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STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

March 13, 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 *KI*
Campaign Spending Commission

SUBJECT: **Testimony on S.B. No. 251, S.D. 1, Relating to Campaign Finance**

Wednesday, March 15, 2017
2:00 p.m., Conference Room 325

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") takes no position on this bill.

Presently, Hawaii Revised Statutes ("HRS") §11-381(a) prohibits a candidate from using campaign funds to make donations to nonprofit organizations from the date the candidate files nomination papers to the date of the general election. Similarly, that section also prohibits a candidate from using campaign funds to award scholarships to full-time post-secondary students from the deadline for filing nomination papers to the date of the general election. This bill amends §11-381(a) to allow a candidate who has been deemed and declared elected before the general election, as provided in HRS §12-41 and §12-42, to make donations and award scholarships during these periods.



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

03/15/2017 at 2:00 PM in Room 325
SB251 SD1 – Relating to Campaign Finance

TESTIMONY — OPPOSE
Corie Tanida, Executive Director, Common Cause Hawaii

Dear Chair Nishimoto, Vice Chair San Buenaventura, and members of the committee:

Common Cause Hawaii opposes SB251 SD1 which would allow candidates to use their campaign funds to make donations to community groups, if they are deemed and declared elected to office before the general election, during the election period.

While it is commendable that candidates want to support their community through financial contributions in accordance with the law, we believe that these gifts should not come from their campaign funds, but from themselves personally. Although such contributions make the politicians appear generous, in most cases, the money contributed is not coming out of their own pockets, but out of the pockets of their donors.

When making a campaign contribution, a donor clearly wants to support a particular candidate, not just “any” community service, recreational or charitable cause. Most donors expect that their contribution will be used for campaign expenses such as signs, mailings, advertisements, etc. To use campaign funds for items beyond campaign expenses can result in a donor having indirectly helped fund a charity that the donor does not support for political, religious, or personal reasons. If a donor wanted to contribute to a charity, they would do so directly. Thus we believe that campaign funds should be used only for campaign expenses.

We urge the committee to **hold SB251 SD1**.

Thank you for the opportunity to offer testimony **opposing SB251 SD1**.



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COMMITTEE ON JUDICIARY

WEDNESDAY, March 15, 2017, 2:00 P.M., CONFERENCE ROOM 325
SB 251 S.D.1 RELATING TO CAMPAIGN FINANCE

TESTIMONY

Janet Mason, Legislative Committee, League of Women Voters of Hawaii

Chair Nishimoto, Vice-Chair San Buenaventura, and Committee Members:

The League of Women Voters of Hawaii opposes SB 251 S.D. 1, which weakens the restrictions on use of campaign funds.

Contributions to bona fide non-profits with laudable public missions, and awarding of scholarships to students is highly commendable. Our objection is to the use of campaign funds for these awards. The legitimate use of campaign funds should be to provide communications with the public through media advertisements, mailings listing the candidates qualifications and issue positions, making signs, rallies and meetings, buying tee shirts for active supporters, car expenses, office rent, paid staff, etc. Also appropriate is a candidate committee using campaign funds for the question or issue with which they are directly associated.

During an election period, donations to a non-profit organization from campaign contributions and awarding of scholarships is prohibited. This bill creates an exemption for candidates who run un-opposed in the general election or are already elected to office after running unopposed in another election.

Donations of surplus campaign funds is easily construed as a form of vote buying. When a candidate donates instruments to a school band in his/her district, the favorable publicity buys him/her a lot of good will and gratitude which s/he presumably expects will sway voters in his/her favor.

Even when no votes are needed in the current election cycle, they probably will be in future elections if this incumbent competes for office. It is already very difficult for newcomers to compete with incumbents, and this bill potentially places another finger on the scale favoring certain incumbents.

People who contribute to an election campaign believe they are helping to elect the candidate, not to letting the candidate decide to which charitable organization their dollars should be donated.

The League of Women Voters has as its motto, "Making Democracy Work." Every policy, like keeping our elections fair, adds to the direction we take toward or away from this goal.

We urge you to hold SB 251 S.D. 1.

Thank you for the opportunity to submit testimony.