

STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300 HONOLULU, HAWAII 96813

March 22, 2021

TO: The Honorable Mark M. Nakashima, Chair

House Committee on Judiciary & Hawaiian Affairs

The Honorable Scot Z. Matayoshi, Vice Chair House Committee on Judiciary & Hawaiian Affairs

Members of the House Committee on Judiciary & Hawaiian Affairs

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

Tuesday, March 23, 2021 2:00 p.m., Via Videoconference

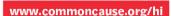
Thank you for the opportunity to testify on this bill.¹ The Campaign Spending Commission ("Commission") supports this bill.

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.

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¹ The companion bill is H.B. No. 142.





Holding Power Accountable

Statement Before The HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Tuesday, March 23, 2021 2:00 PM Via Video Conference, Conference Room 325

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

Chair NAKASHIMA, Vice Chair MATAYOSHI, and Members of the House Judiciary & Hawaiian Affairs 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 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

SB-402-HD-1

Submitted on: 3/20/2021 2:33:07 PM

Testimony for JHA on 3/23/2021 2:00:00 PM

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

Comments:

Dear JHA Committee Members,

- 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 process.

Mahalo for your consideration,

Tlaloc Tokuda

Kailua Kona, HI 96740

SB-402-HD-1

Submitted on: 3/21/2021 2:04:23 PM

Testimony for JHA on 3/23/2021 2:00:00 PM

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

Comments:

Dear Chair Nakashima, Vice Chair Matayoshi, and Committee on Judiciary and Hawaiian Affairs.

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 process.

Without greater transparency and/or specific guidelines for documentation, there is no way to audit for campaign spending compliance.

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

Mahalo,

Caroline Kunitake

<u>SB-402-HD-1</u> Submitted on: 3/21/2021 2:47:25 PM

Testimony for JHA on 3/23/2021 2:00:00 PM

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

Comments:

Aloha Senators,

I support SB 402 HD 1.

Mahalo,

Michael Golojuch, Jr.

<u>SB-402-HD-1</u> Submitted on: 3/21/2021 5:23:28 PM

Testimony for JHA on 3/23/2021 2:00:00 PM

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

Comments:

As a resident of Hawai'i Island, I support sb402 for the simple reason that all reimbursements to a candidate should be made public, providing transparency to the public.

Mahalo for your attention.

<u>SB-402-HD-1</u> Submitted on: 3/22/2021 6:18:50 AM

Testimony for JHA on 3/23/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Linda Morgan	Individual	Support	No

Comments:

I support SB402 because it will improve campaign finance transparency and accountability. Voters deserve to know where a candidate's money is coming from and how it is being spent. Please support SB402/

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

Submitted on: 3/22/2021 6:41:04 AM

Testimony for JHA on 3/23/2021 2:00:00 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 process.

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

SB-402-HD-1

Submitted on: 3/22/2021 9:04:50 AM

Testimony for JHA on 3/23/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Larry Meacham	Individual	Support	No

Comments:

Testimony SUPPORTING SB 402 HD 1, Including reimbursements to candidates and money paid to second parties in campaign spending reports

Thank you for the opportunity to offer testimony.

This bill requires that reimbursements paid to the candidate and money paid to consultants, ad agencies, etc. must be documented in campaign spending reports. As these expenditures have grown, it is increasingly important to include them in spending reports in order to maintain transparency.

Thank you for the opportunity to offer testimony.