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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. 42, Relating to Campaign Finance.

Tuesday, January 31, 2023 2:00 p.m., Conference Room 325 & Videoconference

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") provides the following comments on this bill.

This bill amends Hawaii Revised Statutes ("HRS") §11-384 to authorize candidates of inactive campaigns to donate residual campaign funds to the State or counties. For donations to the State, for the sake of clarity and consistency with HRS Chapter 11, the Commission recommends that the bill specify the general fund of the State as the recipient of the donation of residual campaign funds. In regard to donating residual funds to the counties, the Commission defers to the counties to raise any procedural concerns.



Councilmember District 5 Telephone: (808) 768-5005 Email: ckysay@honolulu.gov

January 31, 2023

- TO: CHAIR DAVID TARNAS, COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS VICE CHAIR GREGG TAKAYAMA, COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
- FROM: COUNCILMEMBER CALVIN SAY HONOLULU CITY COUNCIL, DISTRICT V

SUBJECT: TESTIMONY IN SUPPORT OF HOUSE BILL 42

Aloha Chair Tarnas, Vice Chair Takayama, and Members of the Committee on Judiciary & Hawaiian Affairs:

I am a current member of the Honolulu City Council representing District 5 and serving as the Chair of the Zoning Committee. I stand in **support** of House Bill 42, which aims to authorize candidates of inactive campaigns and their candidate committees to donate residual campaign funds to the State or the Counties.

Running for political office in Hawaii can be costly, and during the election cycle candidates in Hawaii are able to accept contributions to support their campaigns. These funds, however, are limited in how they can be used after a campaign ends. Currently, funds can generally be returned to the contributors or they are reverted to the Hawaii election campaign fund.

HB 42 adds another option for the use of inactive campaign funds, authorizing candidates to donate to the State and/or City. This would allow donations to be used as an additional revenue source to support State and City services, making a positive impact to the community and its constituents. As the population grows, the City and County of Honolulu must continue providing services while keeping a balanced budget. However, as the responsibilities of the City increases, for example taking over the oversight and costs of emergency medical services on Oahu, our main revenue source continues to be real property taxes, which falls on the backs of our residents. Donations may not be a huge impact to the budget, but it can alleviate the burden on our taxpayers or help to provide much needed services to our local families.

Thank you for this opportunity to testify in **support** of House Bill 42. Thank you for your time and consideration.

TO:	Members of the Committee on Judiciary and Hawaiian Affairs
FROM:	Natalie Iwasa 808-395-3233
HEARING:	2:00 p.m. Tuesday, January 31, 2023
SUBJECT:	HB 42 – Campaign Finance, Authorize Donation to State or Counties COMMENTS

Aloha Chair Tarnas and Committee Members,

Thank you for allowing me the opportunity to provide testimony on HB 42, which would allow certain campaign committees to donate remaining funds to the state or counties.

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I support the idea of this, and I actually thought it was already allowed. However, on page 3 section (e) indicates the donations would go into certain funds. I oppose this.

Any donations to the state or counties under this bill should go to the general funds or to support publicly-funded campaigns.