



STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

February 7, 2023

TO: The Honorable Karl Rhoads, 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 S.B. No. 201, Relating to Contributions by State and County Contractors and Grantees of the State.**

Thursday, February 9, 2023
9:30 a.m., Conference Room 16 & Videoconference

Thank you for the opportunity to testify on this bill.¹ The Campaign Spending Commission (“Commission”) supports this bill with one concern.

This bill amends Hawaii Revised Statutes (“HRS”) §11-355 by extending the ban on contributions from state and county contractors to the owners, officers, employees of the contractor and their immediate family. It is common for contractors, the Commission believes, to get around the ban by having those persons connected to the contractor make political contributions. A few of these situations also involved false name contributions where the contributors were reimbursed for their contributions. The bill also extends the ban to HRS Chapter 42F grantees of the state, and the owners, officers, employees of the grantee and their immediate family. Grantees, similar to contractors, receive state funds and thus should be treated similarly in the context of political contributions. This bill will prevent the corruption, or at least the appearance of corruption, of elected officials.

Due to a concern that the bill is overbroad, which was raised in the House Committee on Judiciary & Hawaiian Affairs on this measure’s companion bill, the Commission asks this Committee to amend this measure by removing “employees” of the contractor or grantee from the contribution ban. In Section 1 of the bill, subsection (c), beginning at line 19, page 2, should

¹ The companion bill is H.B. No. 96, which was deferred on February 1, 2023, by Representative David Tarnas, Chair of the House Committee on Judiciary & Hawaiian Affairs.

read, “(c) During the contract period wherein a state or county contractor, or grantee of the State, shall not make a contribution, the officers of any state or county contractor, or grantee of the State, and their immediate family members, are prohibited from directly or indirectly making any contribution to a candidate committee or noncandidate committee.” Also, subsection (d), beginning at line 4, page 3, should read, “(d) Except as provided in subsections (a), (b), and (c), this section does not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to any noncandidate committee by any person other than the state or county contractor, or grantee of the state, or their officers and immediate family members, for the purpose of influencing the nomination for election, or the election of any person to office.”

The Commission requests that this committee pass this measure with the stated amendments.

SB-201

Submitted on: 2/4/2023 9:41:39 AM

Testimony for JDC on 2/9/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Daniel Foley	Testifying for Commission to Improve Standards of Conduct	Support	Written Testimony Only

Comments:

Dear Chairman Rhoads and members of the Senate Judiciary Committee,

As Chair of the Commission to Improve Standards of Conduct, I support SB 201 for reasons stated in the Commission's December 1, 2022 Final Report to the House of Representatives with the recommendation that "employees" be excluded from this bill as too broad as did the Commission in its proposed bill. Report at 33.

Mahalo, Judge daniel Foley (ret.)

SB-201

Submitted on: 2/8/2023 9:11:30 AM

Testimony for JDC on 2/9/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Barbara Polk	Individual	Support	Written Testimony Only

Comments:

I strongly support SB201 to extend the ban on donating to legislative campaigns to grantees and officers and family members.

SB-201

Submitted on: 2/9/2023 7:58:56 AM

Testimony for JDC on 2/9/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Keith Neal	Individual	Support	Written Testimony Only

Comments:

Support.

Close the loopholes.

Keith Neal

Waimea

SB-201

Submitted on: 2/9/2023 8:03:09 AM

Testimony for JDC on 2/9/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kate Paine	Individual	Support	Written Testimony Only

Comments:

Shouldn't have to need a bill. Ethically, those who seek office shouldn't accept 'bribes' and citizens shdnt vote for those who do.