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**STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION**

235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

February 3, 2014

TO: The Honorable Karl Rhoads, Chair
House Committee on Judiciary

The Honorable Sharon E. Har, Vice Chair
House Committee on Judiciary

Members of the House Committee on Judiciary

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

SUBJECT: **Testimony on H.B. No. 1602, Relating to Campaign Spending**

Tuesday, February 4, 2014
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.

This bill amends HRS §11-334(a)(4), to more clearly align the law with present practice. 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 does not require an additional or new report. That is, every senator and member of the House of Representatives, and every other elected state and county official filed the Supplemental Report that was due on January 31, 2012, and all but one elected official filed the Supplemental Report due on January 31, 2014, as of the submission of this testimony. This bill would simply align the law with present practice by deleting "after an election year" from the statutory provision and provide that the Supplemental Report is due on January 31 of each year. If this amendment is not passed, the Commission may not be able to enforce the filing of the January Supplemental Report in an election year leaving a one-year gap (July 31st of a nonelection year to July 10th of an election year) in reporting by candidate committees.

In the 2013 session, the Legislature passed S.B. No. 31, that was signed into law as Act 111. That measure amended HRS §11-336(d), essentially making the same amendment to the due date for the Supplemental Report due on January 31 for noncandidate committees. The Commission now asks that the same be done for the Supplemental Report due on January 31 for candidate committees.

This measure has a companion bill, S.B. No. 2117.



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February 2, 2014

TO: Chair Karl Rhoads, Vice Chair Sharon Har
Members of the House Committee on Judiciary

FROM: John Bickel, President
Americans for Democratic Action/Hawai'i

RE: Support for HB 1602 Relating to Campaign Spending

Americans for Democratic Action/Hawaii supports HB 1602, which would require candidates and those elected to office to file a supplemental report by January 31 each year. Most legislators already do this, but many candidate committees that are still in existence after an election do not, even though they continue to collect money for the candidate to run in the next election. We believe that for the transparency of money flowing into political campaigns, both the elected and non-elected should be required to report twice as year.

As the law now stands, there is no report required between July 31 following an election year until thirty days prior to the next primary election—about a year later! Understanding the changes taking place in election funding, the legislature has increased reporting requirements, and the Campaign Spending Commission has done an excellent job of making information available to the public. But this long gap in reporting leaves the public in the dark for much too long. We urge you to make this change as well by passing this bill.



House Judiciary Committee
Chair Karl Rhoads, Vice Chair Sharon Har

Tuesday 02/04/2014 at 2:00 PM in Room 325
HB 1602 Relating to Campaign Spending

TESTIMONY OF SUPPORT
Carmille Lim, Executive Director, Common Cause Hawaii

Dear Chair Rhoads, Vice Chair Har, and members of the House Judiciary Committee:

Common Cause Hawaii supports HB 1602. This bill would correct a problem caused by a change in the reporting section of the campaign spending statutes. Originally, candidates and candidate committees were to file supplementary reports by January 31 of each year and by July 31 after an election year. This resulted in a report being filed approximately every 6 months between elections, since the next required report is just prior to the next primary election.

Apparently there was an attempt to make the statements parallel by requiring the January report only following an election year. This change has had the unanticipated consequence of requiring no report for approximately a year—from July 31 in the year following an election until 30 days before the primary election the next year. This period of time is often a very active one for fund-raising leading up to the next election.

As you know, Common Cause Hawaii is especially concerned with transparency in government. We believe that a year gap in reporting campaign finances—both by elected officials and by defeated opponents who plan to run again—is not in the public interest. For that reason, we urge you to pass HB 1602.

Thank you for the opportunity to testify in support of HB 1602.