballot issue advocacy;
- (5) Delete the amendment to the definition of "electioneering communication" as it does not relate to the expenditure reports and is unnecessary to the measure's purpose;
- (6) Clarify that noncandidate committees are not subject to ballot issue advocacy disclosure if they do not advocate on a ballot issue;
- (7) Make this measure effective on its approval; and
- (8) Make technical, nonsubstantive amendments for consistency, clarity, and style.

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. 202, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 202, S.D. 1, H.D. 1, and be referred to the Committee on Finance.



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

Karl Rhoads

KARL RHOADS, Chair



