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STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION 235 SOUTH BERETANIA STREET, ROOM 300

HONOLULU, HAWAII 96813

February 22, 2019

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

The Honorable Ty J.K. Cullen, Vice Chair House Committee on Finance

Members of the House Committee on Finance

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

SUBJECT: Testimony on H.B. No. 1350, Relating to the Campaign Spending Commission Operating Budget

Monday, February 25, 2019 2:00 p.m., Conference Room 308

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

Section 2 appropriates additional general funds for FY 20 in the amount of \$29,000 and \$22,000 for FY 21 for Commission operations. Specifically, the increased amount in FY 20 would be used to fund the following items:

(a) \$20,000 for "Socrata – Noncandidate Committee Dashboard" – In August 2018, the Commission built the Candidate Committee Dashboard for the 2018 election. This amount reflects the cost estimate required to build its counterpart, the Noncandidate Committee Dashboard. Notably, the Candidate Committee Dashboard which was released on September 12, 2018 received over 11,500 hits on the Commission's website from the date it was launched to November 19, 2018. Over this 2 ½ month period, the Commission's website had 37,750 hits of which the dashboard captured about 1/3 of the Commission's overall website activity. The Commission would like to build the Noncandidate Committee Committee Committee Committee Commission of the 2020 election.

(b) \$4,000 for "Investigative Services" – Currently, the Commission does not have a full-time investigator on staff and we seek additional funds to contract their services to ensure that all cases (some of which are requested by candidates, third parties, or the public) are timely and thoroughly investigated. We average about 15-20 complaints

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every year. With this funding, we will be able to properly address campaign finance violations through enforcement actions. Investigative service contracts average about \$4,000 per case. At this time, the Commission believes contracting for these services is preferred rather than hiring a full-time investigator.

(c) \$5,000 for "Hearings Officer" – The Commission averages 15-20 complaints each year, any of which may result in a contested case hearing. Because the Commissioners are volunteers, the majority of whom have full-time jobs, contracting services for hearing officers would allow for more efficient proceedings and handling so that we are better equipped to manage these matters. Hearing officer contracts average about \$5,000 per hearing.

The increased amount in FY 21 would be used to fund the following items:

- (a) \$13,000 for the anticipated monthly maintenance fees to sustain the Noncandidate Committee Dashboard.
- (b) \$4,000 for "Investigative Services" See above.
- (c) \$5,000 for "Hearings Officer" See above.

The Commission respectfully requests that this Committee pass this measure.