

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii
Sir:

Your Committee on Government Reform, to which was referred S.B. No. 402 entitled:

"A BILL FOR AN ACT RELATING TO REIMBURSEMENTS FOR EXPENDITURES BY COMMITTEES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require expenditures by candidate committees for reimbursements to other individuals, in addition to candidates, to be itemized in schedules filed with the reports to the Campaign Spending Commission; and
- (2) Delete candidate reimbursements from the list of noncandidate committee expenditures that need to be itemized.

Your Committee received testimony in support of this measure from the Campaign Spending Commission and Common Cause Hawaii.

Your Committee finds that under existing law, only candidate reimbursements need to be itemized in reports made to the Campaign Spending Commission. However, individuals other than the candidate are also being reimbursed for campaign costs advanced by those individuals. This measure requires that reimbursements made to other individuals are itemized as well, which will provide more transparency in how candidate committees are spending their funds.

Your Committee further finds that this measure deletes the requirement for noncandidate committees to report any candidate reimbursements, as noncandidate committees are already prohibited from receiving or making loans under existing law.

Your Committee has amended this measure by changing its effective date to July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Government Reform that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 402, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 402, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on behalf of the members of the Committee on
Government Reform,

ANGUS L.K. McKELVEY, Chair