KRISTIN E. IZUMI-NITAO EXECUTIVE DIRECTOR



STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300 HONOLULU, HAWAII 96813 January 25, 2016

TO:

The Honorable Gilbert S.C. Keith-Agaran, Chair

Senate Committee on Judiciary and Labor

The Honorable Maile S.L. Shimabukuro, Vice Chair

Senate Committee on Judiciary and Labor

Members of the Senate Committee on Judiciary and Labor

FROM:

Kristin Izumi-Nitao, Executive Director

Campaign Spending Commission

SUBJECT:

Testimony on S.B. No. 2032, Relating to Campaign Spending

Tuesday, January 26, 2016 9:00 a.m., Conference Room 016

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

This bill amends Hawaii Revised Statutes ("HRS") §11-334 by clarifying the reporting requirements for preliminary, final, and supplemental reports in election and nonelection years. The bill removes the treatment of supplemental reports from subsection (a) and places it in subsection (b). The Commission believes that the current language of the provision is confusing.

This bill also amends HRS §11-334(a)(4) to more clearly align the law with present practice. Presently, every candidate files the supplemental report that is due on January 31st every year and not just on January 31st after an election year. This bill does not require an additional or new report. That is, every senator and member of the House of Representatives, and every other elected state and county official filed the January 31st supplemental report in 2012 and 2014. This bill would simply align the law with present practice by deleting "after an election year" from the statutory provision and provide that the supplemental report is due on January 31 of each year for all candidates. If this amendment is not passed, the Commission will not be able to enforce the filing of the January supplemental report in an election year leaving a one-year gap (July 31st of a nonelection year to July of an election year) in reporting by candidate committees.

In the 2013 session, the Legislature passed S.B. No. 31 that was signed into law as Act 111. That measure amended HRS §11-336(d) making the same amendment to the due date for the supplemental report due on January 31 for noncandidate committees. The Commission now asks that the same be done for the supplemental report due on January 31 for candidate committees. The Commission requests that this Committee pass this measure.



Senate Judiciary and Labor Committee Chair Gil Keith-Agaran, Vice Chair Maile Shimabukuro

Tuesday, 01/26/2016 at 9:00 AM in Room 016 SB2032 – Relating to Campaign Spending

TESTIMONY OF SUPPORT Carmille Lim, Executive Director, Common Cause Hawaii

Dear Chair Keith-Agaran, Vice Chair Shimabukuro, and members of the Senate Judiciary and Labor Committee:

Common Cause Hawaii supports SB2032 which clarifies (1) the due dates of preliminary, final, and supplemental reports to be submitted to the campaign spending commission; and (2) that the supplemental report due on January 31 must be filed every year.

This housekeeping measure will provide clarity and help alleviate candidates' misunderstandings about pertinent candidate reporting deadlines. Thus, SB 2032 will help political candidates – particularly new ones – better understand the Campaign Spending Commission's expectations.

The latter part of SB 2032 would correct a problem caused by a change in the reporting section of the campaign spending statutes. Originally, candidates and candidate committees were required to file supplementary reports by January 31 of each year and by July 31 after an election year. This resulted in a report being filed approximately every 6 months between elections, since the next required report is just prior to the next primary election.

Apparently there was an attempt to make the statements parallel by requiring the January report only following an election year. This change has had the unintended consequence of requiring no report for approximately a year—from July 31 in the year following an election until 30 days before the primary election the next year. This period of time is often a very active one for fund-raising leading up to the next election.

Common Cause Hawaii is especially concerned with transparency in government. We believe that a year gap in reporting campaign finances—by incumbents and candidates who plan to run for office again—is not in the public interest.

Thank you for the opportunity to offer testimony **supporting SB2032**.

From: <u>mailinglist@capitol.hawaii.gov</u>

To: <u>JDLTestimony</u>

Cc:

Subject: Submitted testimony for SB2032 on Jan 26, 2016 09:00AM

Date: Monday, January 25, 2016 8:30:31 AM

SB2032

Submitted on: 1/25/2016

Testimony for JDL on Jan 26, 2016 09:00AM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Palcic	Individual	Oppose	Yes

Comments: Does excessive reporting accomplish anything other than to create an opportunity to levy additional fines?

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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