



**LATE**

## HAWAII STATE ETHICS COMMISSION

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

Committee: Committee on Judiciary  
Bill Number: H.B. 1382  
Hearing Date/Time: February 5, 2019, 2:05 p.m.  
Re: Testimony of the Hawai'i State Ethics Commission **SUPPORTING  
THE INTENT** of H.B. 1382, Relating to Campaign Finance

Dear Chair Lee and Committee Members:

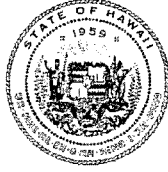
The Hawai'i State Ethics Commission ("Commission") supports the intent of H.B. 1382, which limits campaign activities by certain individuals or organizations that have contracts with the State. The Commission supports efforts to increase transparency and accountability in government, including efforts to reduce undue influence on state officials by private interests (both actual and perceived). The Commission defers to the Campaign Spending Commission, however, regarding the mechanics of this measure and how best to effectuate Hawaii's campaign spending laws.

Thank you for your continuing support of the Commission's work and for considering the Commission's testimony on H.B. 1382.

Very truly yours,

Daniel Gluck  
Executive Director and General Counsel

KRISTIN E. IZUMI-NITAO  
EXECUTIVE DIRECTOR



**LATE**

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STATE OF HAWAII  
CAMPAIGN SPENDING COMMISSION  
235 SOUTH BERETANIA STREET, ROOM 300  
HONOLULU, HAWAII 96813

February 4, 2019

TO: The Honorable Chris Lee, 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 *kei*  
Campaign Spending Commission

SUBJECT: **Testimony on H.B. No. 1382, Relating to Campaign Finance**

Tuesday, February 5, 2019  
2:05 p.m., Conference Room 325

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

This bill amends Hawaii Revised Statutes ("HRS") §11-1 by adding a definition of "contract with the State." The bill also amends HRS §11-354 by prohibiting the solicitation of contributions in a facility owned or otherwise possessed by a person with a contract with the state in addition to government facilities.

If one of the intents of this bill is to affect the state and county contractor contribution ban with respect to campaign finance, the Commission believes that the appropriate amendment would be with HRS §11-302 (definitions for campaign finance) or §11-355 (contributions by state and county contractors prohibited) with two notable comments.

First, in comparing it with the present language in HRS §11-355, this new definition expands the types and methods of financing by the State (e.g., general obligation bonds, grants-in-aid, special purpose revenue bonds) as well as opens it to all contracts for services received or rendered by the State as long as it exceeds \$100,000. Second, it narrows the scope of contracts because HRS §11-355 currently prohibits any contributions from any person who enters into any

contract with the State, its counties, or any department or agency of these government entities. Thus, the Commission believes that clarification is required as to when this new definition is applicable.



AMERICANS FOR DEMOCRATIC ACTION

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Feb. 4 , 2018

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TO: Honorable Chair Lee & JUD Committee Members  
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RE: HB1382 Relating to Campaign Finance

Support for hearing on Feb 5

Americans for Democratic Action is an organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

We support HB 1382 as it would eliminate campaign fundraising on the property of persons that have accepted legislatively appropriated funds, or received or rendered services to the State, with an aggregate value of \$100,000. We see such fundraising as a conflict of interest. In the name of ethics, we support this bill.

Thank you for your favorable consideration.

Sincerely,

John Bickel President

