

STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300 HONOLULU, HAWAII 96813

February 3, 2020

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. 1634, Relating to Campaign Finance

Tuesday, February 4, 2020 2:05 p.m., Conference Room 325

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") appreciates the intent of this bill and offers the following comments.

This measure amends various sections of the Hawaii Revised Statutes ("HRS") to impose upon both candidate and noncandidate committees consistent content, filing, and deadline requirements for organizational reports and preliminary reports. Section 1 of the measure amends subsection (g) of HRS §11-321 by reducing the threshold activity amount for requiring a noncandidate committee to register with the Commission from more than \$1,000 to more than \$100 in the aggregate. This matches the threshold activity amount for requiring a candidate committee to register with the Commission. This reduction may have constitutional implications. The Ninth Circuit Court of Appeals in A-1 A-Lectrician v. Snipes (Yamada Case), relied upon the over \$1,000 spending threshold to sustain Hawaii's registration and reporting requirements against a First Amendment claim. Reducing the threshold amount may subject the registration and reporting requirements for noncandidate committees to a renewed First Amendment challenge.

Section 6 amends subsections (c) and (d) of HRS §11-340 by clarifying that the enhanced fine of \$300 per day applies to the preliminary reports due ten days before a primary election (subsection (c)) and requires the Commission to notify a noncandidate committee, in addition to a candidate committee, if the noncandidate committee files a substantially defective or deficient report (subsection (d)). H.B. No. 1705, part of the Commission legislative package, has

Testimony of the Campaign Spending Commission on H.B. No. 1634 February 3, 2020 Page 2

language that applies the higher fine to the preliminary reports due ten days before the primary and the general election. Presently, subsection (c) applies the higher fine to the preliminary reports due closer to both the primary and general elections. The Commission would prefer that the Committee use the language found in H.B. No. 1705 if the Committee is inclined to amend subsection (c).





Statement Before The HOUSE COMMITTEE ON JUDICIARY

Tuesday, February 4, 2020 2:05 PM State Capitol, Conference Room 325

in consideration of
HB 1634
RELATING TO CAMPAIGN FINANCE.

Chair LEE, Vice Chair SAN BUENAVENTURA, and Members of the House Judiciary Committee

Common Cause Hawaii supports HB 1634, which imposes upon both candidate committees and noncandidate committees consistent content, filing, and deadline requirements for organizational reports and preliminary reports.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening democracy through improving our campaign finance system with laws that amplify the voices of everyday Americans by requiring strong disclosures and making sure everyone plays by the same commonsense rules.

HB 1634 specifically provides that subsection (g) of Section 11-321, Hawaii Revised Statutes, shall be amended to require an organizational report be filed for a noncandidate committee within ten (10) days of receiving contributions or making or incurring expenditures of more than \$100 in the aggregate in a two-year election period. Such a reporting requirement for a noncandidate committee will improve transparency in our elections; we will know of a noncandidate committee as soon as \$100 in aggregate expenditures is incurred.

Thank you for the opportunity to testify in support of HB 1634. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma Executive Director, Common Cause Hawaii

<u>HB-1634</u> Submitted on: 2/3/2020 12:24:50 PM

Testimony for JUD on 2/4/2020 2:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|-----------------------|-----------------------|
| Barbara Best | Individual | Support | No |

Comments:

<u>HB-1634</u> Submitted on: 2/3/2020 2:08:41 PM

Testimony for JUD on 2/4/2020 2:05:00 PM



| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|--------------|--------------------|-----------------------|
| Michael Golojuch Jr | Individual | Support | No |

Comments:

HB-1634

Submitted on: 2/3/2020 2:52:04 PM

Testimony for JUD on 2/4/2020 2:05:00 PM



| Submitted By | Organization | Testifier Position | Present at Hearing | |
|--------------|--------------|-----------------------|-----------------------|--|
| Randy Ching | Individual | Support | No | |

Comments:

Aloha Chair Lee, Vice Chair San Buenaventura and members of the committee,

I support HB1634. Please pass this bill.

Mahalo for the opportunity to testify.

Randy Ching

Honolulu (makikirandy@yahoo.com)

HB-1634

Submitted on: 2/3/2020 9:44:39 PM

Testimony for JUD on 2/4/2020 2:05:00 PM



| Submitted By | Organization | Testifier Position | Present at Hearing |
|-------------------|--------------|-----------------------|-----------------------|
| Caroline Kunitake | Individual | Support | No |

Comments:

Dear Chair Lee and Members of the House Committee on Judiciary,

I am writing in support of HB1634, which imposes upon both candidate committees and noncandidate committees consistent content, filing, and deadline requirements for organizational reports and preliminary reports.

HB 1634 specifically provides that subsection (g) of Section 11-321, Hawaii Revised Statutes, shall be amended to require an organizational report be filed for a noncandidate committee within ten (10) days of receiving contributions or making or incurring expenditures of more than \$100 in the aggregate in a two-year election period. Such a reporting requirement for a noncandidate committee will improve transparency in our elections; we will know of a noncandidate committee as soon as \$100 in aggregate expenditures is incurred.

Mahalo,

Caroline Kunitake