STAND. COM. REP. NO. 3474

Honolulu, Hawaii

APR 0 3 2024

RE: H.B. No. 2184

H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2184, H.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:

- (1) Prohibit contributions from persons convicted or found in violation of various campaign finance, ethical, or lobbying offenses;
- (2) Require unlawful contributions to escheat to the Hawaii Election Campaign Fund; and
- (3) Require contributions held by persons who were convicted or found in violation of any of the various campaign finance, ethical, or lobbying offenses to be returned to their respective contributors and, if not returned, to escheat to the Hawaii Election Campaign Fund.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, Democratic Party of Hawai'i, and four individuals.

Your Committee received comments on this measure from the Department of the Attorney General and Hawai'i State Ethics Commission.

Your Committee finds that the integrity of public officials is paramount to government accountability. However, a loophole in the State's existing campaign finance laws allows candidates, lobbyists, and other individuals who are convicted of campaign spending, ethics, or lobbying offenses to keep control of the money they raised for their campaign accounts. This measure will promote public trust by closing this loophole and bolstering campaign finance integrity in the State.

Your Committee has amended this measure by:

- (1) Clarifying that the prohibition against contributions applies only to a person convicted of various campaign finance, ethical, or lobbying offenses, and not to a person only found in violation of those offenses;
- (2) Clarifying that funds that were received by a candidate, candidate committee, or noncandidate committee from a person found in violation or convicted of violating the prohibition against contributions from persons convicted of various campaign finance, ethical, or lobbying offenses are required to escheat to the Hawaii Election Campaign Fund;
- (3) Deleting language that would have required contributions held by persons who were convicted or found in violation of any of the various campaign finance, ethical, or lobbying offenses to be returned to their respective contributors and, if not returned, to escheat to the Hawaii Election Campaign Fund;
- (4) Inserting language allowing the Campaign Spending Commission and State Ethics Commission to notify a candidate, candidate committee, or noncandidate committee that a person who contributed funds to the candidate, candidate committee, or noncandidate committee did so in violation of the prohibition against contributions from persons convicted of various campaign finance, ethical, or lobbying offenses;

- (5) Inserting an effective date of April 14, 2112, to encourage further discussion;
- (6) Amending section 1 to reflect its amended purpose; and
- (7) 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 H.B. No. 2184, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2184, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

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

KARL RHOADS, Chair

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral:			Date:	
HB 2184 HD1	JDU			03 19	24
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 (W	R) Nay	Excused
RHOADS, Karl (C)					
GABBARD, Mike (VC)				'	
ELEFANTE, Brandon J.C.			/		
SAN BUENAVENTURA, Joy A	\.				
AWA, Brenton		V			
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TOTAL					
Recommendation: Not Adopted Not Adopted					
Chair's or Designed'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