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**STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION**

235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

February 18, 2014

TO: The Honorable Sylvia Luke, Chair
House Committee on Finance

The Honorable Scott Y. Nishimoto, Vice Chair
House Committee on Finance

The Honorable Aaron Ling Johanson, Vice Chair
House Committee on Finance

Members of the House Committee on Finance

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

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

Wednesday, February 19, 2014
3:00 p.m., Conference Room 308

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") supports this bill and urges the Committee to pass the 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 (along with all other candidate committees registered with the Commission at the time) filed the Supplemental Report that was due on January 31, 2012 and January 31, 2014. 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, which 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.



House Finance Committee
Chair Sylvia Luke, Vice Chair Scott Nishimoto, Vice Chair Aaron Johanson

Wednesday 02/19/14 at 03:00PM in Room 308
HB 1602 - Relating to Campaign Spending

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

Dear Chair Luke, Vice Chair Nishimoto, Vice Chair Johanson, and members of 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.

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.