

PHONE: (808) 586-0285 FAX: (808) 586-0288 WWW.HAWAII.GOV/CAMPAIGN

STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300 HONOLULU, HAWAII 96813

March 27, 2024

TO:

The Honorable Kyle T. Yamashita, Chair

House Committee on Finance

The Honorable Lisa Kitagawa, Vice Chair

House Committee on Finance

Members of the House Committee on Finance

FROM:

Kristin Izumi-Nitao, Executive Director

Campaign Spending Commission

KE

SUBJECT: Testimony on S.B. No. 2405, HD1, Relating to Campaign Finance.

Thursday, March 28, 2024 2:00 p.m., Conference Room 308 & Videoconference

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

This bill amends Hawaii Revised Statutes ("HRS") §11-381 by adding a new paragraph to subsection (a) that allows a candidate to use campaign funds to pay for the cost of child care or vital household dependent care where the care is needed because of the candidate's participation in campaign activity. Commission staff notes that the payment for such care in order for the candidate to engage in campaign activity could also be considered as being directly related to the candidate's campaign and thus a permissible use of campaign funds under HRS §11-381(a)(1).

The Commission requests that this Committee pass this measure.

-

¹ In Advisory Opinion 2018-06, while addressing an inquiry posed by a congressional candidate, the Federal Election Commission determined "that the childcare expenses described in your request, to the extent such expenses are incurred as a direct result of campaign activity, would not exist irrespective of your election campaign, and thus may be permissibly paid with campaign funds." Like HRS §11-381, the Federal Election Campaign Act does not expressly permit the use of campaign funds to pay for child and dependent care.



To: House Committee on Finance Hearing Date/Time: March 28, 2PM . Place: Hawaii State Capitol, Room 308

Re: Testimony in STRONG SUPPORT of SB2405 HD1

Dear Chair Yamashita, Vice Chair Kitagawa, and the Members of Committee,

Members of AAUW of Hawaii thank you for this opportunity to testify in strong support of SB2405 HD1 which would allow an election candidate, treasurer, or candidate committee to use campaign funds for the candidate's child care and vital household dependent care costs.

Majority of Americans believe women are as capable of being good political leaders as men and there are many benefits of political leadership by women. Yet only 35.5% of Hawai'i state legislators are women, only 6.58% are moms with kids under 18. Why? Moms spend twice more time than dads providing childcare, and daughters are more likely to be the primary caregiver than sons. The cost of childcare and kupuna care in Hawai'i is too high for most candidates to pay out of their own pocket.

In 2018, the Federal Election Commission approved federal candidates' option to spend campaign funds on childcare. Thirty states have since brought their state statutes in line with federal regulations. This measure would benefit all candidates, not just women candidates.

Women make up half of the population and almost half of the workforce. Please pass SB2405 HD1 which would contribute toward women making up half of the political leadership. Thank you for your consideration.

Sincerely, Younghee Overly Public Policy Committee, AAUW of Hawaii publicpolicy-hi@aauw.net

The AAUW of Hawaii is an all volunteer, statewide chapter of a national organization and is made up of six branches: Hilo, Honolulu, Kaua'i, Kona, Maui, and Windward Oahu. AAUW's mission is to advance gender equity for equal opportunities in education, at workplace and for economic security, and in leadership. Equity for all is AAUW's vision.



Good afternoon, my name is Louisa Duggan— and I am submitting written testimony on behalf of Vote Mama Foundation in strong support of SB2405. It is an honor and a privilege to be providing testimony to you today on a piece of legislation that would benefit everyday caregivers throughout my home state.

Childcare obligations are one of the major factors families consider when weighing their decision to run for office. In many states, it costs more to send an infant to childcare than to complete a mortgage payment. This is not an expense working families can take on — especially when campaigning.

By passing SB2405 into law, the Hawai'i State Legislature has the opportunity to strengthen access to democracy for working families. Addressing the structural barriers, like the cost of childcare, that prohibit caregivers from running for and serving in office furthers our notions of good governance and equality. This legislation would advance public trust in how candidates can and do use their campaign funds on expenses directly related to campaign activities.

Vote Mama Foundation is the only organization working to expand and codify the use of Campaign Funds for Childcare in all 50 states. Having young children should never deter any parent from considering a run for office. At Vote Mama Foundation, we believe being a caregiver is a resume builder: we need folks in office representing the needs of everyday families. By making this one simple change, we can support young families and their need for safe and affordable care.

In 2018, the Federal Election Commission approved federal candidates' option to spend campaign funds on childcare through a unanimous, bipartisan vote. This paved the way for other federal candidates to do so as well.

<u>Subsequently, 31 states, both Democratic and Republican, have brought their state</u> <u>statutes in line with federal regulations</u>. States like Arkansas, California, Washington, and West Virginia all allow for candidates to use their campaign dollars on caregiver expenses.

This legislation is a bipartisan initiative for moms and dads alike. As with any other campaign finance allowance, this bill creates an option for use and is not a mandate — candidates don't have to use campaign funds on caregiving expenses if they don't want to.

Even better — this common sense solution is at no cost to taxpayers.

I am thrilled to share that in January of 2024, Vote Mama Foundation released <u>Campaign</u> <u>Funds for Childcare: A Data-Driven Report on a Structural Solution for Caregiving</u>



<u>Candidates</u>, a groundbreaking report on the impact and usage of Campaign Funds for Childcare (CFCC)!

Our research revealed that since 2018:

- CFCC spending has increased by 662% for federal candidates and by 2,156% for state and local candidates
- The majority of federal funds were spent by women
- At the federal level: 46% of funds were spent by candidates of color
- At the state and local level: 70% of funds were spent by candidates of color

Thank you for your time and consideration. I respectfully ask the House Finance Committee to support SB2405 and vote it out of committee.

To: Hawaii State Senate Committee on Judiciary Hearing Date/Time: March 28, 2024 2:00 PM

Re: Testimony in STRONG SUPPORT of SB2405 HD1

Dear Chair Rhoads, Vice Chair Gabbard, and the Members of Committee,

Members of Hawaii State Democratic Women's Caucus thank you for this opportunity to testify in strong support of SB2405 HD1, which would allow political candidates to use campaign funds to pay for childcare and vital household dependent care costs when: such costs would not have occurred but for the candidate's campaign; those expenses were incurred from January 1st of an election year until the candidate wins or loses an election; and the care must not be provided by immediate family members.

We feel it is very important that legislation affirmatively normalize this practice – as it has done in more than half the states.

Women face many hurdles in the political arena. Women are **15 times more likely** than men to be responsible for the majority of childcare. If a mother wants to run for office, they are harshly judged for "not focusing on their family"; or are disfavored for being "unavailable" to constituents. Instead of seizing opportunities in the prime of their professional lives, mothers who would be candidates are inclined to wait until their children are grown before running for office. By then, they are set-back and unable to achieve leadership roles at the same rate as men. The sooner mothers run for office, the sooner their seniority will count.

Moreover, this proposal would be in keeping with movement on the national level. In 1995, the Federal Election Commission (FEC) granted a request from Louisiana Republican Rep. Jim McCrery to use campaign funds for babysitting while his wife joined him at campaign events. In 2018, congressional candidate in New York, Grechen Shirley successfully petitioned the FEC to use campaign money for child care. Drawing on its decision on Rep. McCrery's 1995 request from 23 years earlier, the FEC unanimously granted Shirley's petition.

Since then, 51 federal candidates, including Republican men, have availed themselves of this pro-family change. In 2020, federal candidates increased their child care spending by 311 percent over the 2018 cycle.

The idea is now spreading to the states, **with at least 28** having enacted similar legislation. Hawaii, the state which sent Patsy Mink to D.C. – mother of Title IX - should be among the first to pass this legislation. Sadly, it is poised to be one of the last.

Furthermore, this is a gender-neutral, non-partisan proposal that will profoundly lighten the burden not only felt by women, but by all caregivers, minorities, and those with low-middle income; which in turn, will increase their representation in elected office.

For example, although more than 73 percent of campaign funds spent on childcare was by female candidates, women only made up 29% of U.S. House candidates and 24% of U.S. Senate candidates in 2022. Over 45% percent of those funds were spent by people of color in 2018 and

2020. A third of the candidates who report child care expenses were Republicans, growing from 10 percent in 2018 to 30 percent in 2020.

Georgia Democrat Senator Raphael Warnock, a divorced father of two, reported \$39,000 in child care expenses – who, on this issue, stated: "In too many instances, our system is set up in such a way that only wealthy people can serve in these offices . . . It certainly helps us to be able to have people serving in office who understand the expense, the challenges and the logistics around child care and a whole range of things that ordinary people have to do."

Had it not been for this change in FEC rules, United States Rep. Ilhan Omar, one of the first Muslim women to serve in Congress, claims she would not have won her election. Even so, she still says she "went into so much debt running for office."

It is now commonly understood that the COVID-19 pandemic had a disproportionate effect on not just working mothers, but all parents and caregivers - making clear that child and dependent care is a basic economic issue. SB405 would help get candidates - with real lived experience coping with these challenges - into decision-making roles; candidates who understand the need law and policy that will alleviate financial burdens felt by so many.

We appreciate testimony from the Hawaii State Campaign Spending Commission in prior years supporting the intent of similar proposals, noting "the payment for care could also be considered as being directly related to the candidate's campaign." However, the gravitas and validation that legislation would bring would tell parents – of ALL genders – that your representation is valued and encouraged. And we trust, as a matter of democracy, that it is. Your support of this proposal will prove that.

Child and dependent care expenses are putting the squeeze on all of Hawaii's working families in an increasingly stratified economy. The more lawmakers we have who are caregivers, the better our laws will be at easing the burdens felt by all.

Sincerely,

Members of Hawaii State Democratic Women's Caucus

<u>SB-2405-HD-1</u> Submitted on: 3/27/2024 6:19:15 AM Testimony for FIN on 3/28/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Caroline Kunitake	Individual	Support	Written Testimony Only

Comments:

I support SB2405 HD1.

SB-2405-HD-1

Submitted on: 3/27/2024 7:32:59 AM

Testimony for FIN on 3/28/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Bickel	Individual	Support	Written Testimony Only

Comments:

I support this as I believe in valuing childcare and encouraging people with children to run for office. This bill provides the opportunity to strengthen access to democracy for working families. Addressing the structural barriers, like the cost of childcare, that prohibit caregivers from running for and serving in office furthers our notions of good governance and equality.

It's time we joined the other 31 states across the country that have brought their state statutes in line with federal regulations.