



**STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION**


235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

February 29, 2016

TO: The Honorable Sylvia Luke, Chair
House Committee on Finance

The Honorable Scott Y. Nishimoto, Vice Chair
House Committee on Finance

Members of the House Committee on Finance

FROM: Kristin Izumi-Nitao, Executive Director 
Campaign Spending Commission

SUBJECT: **Testimony on H.B. No. 2066, H.D. 1, Relating to Campaign Funds.**

Tuesday, March 1, 2016
11:02 a.m., Conference Room 308

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") opposes this bill.

This bill amends Hawaii Revised Statutes ("HRS") §11-381(a)(8), the provision that allows expenditures "for ordinary and necessary expenses incurred in connection with the candidate's duties as a holder of an office," by providing that expenses for membership in civic or community groups or for protocol gifts shall not exceed twice the amount that a person can contribute to the office holder. Under HRS §11-357, the limit, per election period, would be \$4,000, \$8,000, or \$12,000 depending on the office.

HRS §11-381(a)(8) is almost a verbatim copy of its federal counterpart, 52 U.S.C. § 30114(a)(2).¹ The Commission frequently refers to Federal Election Commission ("FEC") guidelines and advisory opinions in enforcement proceedings and when drafting its own advisory opinions, where the Hawaii Campaign Finance Law provision is substantially similar to its federal counterpart. Thus, HRS §11-381(a)(8) should not be amended absent a clear and compelling need to modify the provision. The information disclosed by candidates on the Commission's electronic filing system from November 7, 2012 to December 31, 2015 (a span of two election periods) show that no candidate would have been in violation of the law had the limitation been in effect, although one candidate would have come close to the limit. None of

¹ That federal statute provides that a contribution may be used "for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office." A copy of the Federal Election Campaign Act (FECA) of 1971, as amended, is available at www.fec.gov/law/feca/feca.pdf.

the other candidates who reported paying for membership in civic or community groups or protocol gifts, would have come close to the proposed limit. This bill is therefore not necessary because there is little conduct to deter.

The Commission respectfully ask this Committee to hold this bill.



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Finance
Tuesday, March 1, 2016 at 11:02 A.M.
Conference Room 308, State Capitol**

RE: HOUSE BILL 2066 HD 1 RELATING TO CAMPAIGN FUNDS

Chair Luke, Vice Chair Nishimoto, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 2066 HD 1, which limits the amount of campaign funds that may be spent by an elected official on memberships in civic or community groups or on protocol gifts to twice the allowable individual contribution amount.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Chamber supports participation with civic and nonprofit organizations. Candidates should be allowed to devote time to civic activity outside of political activity. Through participation, elected officials and candidates, with their larger range of influence and capacity, can effectively guide efforts.

Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 28, 2016 9:48 PM
To: FINTestimony
Cc: mkhan@hawaiiantel.net
Subject: Submitted testimony for HB2066 on Mar 1, 2016 11:02AM

HB2066

Submitted on: 2/28/2016

Testimony for FIN on Mar 1, 2016 11:02AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Leimomi Khan	Individual	Oppose	No

Comments: Oppose for the reasons stated by the Campaign Spending Commission. There appears to be no clear and compelling reason for this legislation. The current limits appear reasonable.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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