



STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

January 30, 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 *KIN*
Campaign Spending Commission

SUBJECT: **Testimony on H.B. No. 1380, Relating to Campaign Finance**

Thursday, January 31, 2019
2:00 p.m., Conference Room 325

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") supports the intent of this bill insofar as it creates a comprehensive public financing program for county candidates and two new sources of income for the Hawaii Election Campaign Fund ("HECF").

The Commission will have testimony concerning the potential costs of the proposed public financing program when this bill is heard in the House Finance Committee. The Commission notes that it may be difficult because under § 11-G of the proposed legislation, the amount of funds available to a certified candidate is not determined by the spending that had occurred in a previous election for the office sought. Rather, the amount of funds available is determined by the number of contributions the certified candidate has received at the time funding is sought.¹

Also, § 11-P of the proposed legislation requires a minimum of \$3,500,000 in the HECF before this comprehensive funding program will operate. The balance in the HECF as of December 31, 2018 is \$906,071.13. Thus, an appropriation to the HECF will be needed.

¹ In the Pilot Comprehensive Public Funding for Elections to the Hawaii County Council, Act 244 (Sess. Laws Haw. 2008), the base amount of funding was the average amount spent by the winning candidate in the past two elections for the office sought. Act 244, section 12.

TESTIMONY
ON BEHALF OF THE LIBERTARIAN PARTY OF HAWAII
c/o 1658 Liholiho St #205
Honolulu, HI 96822

January 29, 2019

RE: HB1380 to be heard Thursday January 31, in Room 325, at 2:00 PM

OPPOSE

To the members of the House Committee on Judiciary

The qualification process involved here that requires 200, or some other large number of small donations, is a serious flaw in this idea. It creates an environment wherein candidates supported by a large membership organization, such as a church or union, can easily access the required number whereas candidates who are completely neutral may take weeks or months to complete the same task. Worse the whole concept of donation neutrality that is essential to any sort of "clean money" concept is undermined by the prominent role a single organization may have in providing the names, or other assistance to get the 200 donations from their members.

Libertarians object to the use of involuntary taxes to make up the bulk of the money raised. But we should point out that the practical problems noted above are far more serious than the philosophic ones.



Tracy Ryan
For The Libertarian Party of Hawaii



Hawaii

Holding Power Accountable

Common Cause Hawaii • 307A Kamani St. • Honolulu, HI 96813 • 808.275.6275

To: The House Committee on the Judiciary
From: Brodie Lockard, Board Member, Common Cause Hawaii
Date: Thursday, January 31, 2019, 2:00 pm

In support of HB 1380

Dear JUD Chair Lee, Vice Chair San Buenaventura and Committee Members—

Common Cause Hawaii supports HB 1380.

Publicly Funded Elections are the gold standard of campaign finance reform. The idea is fairly simple. Collect a base number of small contributions from constituents, decline all private funds, and your campaign is paid for by public money, up to a reasonably competitive amount. In return, you can spend all your fundraising time talking with voters, and owing no one but them. It's "the reform that makes all other reforms possible."

We live in a country where over 98 percent of the members of Congress are re-elected every year with no serious competition. In Maine and Arizona, Publicly Funded Elections costing under \$5 per taxpayer have increased voter turnout, the number and diversity of candidates (including women and people of color), candidate interaction with low- and moderate-income communities, and the number of contested races.

They have decreased the spending gap between winning and losing candidates, the role of special interests in government decision making, and the time candidates and officeholders spend fundraising. Publicly Funded-Elected candidates have passed some long-stalled laws for affordable prescription drugs, all-day kindergarten for the poorest schools, higher subsidies for community colleges, and financial help for working families needing child care.

Publicly Funded Election legislation has been adopted in Maine, Connecticut, Florida, Hawaii, Maryland, Michigan, Arizona, North Carolina, New Mexico, Wisconsin, Minnesota, Rhode Island, Vermont, West Virginia, and Massachusetts. It has also been incorporated at the municipal level in several cities.

People tend to be concerned about the cost to them, but tax breaks currently given to special interests cost them far more. Most of Arizona's funding comes from a 10% surtax on civil and criminal penalties. Another approach would be to tax campaign ad buys themselves. What governmental expense is more important than supporting a healthy democracy?

Please pass HB 1380 and let Publicly Funded Elections prove themselves.

Thank you for the opportunity to testify.

Brodie Lockard
Board Member, Common Cause Hawaii



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COMMITTEE ON JUDICIARY

THURSDAY, 1/31/19, 2 pm, Room 325
HB1380, RELATING TO CAMPAIGN FINANCE

TESTIMONY

Beppie Shapiro, Legislative Committee, League of Women Voters of Hawaii

Chair LEE, Vice-Chair BUENAVENTURA, and Committee Members:

The League of Women Voters of Hawaii **strongly supports HB1380** that **provides for comprehensive public financing for county elections.**

A public campaign funding program's goals are:

- People without extraordinary wealth or wealthy friends can run for and win public office;
- Candidates spend more time listening to and meeting with their constituents, instead of constantly needing to raise money;
- Elected officeholders are reflective of the community at large;
- Elected officials are less indebted to a narrow set of big money donors, and are more accountable to all voters;
- Policies and laws are more responsive to public needs and less skewed by wealthy special interests.

Hawaii in 1979 designed and implemented a partial public financing program for elections. The League of Women voters actively promoted the adoption of the current program. HB1380 builds on this to create a comprehensive public financing program in county elections.

A comprehensive public financing program more fully meets the goals of campaign finance reform. We fully support extending this option to candidates for county offices.

Thank you for the opportunity to submit testimony.

HB-1380

Submitted on: 1/29/2019 9:50:01 PM

Testimony for JUD on 1/31/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Brett Kulbis	Honolulu County Republican Party	Oppose	No

Comments:

HB 1380 Late



LATE

Thursday, January 31, 2019

House Bill 1380
Testifying in Support

Aloha Chair Lee, Vice Chair San Buenaventura, and Members of the Committee on Judiciary,

The Democratic Party of Hawai'i (The Party) **supports HB1380 Relating to Campaign Finance**, which would create a comprehensive public funding program for candidates running for county offices beginning in 2022.

Running for public office can be a very big financial burden, especially for young, working people. The Party also acknowledges the huge negative effect big money has had on our democratic processes, particularly in the wake of the 2010 Citizens United SCOTUS decision.

Public financing of elections spurs competition in our elections and strengthens our democratic institutions. This is borne out in a report by the Brennan Center for Justice, “a nonpartisan law and policy institute that works to reform, revitalize – and when necessary, defend – our country's systems of democracy and justice”. Their report¹ gives several examples of the benefits of public financing including in the area of contested and competitive elections. The same report shows finds that Maine and Arizona had seen less and less unopposed races since public funding programs were implemented in these states.

Public funding in elections allow for new candidates with new ideas and energy to become a part of the public discourse.

Even looking locally, in our last election alone, we saw examples of why we need to continue to have this discussion. The Honolulu Star Advertiser reported² in January of 2018 when the primary election was taking place between Governor David Ige and former Congresswoman Colleen Hanabusa that Governor Ige had raised about \$810,903 up to that point while Congresswoman Hanabusa, who recently entered the race, had already raised \$731,945. Although your first time candidate most likely won't be running for Governor, it highlights how high the playing field already is going in for those who want the opportunity to serve their communities.

By implementing comprehensive public financing for county elections, The Party hopes the benefits of public financing will be seen by the decision-making bodies. We believe that when all elected officials rely on public funding instead of private donors, it can allow the officials to be solely focused on their constituents.

For all these reasons, we urge you to pass this bill out of your committee.

Mahalo for the opportunity to testify,

A handwritten signature in black ink, appearing to read "Josh Frost". The signature is stylized with a large initial "J" and "F".

Josh Frost
Co-Chair, Legislation Committee
Democratic Party of Hawai'i

1. https://www.brennancenter.org/analysis/more-combating-corruption-other-benefits-public-financing#_edn10
2. <https://www.staradvertiser.com/2018/01/31/breaking-news/ige-raises-more-than-800000-for-re-election-bid/#googDisableSync>

LATE

HB-1380

Submitted on: 1/30/2019 5:27:44 PM
Testimony for JUD on 1/31/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Larry Meacham	Individual	Support	No

Comments:

Thank you for the opportunity to testify in support of HB 1380.

Hawaii has the lowest voter turnout in the country. Automatic Voter Registration in Oregon and other states has increased voting by 5-10% by making it more convenient. We should make every effort to help our citizens participate in the democratic process, and this would be one good step.

Thank you for the opportunity to testify.

LATE

HB-1380

Submitted on: 1/30/2019 9:49:38 PM

Testimony for JUD on 1/31/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Brown III	Individual	Support	No

Comments: