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March 6, 2012

TO:

The Honorable Gilbert S. C. Keith-Agaran, Chair

House Committee on Judiciary

The Honorable Karl Rhoads, Vice Chair

House Committee on Judiciary

Members of the House Committee on Judiciary

FROM:

Kristin Izumi-Nitao, Executive Director

Campaign Spending Commission

SUBJECT:

Testimony on S.B. No. 2508, S.D. 2, Relating to Campaign

Reporting Laws.

Thursday, March 8, 2012 2:00 p.m., Conference Room 325

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") strongly supports this bill as originally proposed in the Senate. The Commission strongly opposes the Senate amendment to the bill in S.D. 2 and urges the Committee to reinstate the bill in the form originally proposed in the Senate.

Section 1 of the bill amends Hawaii Revised Statutes ("HRS") §11-334(a)(1)(A), by changing the due date of the 1<sup>st</sup> Preliminary Primary Report from "July 31 of the election year" to "thirty calendar days prior to a primary election." Act 126, Sess. Laws Haw. 2010, advanced the date of the primary election from the last Saturday in September to the second Saturday in August. Thus, if the due date for the 1<sup>st</sup> Preliminary Primary Report is not also advanced, in election years such as this year, candidates will have back-to-back reporting deadlines of July 31<sup>st</sup> and August 1<sup>st</sup> to file the 1<sup>st</sup> Preliminary Primary Report and the 2<sup>nd</sup> Preliminary Primary Report, respectively.

Section 1 of the bill, as originally proposed in the Senate, also would have amended HRS §11-334(a)(4)(A), to clearly align the law with present practice by deleting "after an election year" from §11-334(a)4(A). This amendment was removed

The Honorable Gilbert S. C. Keith-Agaran, Chair The Honorable Karl Rhoads, Vice Chair Members of the House Committee on Judiciary March 6, 2012 Page 2

from the bill in S.D. 2. The Commission asks this Committee to restore this amendment to §11-334(a)(4)(A). Presently, every candidate files the Supplemental Report that is due on January 31st every year and not just on January 31st after an election year. This bill, as originally proposed, does not require an additional or new report. That is, every sitting senator and member of the House of Representatives, and every other elected state and county official (along with all other candidate committees registered with the Commission) filed the Supplemental Report that was due on January 31, 2012. This bill, as originally proposed, would simply align the law with present practice by deleting "after an election year" from the statutory provision. If this amendment is not restored and passed, the Commission may not be able to require the filing of the January Supplemental Report in an election year leaving a one-year gap (July 1st of a nonelection year to June 30th of an election year) in reporting by candidate committees. This gap would certainly not promote transparency in the campaign finance process, which is the purpose behind Hawaii's campaign finance laws. See, HRS §11-301. For this reason, the Commission must oppose the amendment made to the bill in S.D. 2.

<sup>&</sup>lt;sup>1</sup> The Senate also did the same thing to H.B. No. 1927, a companion bill that was earlier passed unamended by the House of Representatives and sent to the Senate, by replacing the contents of H.B. No. 1927 with the contents of S.B. No. 2508, S.D. 2. See, H.B. No. 1927, S.D. 1. Today, the Senate recommitted H.B. No. 1927, S.D. 1, to the Senate Committee on Judiciary and Labor.

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March 6, 2012

TO:

Chair Keith-Agaran, Vice-Chair Rhoads

Members of the House Judiciary Committee

FROM:

Americans for Democratic Action/Hawaii

Barbara Polk, Legislative Chair

SUBJECT:

COMMENTS ON SB 2508 SD2

RELATING TO CAMPAIGN REPORTING LAWS

Americans for Democratic Action/Hawaii understands and supports the need to change the date for candidates or candidate committees to file a preliminary report, due to the change in the date of the primary election.

However, we urge you to amend this bill to revert to SB 2805 SD1 as it passed the Senate Judiciary Committee, prior to being amended the last minute on the floor of the Senate. That committee report read:

Your Committee further finds that every candidate files a supplemental campaign spending report on January 31 of every year; not only after an election year, as stated under existing law. Thus, clarifying that these reports are due every year will align the statutory deadline with present practice.

As a result, they changed the bill by eliminating wording in (4) (A) so that it would read:

(A) January 31 after an election year.

This change is important, since without it, those former candidates or office holders who kept their campaign open would file no report for approximately a year—from the July 31 supplemental report following an election year to the first preliminary report 30 days before the primary. This lengthy period of no reporting greatly impedes the ability of the public to monitor who funds elections.

We urge you to make this recommended amendment.



## League of Women Voters of Hawaii

49 South Hotel Street, Room 314 | Honolulu, HI 96813 www.lwv-hawaii.com | 808.531.7488 | voters@lwvhawaii.com

**Testimony** 

Committee on Judiciary

Hearing: Thursday March 8, 2012

Time: 2:00 p.m.

Place: 325

SUBJECT: SB 2508 SD2 Relating to Campaign Reporting Laws

POSITION: Support with amendment

Chair Keith-Agaran, Vice-Chair Rhoads, Members of the Committee:

I am testifying for the League of Women Voters of Hawaii. Thank you for this opportunity to speak on behalf of our members throughout Hawaii.

The League of Women Voters strongly supports transparency in political and governmental processes as essential to an informed electorate. Democracy cannot be effective without an informed electorate.

SB2508 SD2 contains a "fatal flaw" which would deprive the public of information on campaign spending just when it is needed: in an election year, between July 31 of the year before an election (e.g.2011), and July 31 of the election year (e.g. 2012). As we all know a lot of campaign activity happens in those 12 months, and the public won't be able to use that information, or the CSC to monitor spending activity, for an entire active year under SB2508 SD2.

We propose a simple fix: amend Section 1, subsection 4, heading A to read:

(A) January 31 of each calendar year

With this amendment we can support SB2508. Thank you for the opportunity to testify.

Beppie Shapiro, President

League of Women Voters of Hawaii