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STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

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February 7, 2013

TO: The Honorable Karl Rhoads, Chair House Committee on Judiciary

> The Honorable Sharon E. Har, Vice Chair House Committee on Judiciary

Members of the House Committee on Judiciary

FROM: Kristin Izumi-Nitao, Executive Director

SUBJECT: Testimony on H.B. No. 443, Relating to Campaign Contributions

Thursday, February 7, 2013 2:02 p.m., Conference Room 325

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") has concerns on the bill should it pass.

This bill would prohibit contributions from a "lobbyist, principal of a lobbyist, agent of a lobbyist, or political action committee on which a lobbyist sits," to the Governor, Lieutenant Governor, and a member of the Legislature when the Legislature is in regular or special session. The Commission is uncertain that it can enforce the measure as written because "lobbyist, principal of a lobbyist, agent of a lobbyist, or political action committee on which a lobbyist sits," do not register with the Commission. The Commission may be able to enforce the measure to the extent that some of these persons are registered with the State Ethics Commission. The bill should be amended to only apply to those persons that are required to register and report to the State Ethics Commission.

Also, "political action committee" should be amended to "noncandidate committee," which is the entity that is required to register and report to the Commission. The bill should also refer to a lobbyist who is a chair, treasurer, or custodian of books and accounts of a noncandidate committee rather than one who sits on a noncandidate committee.

Finally, the term "contribution" as defined by the bill, is quite different from the definition of the term used in the Campaign Finance Law (Part XII of Chapter 11, Hawaii Revised Statutes). The bill should be amended to reflect the existing definition of contribution.