

SB2204 JUD Tuesday, March 11, 2008 2:00 p.m. Room 325

# LATE TESTIMONY

**COMMITTEE ON JUDICIARY** 

Rep. Tommy Waters, Chair

Rep. Blake K. Oshiro, Vice Chair

March 11, 2008

Re: SB2204 — Relating to Campaign Spending

Support only with Amendment to Ban Contributions

Dear Rep. Waters, Rep. Oshiro, and members of the Committee:

Voters in Hawaii turned out for caucuses in record numbers. It's clear that they want to change the way government is being run. Voters don't want Hawaii to move in the wrong direction by opening up the floodgates of corporate money and influence.

SB2204 should be amended to be the vehicle for Hawaii to join 22 other states and the federal government that already ban corporate contributions.

We request and expect our representatives to support a ban on corporate contributions this election year, because it's time for this change in Hawaii.

Larry Geller, President

Kokua Council

Xany Geller

#### **JUDtestimony**

From:

lan Lind

Sent:

Tuesday, March 11, 2008 8:33 AM

To:

JUDtestimony

Subject: Testimony on SB2204 SD1

Testimony in opposition to certain provisions of SB 2204 SD1 RELATING TO CAMPAIGN SPENDING

House Committee on Judiciary Rep. Tommy Waters, Chair

Tuesday, March 11, 2008 2:00 p.m. LATE TESTIMONY

Submitted by Ian Lind Kaaawa, Hawaii

Thank you for for this opportunity to present testimony against certain provisions of SB 2204 SD1 regarding campaign spending. I would urge that the follow privisions be cut from the bill if it is moved forward.

First, raising the threshold for disclosure of contributors from \$100 to \$250 will result in a substantial loss of information to the public. Now that reporting will be done electronically, the continued disclosure of contributions at the lower \$100 threshold does not increase the administrative burden on a campaign, and raising the limit will not result in less work for campaign volunteers. It will only result in less information being provided to the public, particularly vital information that allows the public to asses the type and character of support a candidate has in the community.

For this reason, I strongly suggest that the existing \$100 disclosure threshold be retained.

Second, although I appreciate the intent of Section 6 to correct and clarify the provision regarding contributions to candidates by corporations, the bill as drafted singles out corporations from among the various types of entities affected by the Campaign Spending Commission's disputed interpretation, including labor unions, unincorporated associations, and other organizations. It would restore the right to make contributions to candidates for corporations, but not necessarily to the other types of organizations.

At minimum, Section 6 should be made politically neutral by applying to the various types of organizations impacted by the Campaign Spending Commission's interpretation and not only to corporations.

However, I would urge your committee to consider that this is an opportunity to take the next step in campaign reform and prohibit direct contributions from corporations, unions, and other groups from general treasury funds. Such groups could continue to participate in the political process and make contributions or expenditures for or against candidates by forming political action committees that accept voluntary contributions from members, employees, or stockholders.

The federal government and most states now prohibit direct corporate contributions and you can improve Hawaii's law, and increase public confidence in the political process, by joining them in ending the practice of direct political contributions by corporations, unions, and other organizations.

Thank you for this opportunity to testify.

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#### **JUDtestimony**

From:

robie@

Sent:

Tuesday, March 11, 2008 10:14 AM

To: JUDtestimony

Subject:

Strong Opposition to Section 6 of SB 2204

LATE TESTIMONY

Chair Tommy Waters, Vice Chair Blake Oshiro Members House Judiciary Committee

Aloha Chair Tommy Waters, Vice Chair Blake Oshiro House Judiciary Committee,

Chair Tommy Waters, Vice Chair Blake Oshiro, Members of the House JUD Committee,

Tuesday, March 11, 2:00 pm House JUD Committee

Aloha,

I'm writing in strong opposition of section 6 of SB 2204.

This section would lift a current cap of \$1,000 on the amount of money corporations can give directly out of their treasuries to candidate's campaigns.

Corporations already have too much influence on the lawmaking process and have an unfair advantage over the general public.

Even the federal government and 22 states have banned these types of corporate contributions.

By lifting this cap and allowing a tsunami of corporate money to flood legislators' campaigns, Hawaii would become the first state in U.S. history to move backwards on this issue -- allowing more money -- instead of moving forwards by banning this money.

Please amend this law to ban these types of corporate contributions, or at the very least, delete section 6 of this bill.

Sincerely, Robie Price

Haiku, HI 96708

### **COMMON CAUSE HAWAII**

CONTACT: NIKKI LOVE

EMAIL: INFO@COMMONCAUSEHAWAII.ORG WEB: WWW.COMMONCAUSEHAWAII.ORG

# LATE TESTIMONY

#### **House JUD Committee**

Tuesday 3/11/08 at 2:00PM in Room 325 5 copies Senate Bill 2204 SD1

#### TESTIMONY Nikki Love, spokesperson, Common Cause Hawaii

Chair Waters, Vice Chair Oshiro, and committee members:

I am testifying on SB2204 SD1 on behalf of Common Cause Hawaii. Along with a coalition of citizen groups, we urge you to AMEND this bill and ban corporate donations to campaigns.

As you have noticed, there has been a flurry of citizen activity and media attention on this topic. This is not normal for such an abstract issue as campaign finance. But many citizens have taken the time to communicate with you on this issue because it is so clear: it seems fundamentally wrong to permit corporate treasuries to get involved in politics at levels that ordinary citizens could never afford.

Data from followthemoney.org and the Campaign Spending Commission show that, prior to the \$1,000 aggregate limit on corporate donations, some companies contributed hundreds of thousands of dollars from their corporate treasuries in a given election period. What kind of message does that send to an ordinary citizen who might consider a modest contribution of his or her money or time?

Previously we cited information from the National Conference of State Legislatures that federal government and twenty-two states have prohibited corporate donations given directly to candidates. Now, relevant to this bill, we should add that the federal government and twenty-one states also prohibit corporate donations to PACs, and many additional states limit those donations as well.

Some legislators have said they need to "clarify" this law. The coalition strongly believes this is too important an issue to dismiss as a simple clarification. In proposing and moving this bill, you have an opportunity and an obligation to discuss the important core issue of how we should fund our electoral campaigns – the process that runs our democracy.

We urge you to amend this bill to ban corporate money from Hawaii's campaigns.

Mahalo.

### Testimony on SB2204HD1 RELATING TO CAMPAIGN SPENDING

## Committee on Judiciary March 11, 2008



Representative Tommy Waters, Chair, House Judiciary Committee Representative Blake Oshiro, Vice Chair, House Judiciary Committee Hawaii State Capitol, Room 325 415 South Beretania Honolulu, HI 96813

Chairman Waters, Vice Chairman Oshiro, and members of the Committee,

Thank you for the opportunity to present this testimony.

I speak against SB2204HD1. It is my opinion that the powerful and universal presence of private money in our electoral campaign process, both locally and nationally, is endangering American democracy. Private wealth, particularly that of corporate interests, dominates our political process. Effective limits on local campaign donations here in Hawai'i may not eliminate the danger, but they may be a first step toward lessening it. I believe that there are provisions in this bill that will increase the detrimental effect of money on our electoral process. Rather than limiting donations from private corporate interests, this bill would remove all limits on donations to non-candidate committees. At the same time, in this bill limits are maintained on donations from persons. Please remedy this inconsistency by prohibiting donations from corporations and companies as is done under U. S. Federal law and under the campaign spending regulations of 22 other states of the Union. We need limits on the role of corporate money to curb the wildly escalating "fundraising arms race" dominating our political campaigns. Such limits can help to equalize the challenge faced by candidates and they can lessen the lopsided influence that corporate wealth exerts over our political system.

A legislative initiative to look into the ways in which the adverse influence of private and corporate wealth on our electoral process can be lessened would be very useful. Such an initiative could also provide a respected public forum for discussion of this important issue.

Sincerely,

Chuck Huxel

99-1362 Hele Mauna Pl.

Aiea, HI, 96701

Phone contact: 258-3615

# THE LEAGUE OF WOMEN VOTERS OF HAWAII

49 SOUTH HOTEL STREET, ROOM 314 HONOLULU, HAWAII 96813 PH. (808) 531-7448

TESTIMONY ON SB2204 SD1 RELATING TO CAMPAIGN SPENDING.

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Committee on Judiciary
Representative Tommy Waters, Chair
Representative Blake K. Oshiro Viuce Chair
Tuesday, March 11, 2008 2:00 P.M.
Conference Room 325

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LATE TESTINONY

Testifier: Jean Aoki

Chair Waters, Vice Chair Oshiro,

While SB 2204 SD1 has the commendable provision for the electronic filing of reports in the Campaign Spending Commission's electronic filing system which will save the commission a lot of physical labor inputting information and hasten the abailability of the reports to the public.

However, it seems that the other provisions of this bill are aimed at undoing some of the hard-fought reforms instituted during the course of the last two decades or so by the previous executive director and supported by the present executive director.

The increase in 'the threshold for reporting the occupations and employers of donors from \$100 to \$250 would diminish the transparency that the reports are supposed to promote.

In Section 5, one of the uses of campaign funds would be amended to read, "May use campaign funds for any ordinary and [necessary] <u>customary</u> expenses incurred in connection with the candidate's duties as a holder of an elected state or county office.' If the word "customary" is to be substituted for 'necessary", the word "customary" should be defined. If the word "necessary' is too confining, how did certain practices become customary under the present povision of the law?

The League of Women Voters has always supported the providing of sufficient individual funds over and above their salaries for each legislator to use in fulfilling his/her duties in connection with the obligations of that office. Each legislator gets an equal amount. Each legislator has much discretion as to the use of the funds. In comparisaon, campaign funds are meant for campaign purposes, and the discrepancy in the amount of campaign funds available to individual legislators is wide indeed.

We strongly oppose the doubling of the amount candidates may contribute to charitable and community organizations, etc. from their campaign funds. The afore-mentioned huge difference in the amounts of champaign cash available to different candidates give an unfair advantange to some.

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Basically, we oppose the use of these funds in a way that is supposed to build good will but smacks of "bribery' for the want of a better word. Yes, most of these organizations are worthy of everyone's support, but the support should come from the candidates' own pockets if they wish.

It took years to eliminate the unlimited use of campaign funds to these organizations. Let us not regress in our efforts at campaign finance reform.

The League of Women Voters urges this committee to amend this bill by banning all corporate contributions, and limiting corporate contributions to its own independent committee to the \$1000 limit imposed on all persons, and eliminating some of the more objectionable amendments that only serve to undo some of the hard-won reforms of the past years.

Thank you.