HB-92 Submitted on: 1/30/2023 2:46:34 PM Testimony for JHA on 2/1/2023 2:00:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|---|---------------------------|---------------------------|
| daniel tolev | nCommission to Improve Standards of Conductone | Niinnort | Written Testimony Only |

Comments:

Dear Chairman Tarnas and members of the Judiciary and Hawaiian Affairs Committee,

As Chair of the Commission to Improve Standards of Conduct (Commission), I support this bill that would enhance penalties for campaighn spending law violations for reasons stated in the Commission's December 1, 2022 Final Report submitted to the House of Representatives, specifically found at page 34 of the Report.

Judge Daniel Foley (ret.)



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

HONOLULU, HAWAII 96813

January 30, 2023

TO: The Honorable David A. Tarnas, Chair House Committee on Judiciary & Hawaiian Affairs

The Honorable Gregg Takayama, 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 H.B. No. 92, Relating to Violations of Campaign Finance Law

Wednesday, February 1, 2023 2:00 p.m., Conference Room 325 & Videoconference

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

This bill amends Hawaii Revised Statutes ("HRS") §11-410 by amending subsection (a)(1) by replacing "an individual" with "a person other than a person described in paragraph (2)" and amending subsection (a)(2) by replacing "corporation, organization, association, or labor union" with "noncandidate committee that makes only independent expenditures and has either received at least one contribution of more than \$10,000 from any one person or has made expenditures of more than \$10,000 in the aggregate, in an election period." The bill increases the amount of a fine that the Commission may assess against a committee that makes only independent expenditures (Super PAC) from an amount not to exceed \$1,000 to an amount not to exceed \$5,000 or an amount not exceeding three times an unlawful contribution or expenditure. The increase in the amount of the fine is necessary in enforcement cases against Super PACs. Further, the trebling of the amount of an unlawful contribution or expenditure as a fine is already applicable to individuals, including candidates. It makes sense to extend this potential increased fine to Super PACs. The Commission believes that the higher fine amount will be a more effective deterrent for Super PACs.

¹ The companion bill is S. B. No. 197.

Testimony of the Campaign Spending Commission H.B. No. 92, Relating to Violations of Campaign Finance Law January 30, 2023 Page 2

The bill allows the Commission to assess fines against the officers of noncandidate committees. Presently, subsection (c) authorizes the Commission to order fines assessed against a candidate committee be paid out of a candidate's personal funds.

This bill also deletes the reference to political activities of liquor commission employees (HRS §281-22) in subsection (a).



Committee on Judiciary and Hawaiian Affairs Chair Tarnas, Vice Chair Takayama

Wednesday, February 1, 2023, 2 pm Videoconference, Rm.325 HB 92— RELATING TO VIOLATIONS OF CAMPAIGN FINANCE LAW.

TESTIMONY Beppie Shapiro, Legislative Committee, League of Women Voters of Hawaii

Chair Tarnas, Vice Chair Takayama, and Committee Members:

The League of Women Voters of Hawaii supports HB92, which amends HRS §11-410 first, by replacing "an individual" with "a person other than a person described in paragraph (2)"; second, by amending subsection (a)(2) to replace "corporation, organization, association, or labor union" with "noncandidate committee that makes only independent expenditures and has either received at least one contribution of more than \$10,000 from any one person or has made expenditures of more than \$10,000 in the aggregate, in an election period"; and third, by allowing the Commission to assess fines against the officers of noncandidate committees, rather than only against the candidate. HB92 also increases the amount of a fine that the Commission may assess against a committee that makes only independent expenditures (Super PAC).

We note that the Commission to Improve Standards of Conduct, which has received broad public support, recommends these changes.

Increasing these fines has the potential to deter Super PACs from illegal contributions and expenditures. Assessing fines against Super PAC officers should more effectively deter Super PAC unlawful behavior than if only the candidate can be fined.

Please pass HB92 out of this Committee.

Thank you for the opportunity to submit testimony.

<u>HB-92</u>

Submitted on: 1/31/2023 4:48:11 PM Testimony for JHA on 2/1/2023 2:00:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|-----------------|--------------|---------------------------|---------------------------|
| Ingrid Peterson | Individual | Support | Written Testimony Only |

Comments:

Aloha Committee Members!

Please support this bill because we need as many good anti-corruption reform bills passed as possible this session for the good of Hawaii and its people and to restore trust in the legislature. We cannot keep on going as we have. Too many important issues for our future are at stake.

I am a 68-year-old who moved to Hawaii as a child in 1963 and became politically active as a teen before I could even vote. I have always voted since, and I never give up hope for improvement in our democracy. Please kokua,

with warm aloha,

Ingrid Peterson