

**HB-727-HD-1**

Submitted on: 3/13/2023 2:40:38 PM

Testimony for JDC on 3/16/2023 10:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Daniel Foley	Testifying for Commission to Improve Standards of Conduct	Support	Remotely Via Zoom

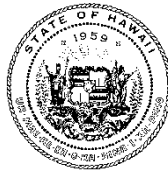
Comments:

Dear Mr. Chairman and members of the Judiciary Committee,

As Chair of the Commission to Improve Standards of Conduct, I support HB 727, HD 1, that eliminates the use of campaign funds to purchase up to two tickets for an event or fundraiser held by another candidate or committee.

The Commission found "that this practice is commonplace amongst legislators and gives the appearances of impropriety since the campaign funds of the purchaser/candidate are likely contributions made to the purchaser/candidate and not to the candidate holding the event or fundraiser." See Commission's December 1, 2022 Final Report at page 34.

Mahalo, Judge Daniel Foley (ret.)



**STATE OF HAWAII**  
**CAMPAIGN SPENDING COMMISSION**

235 SOUTH BERETANIA STREET, ROOM 300  
HONOLULU, HAWAII 96813

March 14, 2023

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

The Honorable Mike Gabbard, Vice Chair  
Senate Committee on Judiciary

Members of the Senate Committee on Judiciary

FROM: Kristin Izumi-Nitao, Executive Director  
Campaign Spending Commission

SUBJECT: **Testimony on H.B. No. 727, HD1, Relating to Campaign Funds.**

Thursday, March 16, 2023  
10:30 a.m., Conference Room 016 & Videoconference

Thank you for the opportunity to testify on this bill, which was submitted by the Commission to Improve Standards of Conduct (“CISC”). The Campaign Spending Commission (“Commission”) supports this bill.

The purpose of this bill is to amend Hawaii Revised Statutes (“HRS”) §11-381 to limit the use of candidate-committee campaign funds to only those purposes that are directly related to the candidate’s campaign.<sup>1</sup> The original bill provided for the repeal of four subsections that allow charitable donations, donations to public schools or libraries, awarding of scholarships, and purchasing two tickets to another candidate’s event. HD 1 restored the use of campaign funds for charitable donations, donations to public schools or libraries, and the awarding of scholarships, leaving only the repeal of the use of campaign funds to purchase two tickets to another candidate’s event. HD 1 is similar to the bill in the Commission’s bill package (HB 94/SB 199) which has failed to cross-over.

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<sup>1</sup> During the 2022 elections, expenditures directly related to a candidate’s campaign made up 96% of all expenditures made by candidate committees.

**HB-727-HD-1**

Submitted on: 3/14/2023 6:43:51 AM

Testimony for JDC on 3/16/2023 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Gary Hooser	Testifying for Pono Hawaii Initiative	Support	Written Testimony Only

Comments:

Testimony in strong support.

While it might at first sound reasonable to allow legislators to purchase two tickets to another candidate's fundraiser using their own campaign funds, the reality of the practice is that **it's often used to transfer relatively large amounts of money from one candidate to another.**

One of the fundamental principles driving campaign spending regulation is that campaign donations should be used only for the purpose of election activities. **Donors are supposed to give money to candidates for the purpose of helping them get elected – not for the purpose of allowing their donation to be used to help another candidate get elected.**

Please pass HB727 and amend it to restore the previous provisions that also prohibit candidates from contributing to various non-profit organizations. This practice gives the candidate undue influence over those organizations and their members and should not qualify as permitted uses for which campaign funds may be spent.

**Mahalo for doing the right thing.**

**Gary Hooser**

**Pono Hawaii Initiative**



Committee on Judiciary  
Chair Karl Rhoads, Vice Chair Mike Gabbard

Thursday, March 16 2023, 10:30 am Room 016 & Videoconference  
HB727 HD1 — RELATING TO CAMPAIGN FUNDS

TESTIMONY

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

Chair Rhoads, Vice Chair Gabbard, and Committee Members:

**The League of Women Voters of Hawaii opposes HB727 HD1 which disallows the use of campaign funds to purchase up to two tickets for an event or fundraiser held by another candidate or committee.**

The League of Women Voters submitted testimony in favor of HB727 in its original form. I quote from that testimony: "Candidates are currently permitted to donate campaign funds to any community service, educational, youth, recreational, charitable, scientific, literary organization, public school, or public library up to twice the maximum amount that one person may contribute to that candidate ... In the 2022 campaign reporting period nearly \$216,000 was donated to (such organizations). In addition..., \$350,577 was devoted to purchasing tickets for other candidates' fundraisers, and \$132, 884 was used for political party contributions.... It's hard to believe that is how campaign donors expected these funds to be used. When making donations this way, the candidate is effectively substituting his/her judgement about which organizations deserve financial support instead of permitting donors to make this choice. Donations to other candidates or political parties also makes it possible for the recipient to funnel money to donors who are supported by the recipient candidate, but not supported by the candidate's donor. "

We stand by that testimony and are disappointed in HD1. We respectfully ask this committee to restore SB727 to its original form and pass it out of Committee.

Thank you for the opportunity to submit testimony.

League of Women Voters of Hawaii  
P.O. Box 235026 ♦ Honolulu, HI 96823  
Voicemail 808.377.6727 ♦ [my.lwv.org/hawaii](http://my.lwv.org/hawaii) ♦ [voters@lwvhi.org](mailto:voters@lwvhi.org)

**HB-727-HD-1**

Submitted on: 3/13/2023 3:08:14 PM

Testimony for JDC on 3/16/2023 10:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
lynne matusow	Individual	Support	Written Testimony Only

Comments:

I support all bills that emanated from the "Foley Commission," whose meetings I attended and participated in, with the exception of term limits. Regarding HB727, I believe this is long overdue. If I donate funds to a candidate, it should be for that person's campaign. Not for campaigns of other candidates, or charitable groups, etc. If I want my money spent elsewhere, I would do that myself. Excess funds should be returned to the donor. This will level the playing field and restore trust in government.

**HB-727-HD-1**

Submitted on: 3/14/2023 11:48:02 AM

Testimony for JDC on 3/16/2023 10:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Barbara Penn	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhodes and Vice Chair Gabbard,

I am in SUPPORT of HB727 because it is one step forward on the path for Campaign Finance Reform. It would allow for more transparency for fairer elections. I believe that we must get money out of our elections in order to truly have a Democracy.

Mahalo,

Barbara Penn, Wailua Homesteads

**HB-727-HD-1**

Submitted on: 3/14/2023 1:05:15 PM

Testimony for JDC on 3/16/2023 10:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

Support