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

HONOLULU, HAWAII 96813

March 31, 2021

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 Campaign Spending Commission

SUBJECT: Testimony on S.B. No. 402, HD 1, Relating to Reimbursements for Expenditures by Committees

Thursday, April 1, 2021

1:30 p.m., Via Videoconference

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") §11-333(b) by amending paragraph (3) by replacing "candidate reimbursements" with "committee reimbursements to the candidate or other individuals" to the list of candidate expenditures that need to be itemized. As currently written, only candidate reimbursements need to be itemized. In many instances, individuals other than the candidate are being reimbursed for campaign costs advanced by those individuals. Those reimbursements to other individuals should also be itemized. This measure also amends HRS §11-335(b) by amending paragraph (3)(B) by deleting "and candidate reimbursements" from the list of noncandidate committee expenditures that need to be itemized. Under HRS §11-373, noncandidate committees are prohibited from receiving or making loans. Thus, noncandidate committees should not be reporting reimbursements to candidates.

The Commission urges this Committee to pass this measure with an effective date upon its approval.

¹ The companion bill is H.B. No. 142.



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Hawaii Holding Power Accountable

Statement Before The HOUSE COMMITTEE ON FINANCE Thursday, April 1, 2021 1:30 PM Via Video Conference, Conference Room 308

in consideration of SB 402, HD1 **RELATING TO REIMBURSEMENTS FOR EXPENDITURES BY COMMITTEES.**

Chair LUKE, Vice Chair CULLEN, and Members of the House Finance Committee

Common Cause Hawaii supports SB 402, HD1, which (1) provides that expenditures by candidate committees may be made to reimburse other individuals (e.g., campaign volunteers) for expenditures advanced by those individuals, in addition to those advanced by the candidate and (2) deletes "candidate reimbursements" from the category of expenditures that noncandidate committees must itemize in their reports since noncandidate committees are not allowed to receive or make loans pursuant to section 11-335(c), Hawaii Revised Statutes (HRS).

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.

SB 402, HD1 provides that schedules filed with reports in HRS § 11-333 shall include committee reimbursements to the candidate or other individuals and the salaries paid to consultants, advertising agencies and similar firms. This will provide more transparency in how candidate committees are spending monies, which is always beneficial to the electoral process.

Thank you for the opportunity to testify in support of SB 402, HD1 and Common Cause Hawaii respectfully urges the Committee members to pass SB 402, HD1 out of your Committee. 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>SB-402-HD-1</u> Submitted on: 3/30/2021 1:18:03 PM Testimony for FIN on 4/1/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John D. Smith	Individual	Support	No

Comments:

I support this to be passed through legislature.

<u>SB-402-HD-1</u> Submitted on: 3/30/2021 7:46:23 PM Testimony for FIN on 4/1/2021 1:30:00 PM

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

Comments:

Aloha Representatives,

I support SB 402 HD 1.

Mahalo,

Michael Golojuch, Jr.

<u>SB-402-HD-1</u>

Submitted on: 3/31/2021 8:03:45 AM Testimony for FIN on 4/1/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Anderson	Individual	Support	No

Comments:

SB 402, HD1 provides that schedules filed with reports in HRS § 11-333 shall include committee reimbursements to the candidate or other individuals and the salaries paid to consultants, advertising agencies and similar firms.

This will provide more transparency in how candidate committees are spending monies, which is always beneficial to the electoral process.

Thank you for the opportunity to submit testimony in support of this bill.

<u>SB-402-HD-1</u> Submitted on: 3/31/2021 9:54:17 AM Testimony for FIN on 4/1/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mary Kathryn Afable	Individual	Support	No

Comments:

Aloha,

I support SB402 and HD1 because it will increase transparency about how candidate committees are spending contributions.

Respectfully submitted,

Mary Afable

Hilo, Hawaii

<u>SB-402-HD-1</u> Submitted on: 3/31/2021 9:59:45 AM Testimony for FIN on 4/1/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Edward B Hanel Jr	Individual	Support	No

Comments:

Efforts to increase participation in our electoral process for all is commendable. Recommend passage of SB402. Concur with Common Cause Hawaii comments.

SB-402-HD-1

Submitted on: 3/31/2021 12:14:13 PM Testimony for FIN on 4/1/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
tlaloc tokuda	Individual	Support	No

Comments:

Dear FIN Committee Members,

I support SB402 HD1:

- SB 402, HD1 provides that schedules filed with reports in HRS § 11-333 shall include committee reimbursements to the candidate or other individuals and the salaries paid to consultants, advertising agencies and similar firms.
- This will provide more transparency in how candidate committees are spending monies, which is always beneficial to the electoral process.

Mahalo for your consideration,

Tlaloc Tokuda

Kailua Kona, HI 96740

<u>SB-402-HD-1</u>

Submitted on: 3/31/2021 12:36:47 PM Testimony for FIN on 4/1/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
sam kippen	Individual	Support	No

Comments:

I am a member of Common Cause Hawaii and I support SB 402, HD1, which provides that schedules filed with reports in HRS § 11-333 shall include committee reimbursements to the candidate or other individuals and the salaries paid to consultants, advertising agencies and similar firms. This will increase the transparency of our electoral process. We respectfully urge the committee to pass SB 402, HD1. Mahalo for the opportunity to testify.

SB-402-HD-1

Submitted on: 3/31/2021 1:08:37 PM Testimony for FIN on 4/1/2021 1:30:00 PM

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

Comments:

Dear Chair Luke, Vice Chair Cullen and Committee on Finance,

Please support SB402 HD1.

SB 402, HD1 provides that schedules filed with reports in HRS § 11-333 shall include committee reimbursements to the candidate or other individuals and the salaries paid to consultants, advertising agencies and similar firms.

This will provide more transparency in how candidate committees are spending monies, which is always beneficial to the electoral process.

Thank you for taking the time to review this bill. I appreciate the opportunity to provide testimony in support of SB402 HD1.

Mahalo,

Caroline Kunitake

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

<u>SB-402-HD-1</u>

Submitted on: 4/1/2021 9:05:01 AM Testimony for FIN on 4/1/2021 1:30:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
laurie boyle	Individual	Support	No

Comments:

Aloha,

I support sb402 for the simple reason that campaign reimbursements should be transparent and fully disclosed.

Mahalo for your attention.