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STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300 HONOLULU, HAWAII 96813

February 8, 2017

TO:

The Honorable Scott Y. Nishimoto, Chair

House Committee on Judiciary

The Honorable Joy A. San Buenaventura, Vice Chair

House Committee on Judiciary

Members of the House Committee on Judiciary

FROM:

Kristin Izumi-Nitao, Executive Director

Campaign Spending Commission

SUBJECT: **Testimo**

Testimony on H.B. No. 280, Relating to Candidate Committee Reports

Thursday, February 9, 2017 2:00 p.m., Conference Room 325

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") supports this bill.

This bill amends Hawaii Revised Statutes ("HRS") §11-334 by clarifying the reporting requirements for preliminary, final, and supplemental reports in election and nonelection years. The bill removes the treatment of supplemental reports from subsection (a) and places it in subsection (b). The Commission believes that the current language of the provision is confusing.

This bill also 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 January 31st supplemental report in 2012, 2014, and 2016. 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 for all candidates. If this amendment is not passed, the

¹ The companion bill is S.B. 437.

Testimony of the Campaign Spending Commission H.B. No. 280, Relating to Candidate Committee Reports February 8, 2017 Page 2

Commission will 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 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) 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.

The bill also amends HRS §11-334(a)(3) by requiring candidates who are sworn into office prior to thirty calendar days after the general election (the due date of the final election period report)² to file the final election period report three business days before the candidate is to be sworn into office. This amendment would promote transparency in campaign finance for these offices because these candidates will have to file their final election period report before they are issued certificates of election and sworn into office, which all other candidates are required to do.

The Commission requests that this Committee pass this measure.

² This amendment would apply to candidates for Hawaii County offices, Kauai County offices, and Trustee of the Office of Hawaiian Affairs



House Judiciary Committee Chair Scott Nishimoto, Vice Chair Joy San Buenaventura

02/09/2017 2:00 PM Room 325 HB280 – Relating to Candidate Committee Reports

TESTIMONY / SUPPORT Corie Tanida, Executive Director, Common Cause Hawaii

Dear Chair Nishimoto, Vice Chair San Buenaventura, and members of the House Judiciary Committee:

Common Cause Hawaii supports HB280 which clarifies (1) the due dates of preliminary, final, and supplemental reports to be submitted to the campaign spending commission; and (2) that the supplemental report due on January 31 must be filed every year.

This housekeeping measure will provide clarity and help alleviate candidates' misunderstandings about pertinent candidate reporting deadlines. Thus, HB280 will help political candidates – particularly new ones – better understand the Campaign Spending Commission's expectations.

The latter part of HB280 would correct a problem caused by a change in the reporting section of the campaign spending statutes. Originally, candidates and candidate committees were required 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 unintended 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—by incumbents and candidates who plan to run for office again—is not in the public interest.

Thank you for the opportunity to offer testimony supporting HB280.

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 7, 2017 1:30 PM

To: JUDtestimony

Cc: mendezj@hawaii.edu

Subject: *Submitted testimony for HB280 on Feb 9, 2017 14:00PM*

Follow Up Flag: Follow up Flag Status: Flagged

HB280

Submitted on: 2/7/2017

Testimony for JUD on Feb 9, 2017 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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