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STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300 HONOLULU, HAWAII 96813

February 16, 2017

TO: The Honorable Gilbert S.C. Keith-Agaran, Chair Senate Committee on Judiciary and Labor

The Honorable Karl Rhoads, Vice Chair Senate Committee on Judiciary and Labor

Members of the Senate Committee on Judiciary and Labor

FROM: Kristin Izumi-Nitao, Executive Director

## SUBJECT: Testimony on S.B. No. 251, Relating to Campaign Finance

Tuesday, February 21, 2017 9:00 a.m., Conference Room 016

Thank you for the opportunity to testify on this bill.<sup>1</sup> The Campaign Spending Commission ("Commission") takes no position on this bill.

Presently, Hawaii Revised Statutes ("HRS") §11-381(a) prohibits a candidate from using campaign funds to make donations to nonprofit organizations from the date the candidate files nomination papers to the date of the general election. Similarly, that section also prohibits a candidate from using campaign funds to award scholarships to full-time post-secondary students from the deadline for filing nomination papers to the date of the general election. This bill amends §11-381(a) to allow a candidate who has been deemed and declared elected before the general election, as provided in HRS §12-41 and §12-42, to make donations and award scholarships during these periods.

KRISTIN E. IZUMI-NITAO EXECUTIVE DIRECTOR

<sup>&</sup>lt;sup>1</sup> The companion bill is H.B. 1189.



Senate Judiciary and Labor Committee Chair Gilbert Keith-Agaran, Vice Chair Karl Rhoads

> 02/21/2017 at 9:00 AM in Room 016 SB251 – Relating to Campaign Finance

TESTIMONY — OPPOSE Corie Tanida, Executive Director, Common Cause Hawaii

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

**Common Cause Hawaii opposes SB251** which would allow candidates to use their campaign funds to make donations to community groups, if they are deemed and declared elected to office before the general election, during the election period.

While it is commendable that candidates want to support their community through financial contributions in accordance with the law, we believe that these gifts should not come from their campaign funds, but from themselves personally. Although such contributions make the politicians appear generous, in most cases, the money contributed is not coming out of their own pockets, but out of the pockets of their donors.

When making a campaign contribution, a donor clearly wants to support a particular candidate, not just "any" community service, recreational or charitable cause. Most donors expect that their contribution will be used for campaign expenses such as signs, mailings, advertisements, etc. To use campaign funds for items beyond campaign expenses can result in a donor having indirectly helped fund a charity that the donor does not support for political, religious, or personal reasons. If a donor wanted to contribute to a charity, they would do so directly. Thus we believe that campaign funds should be used only for campaign expenses.

We urge the committee to hold SB251.

Thank you for the opportunity to offer testimony opposing SB251.