

**EXECUTIVE CHAMBERS**

HONOLULU

LINDA LINGLE  
GOVERNOR

July 9, 2008

The Honorable Colleen Hanabusa, President  
and Members of the Senate  
Twenty-Fourth State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

Re: House Bill No. 661 HD1 SD3 CD1

On July 8, 2008, House Bill No. 661, entitled "A Bill for an Act Relating to Campaign Spending" became law without my signature, pursuant to Section 16 of Article III of the State Constitution.

The purpose of this bill is to establish a pilot project to provide public funding for the county of Hawaii council elections for three election cycles, starting with the 2010 elections.

Because this bill establishes a pilot program for a limited period of time, I am allowing this measure to become law. However, this measure raises a number of operational concerns. The legislation will likely create disparities and funding disadvantages to those seeking to participate in the program. The bill imposes a ceiling of \$300,000 for all participating candidates subject to this pilot program in any given election year. If the pilot project had been in effect for the 2006 election cycle in Hawaii County, a minimum of \$373,276 would have been spent, assuming just one publicly-funded candidate from each of the major political parties ran in each district. In reality, 23 candidates ran for Council offices during that cycle.

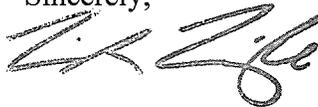
The fiscal implications experienced by other states of fully publicly funded elections also raises concerns about the fiscal impact on the Hawaii Election Campaign Fund. The Hawaii State Campaign Spending Commission reports that Massachusetts and Kentucky have terminated their full funding program due to costs. Connecticut reports increases from \$15 million in fiscal year 2006 to a projected cost of \$45 million for fiscal year 2008. The Commission believes that the Hawaii fund would be bankrupt within the first year of a statewide program, and the additional check-off would not generate anywhere near the required funds to maintain a viable program.

Of equal concern are the policy implications of public-financed campaigns since publicly funded campaigns undermine the competitive political process that has guided American politics for 200 years. It is disputable as to whether publicly funded campaigns have increased the number of candidates running for offices, impacted incumbent re-elections, increased voter turnout, ended negative campaigning, or prevented out-of-state money from influencing local campaigns.

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For the foregoing reasons, I allowed House Bill No. 661 to become law as Act 244,  
effective July 8, 2008, without my signature.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Lingle", written in a cursive style.

LINDA LINGLE