



Chamber of Commerce HAWAII
The Voice of Business

**Testimony to the Senate Committee on Commerce and Consumer Protection
Wednesday, February 11, 2015 at 9:30 A.M.
Conference Room 229, State Capitol**

RE: SENATE BILL 220 RELATING TO CAMPAIGN FINANCE

Chair Baker, Vice Chair Taniguchi, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **opposes** SB 220, which requires a corporation to have the approval from the majority of shareholders to make a contribution to any candidate, candidate committee, or noncandidate committee and prohibits a corporation from making a contribution if the majority of its shares are owned by persons who are prohibited from making contributions under state law or taking political positions due to investments with the State or county. Also requires corporations to provide notice within forty-eight hours of the contribution and permits voting shareholders who did not approve of the contribution to request a prorated reimbursement of the contribution made by the corporation.

The Chamber is the largest business organization in Hawaii, representing over 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

We believe that this is overreaching into any private organization's business. Officers of corporations are appointed by board members elected by shareholders to manage the company's affairs. This law circumvents that process. It appears to be legislation that is trying to restrict campaign donations from corporations. In practice, this law will be difficult and expensive for a corporation to implement. As such, it is unfair to only target one type of business formation – corporations – and not other types of business entities.

Thank you for the opportunity to testify.