

STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300 HONOLULU, HAWAII 96813

March 1, 2021

TO: The Honorable Angus L.K. McKelvey, Chair

House Committee on Government Reform

The Honorable Tina Wildberger, Vice Chair House Committee on Government Reform

Members of the House Committee on Government Reform

FROM: Kristin Izumi-Nitao, Executive Director

Campaign Spending Commission

SUBJECT: Testimony on S.B. No. 402, Relating to Reimbursements for Expenditures

by Committees

Wednesday, March 3, 2021 11:00 a.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.

¹ The companion bill is H.B. No. 142.





Holding Power Accountable

Statement Before The HOUSE COMMITTEE ON GOVERNMENT REFORM

Wednesday, March 3, 2021 11:00 AM Via Videoconference, Conference 309

in consideration of SB 402

RELATING TO REIMBURSEMENTS FOR EXPENDITURES BY COMMITTEES.

Chair McKELVEY, Vice Chair WILDBERGER, and Members of the House Government Reform Committee

Common Cause Hawaii supports SB 402, 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 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, and Common Cause Hawaii respectfully urges the Committee members to pass SB 402 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