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STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300 HONOLULU, HAWAII 96813

February 8, 2019

TO: The Honorable Karl Rhoads, Chair Senate Committee on Judiciary

> The Honorable Glenn Wakai, Vice Chair Senate Committee on Judiciary

Members of the Senate Committee on Judiciary

FROM: Kristin Izumi-Nitao, Executive Director

SUBJECT: Testimony on S.B. No. 139 Relating to Electioneering Communications

Tuesday, February 12, 2019 9:00 a.m., Conference Room 016

Thank you for the opportunity to testify on this bill.¹ The Campaign Spending Commission ("Commission") supports this bill.

This measure amends Hawaii Revised Statutes ("HRS") §11-341 to change the definition of "disclosure date" from the first date a person has made expenditures during that year of more than \$2,000 to the first date the electioneering communication is publicly distributed, provided that more than \$2,000 has been spent. After the filing of a statement of information, the bill also amends that section to require further electioneering communications to be disclosed only after more than \$2,000 has been spent for electioneering communications since the most recent disclosure date.

The bill further amends the definition of "electioneering communication" by deleting "at a bulk rate" from advertisements sent by mail so that all advertisements sent by mail, be it bulk rate or first class, will be covered by the definition. Finally the bill deletes items "that constitute expenditures by the expending organization" from the types of communications excluded from the definition of electioneering communication.

¹ The companion bill is H.B. No. 164.

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The changing of the disclosure date to when the advertisement runs, which triggers the need to file the statement of information, is more timely since contracts for these advertisements could occur weeks or months before the advertisements are publicly distributed. Also, after a committee files its first statement of information, requiring the spending of more than \$2,000 to again trigger the requirement of filing of another statement of information will reduce the number of disclosure that will be filed. This is especially true in cases where committees choose to buy numerous, inexpensive social media advertisements.

Finally, it makes no sense to consider advertisements mailed by bulk rate only, and not by any other postal rate, to be electioneering communications. Also, some committees have used the exclusion of items "that constitute expenditures by the expending organization" from the definition of electioneering communication, as a reason why those committees did not have to file statements of information. However, all committees are required to file statements of information for electioneering communications. HRS §§11-341(b)(2), 11-341(b)(3), & 11-341(b)(6). This exclusion is not needed since it cannot apply to committees already registered with the Commission and since the spending threshold for electioneering communications is more than \$2,000, any person making an expenditure for electioneering communication will have to register with the Commission.

The Commission requests that this Committee pass this measure.



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COMMITTEE ON JUDICIARY

TUESDAY, 2/12/19, 9 AM, Room 016 SB139, RELATING TO ELECTIONEERING COMMUNICATIONS **TESTIMONY** Beppie Shapiro, Legislative Committee, League of Women Voters of Hawaii

Chair Rhoads, Vice-Chair Wakai and Committee Members:

The League of Women Voters of Hawaii supports SB139 that changes the definition of "disclosure date" of electioneering communications from the date of expenditure for the communication to the date the communication was published. SB139 also expands the methods by which a reportable communication is distributed to include any class of mail rather than only bulk mail, and includes communications by an organization in the definition of an electioneering communication.

The League believes that these changes of definition of electioneering communication pass the "common sense" test. For example, a communication could be distributed but paid for months later - it is the date of publication which matters. Similarly, the class of mail by which mailed communications are delivered surely makes no difference except in the cost borne to send them, and perhaps in the level of attention the recipient gives them - the definition of electioneering communication should be blind to these distinctions.

Thank you for the opportunity to submit testimony.