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STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300 HONOLULU, HAWAII 96813

January 30, 2019

TO: The Honorable Chris Lee, Chair House Committee on Judiciary

> The Honorable Joy A. San Buenaventura, Vice Chair House Committee on Judiciary

Members of the House Committee on Judiciary

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

SUBJECT: Testimony on H.B. No. 1490, Relating to Campaign Finance

Thursday, January 31, 2019 2:00 p.m., Conference Room 325

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") supports the intent of this bill but has reservations about the proposed amendment to Hawaii Revised Statutes ("HRS") §11-302.

Section 1 of the bill amends the definition of "person" by adding "sole proprietor" and "officers or board members" of entities to the definition in HRS §11-302. Such an amendment is unnecessary because the definition of "person" already includes an "individual." A sole proprietor and someone who sits on a board or who is an officer of an entity are individuals.

If the intent of the legislature is to make sole proprietors who have government contracts, and board members and officers of entities who are government contractors, subject to the contribution ban in HRS §11-355, it would be better to include "and officers and board members of the person" after "person" in the first sentence of subsection (a) of that section. A sole proprietor who is a state or county contractor is already subject to the ban by administrative rule. Hawaii Administrative Rule §3-160-37(e).

To:The House Committee on the JudiciaryFrom:Brodie LockardDate:Thursday, January 31, 2019, 2:00 pm

In support of HB 1490

Dear JUD Chair Lee, Vice Chair San Buenaventura and Committee Members-

I support HB 1490.

This bill will cover many transactions that could lead to corruption or the perception of it. Its language should protect the public from all manner of possible abuses by special interests with deep pockets.

Please pass HB 1490 to protect our democracy from the undue influence of those providing goods, utilities, or services to the State, and their officers and board members.

Thank you for the opportunity to testify.

Brodie Lockard

HB 1490 Late





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COMMITTEE ON JUDICIARY

THURSDAY, 1/31/19, 2 pm, Room 325 HB1490, RELATING TO CAMPAIGN FINANCE **TESTIMONY** Beppie Shapiro, Legislative Committee, League of Women Voters of Hawaii

Chair LEE, Vice-Chair BUENAVENTURA, and Committee Members:

The League of Women Voters of Hawaii strongly supports HB1490 that extends prohibition of contributions by government contractors etc. to contributions by their sole proprietors, officers and Boards.

The League of Women Voters believes that political corruption includes the following:

- A candidate or officeholder agrees to vote or work in favor of a donor's interests in exchange for a campaign contribution.

- An officeholder or staff gives greater access to donors.

- An officeholder votes or works to support policies that reflect the preferences of individuals or organizations in order to attract contributions from them.

- A candidate or office holder seeks political contributions implying that there will be retribution un- less a donation is given.

- The results of the political process consistently favor the interests of significant campaign contributors.

Hawai'i's campaign finance law already prohibits contributions to election campaigns by contractors, suppliers, etc. under contract to state or county governmental agencies. But as is easily seen in summaries of election campaign contributions that the owners, executives, and Board members of contractors, suppliers, etc. continue to make contributions which are easily attributed to their roles vis a vis the companies which are receiving government funds. Such contributions create the appearance if not the actuality of "pay to play", thus eroding trust in government, and can create conflicts of interest for the government officials who evaluate bids for contracts, supplies etc. Hawaii's media have reported on several such relationships between campaign contributions and the receipt of government contracts.

HB1490 will prevent these currently legal contributions and will be an important step in restoring faith in state and county government. Please support HB1490.



Hawaii

Holding Power Accountable

Common Cause Hawaii • 307A Kamani St. • Honolulu, HI 96813 • 808.275.6275

January 30, 2019

Testimony in SUPPORT of HB1490 House Committee on the Judiciary, January 31, 2019, 2:00pm

TO: Chair Chris Lee, Vice Chair Joy San Buenaventura, and members of the committee

FROM: Barbara Polk for the Board of Common Cause Hawaii

Common Cause supports further limiting possible corruption by adding sole proprietors and officers and board members of contractor from making political donations and including goods, utilities and services among the types of donations proscribed.

We believe these changes in the law would be another step toward preventing corruption in government.

We urge you to pass HB 1490/





Submi	tted By	Organization	Testifier Position	Present at Hearing
Larry M	eacham	Common Cause Hawaii	Support	No

Comments:

Thank you for the opporunity to testify in support of HB 1490.

Hawaii has the lowest voter turnout in the country. Automatic Voter Registration in Oregon and other states has increased voting by 5-10% by making it more convenient. We should make every effort to help our citizens particiapte in the democratic perocess, and this would be one good step.

Thank you for the opporutnity to testify.