



HAWAII STATE ETHICS COMMISSION

State of Hawaii • Bishop Square, 1001 Bishop Street, ASB Tower 970 • Honolulu, Hawaii 96813

March 27, 2014

The Honorable Sylvia Luke, Chair
The Honorable Scott Y. Nishimoto, Vice Chair
The Honorable Aaron Ling Johanson, Vice Chair
House Committee on Finance
Hawaii State Capitol, Room 306
415 South Beretania Street
Honolulu, Hawaii 96813

Re: **Testimony on S.B. No. 2629, S.D. 1, H.D. 1, Relating to Lobbyists**

Hearing: March 27, 2014, 2:00 p.m.
State Capitol, Conference Room 308

Testimony From: Hawaii State Ethics Commission

The Honorable Sylvia Luke, Chair; The Honorable Scott Y. Nishimoto, Vice Chair;
The Honorable Aaron Ling Johanson, Vice Chair; and The Honorable Members of the
House Committee on Finance:

This bill amends Hawaii Revised Statutes (“HRS”) chapter 97, the Lobbyists Law, to require lobbyists to report expenditures and contributions relating to an issue considered during a special session of the legislature within 30 days of the close (or sine die) of that special session. The Commission agrees that more timely reporting of expenditures and contributions is in the public interest and, therefore, supports the bill.

Currently, the Lobbyists Law requires lobbyists and lobbying organizations that meet threshold criteria¹ to file lobbying expenditures and contributions statements

¹ HRS section 97-3(a) requires the following individuals and organizations to file a statement of lobbying expenditures and contributions:

- (1) Each lobbyist.
- (2) Each person who spends \$750 or more of the person's or any other person's money in any six-month period for the purpose of attempting to influence legislative or administrative action or a ballot issue by communicating or urging others to communicate with public officials; provided that any amounts expended for travel costs, including incidental meals and lodging, shall not be included in the tallying of the \$750.
- (3) Each person who employs or contracts for the services of one or more lobbyists, whether independently or jointly with other persons. If the person is an industry, trade, or professional association, only the association is the employer of the lobbyist.

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March 27, 2014
Page 2

three times per year: the first reports expenditures made and contributions received from January 1 through the end of February; a second reports expenditures made and contributions received from March 1 through April 30; and a third reports expenditures made and contributions received from May 1 through December 31.² The deadline for reporting expenditures and contributions relating to an issue considered as part of a special session is January 31 following the special session. All of the reports filed by lobbyists and lobbying organizations are available through the Commission's website.

The Commission agrees that the filing of this additional report will provide more timely information regarding the lobbying expenditures and contributions relating to an issue considered as part of a special session.

Thank you for considering the Commission's comments on S.B. No. 2629, S.D. 1, H.D. 1.

² The reports are due 30 days after the end of the respective reporting period.



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COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair

Rep. Scott Y. Nishimoto, Vice Chair, Rep. Aaron Ling Johanson, Vice Chair

Thursday, March 27, 2014, 2:00 PM, Room 308

SB2629, SD1, HD1
Testimony in SUPPORT

Wynn timer Hee, LWV-HI Legislative Committee Member

Chair Luke, Vice Chairs Nishimoto and Johanson, and Committee Members:

The League of Women Voters of Hawaii supports transparency and the timely disclosure of money spent to influence legislation; therefore, we stand in support of SB2629 SD1 HD1 which would amend Chapter 97, Hawaii Revised Statutes, relating to the filing of lobbyist expenditure reports for special sessions as well as amending the definition of "lobbyist."

We supported the original bill and earlier amendments proposed in SD1. We continue to support the minor amendment proposed in HD1 to make the effective date "upon approval."

The need for amendment of Chapter 97, Hawaii Revised Statutes, became apparent during last fall's special session on marriage equality which drew over 20,000 individual testifiers and scores of organizations including religious groups, labor unions, and professional and civic groups. Many persons and groups that had never considered themselves lobbyists and had never spent money to influence legislation before -- *did so for the first time* preceding and during that special session. Thus it became necessary to spell out what constitutes a lobbyist as well as requiring timely submission of statements of expenditures 30 days after the end of the special session.

We believe these amendments contribute to transparency and enhance our law relating to lobbyists. We urge you to PASS SB2629 SD1 HD1.

Thank you for this opportunity to submit testimony.



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

Thursday 03/27/14 at 02:00PM in Room 308
SB2629 SD1 HD1 – Relating to Lobbyists

Testimony of Support
Carmille Lim, Executive Director, Common Cause Hawaii

Dear Chair Luke, Vice Chair Nishimoto, Vice Chair Johanson, and members of the Committee:

Common Cause Hawaii supports SB2629 SD1 HD1, which requires lobbyists and specified individuals to report to the Hawaii State Ethics Commission, within 30 days of adjournment sine die of a special session of the Legislature, on contributions and expenditures made to lobby on legislative matters considered during that special session.

This bill aims to provide greater transparency on such activities that occur during special session – which is held in between regular sessions and in between regular lobbying expenditure reporting periods. In 2013, the Hawaii State Legislature convened a special session on Same-Sex Marriage, which was considered a controversial issue in Hawaii. During special session, mailers were distributed on Oahu which targeted several legislators in a slanderous way and/or contained false information. Additionally, the mailers were sent anonymously – they did not include information on who or what organization paid for or mailed these literature. The source was eventually traced back to a religious institution.

Hawaii residents deserve to know who is trying to influence public opinion on issues and legislators, and in a timely manner. Such organizations must be held accountable for these types of activities.

Thank you for the opportunity to testify on SB2629.