STAND. COM. REP. NO. <u>1437</u> Honolulu, Hawaii

, 2021

RE: S.B. No. 402 H.D. 1

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

Your Committee on Judiciary & Hawaiian Affairs, to which was referred S.B. No. 402, H.D. 1, 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) Repeal the requirement that candidate reimbursements be itemized in schedules filed with the reports by noncandidate committees to the Campaign Spending Commission.

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

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

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 402, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Judiciary & Hawaiian Affairs,

MARK M. NAKASHIMA, Chair