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**STATE OF HAWAII  
CAMPAIGN SPENDING COMMISSION**

235 SOUTH BERETANIA STREET, ROOM 300  
HONOLULU, HAWAII 96813

March 12, 2019

TO: The Honorable Karl Rhoads, Chair  
Senate Committee on Judiciary

The Honorable Glenn Wakai, Vice Chair  
Senate Committee on Judiciary

Members of the Senate Committee on Judiciary

FROM: Kristin Izumi-Nitao, Executive Director *kei*  
Campaign Spending Commission

SUBJECT: **Testimony on H.B. No. 1382, H.D. 2, Relating to Campaign Finance**

Friday, March 15, 2019  
9:00 a.m., Conference Room 016

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

Section 1 of this bill amends Hawaii Revised Statutes ("HRS") §11-302 by adding a definition of "contract with the State." This definition expands the types and methods of financing by the State (e.g., general obligation bonds, grants-in-aid, special purpose revenue bonds) that exceeds an unspecified aggregate value within a fiscal year as well as opens it to all contracts for services received or rendered by the State with the exception of permanent, full-time State employees.

Section 2 of this bill amends HRS §11-354 by prohibiting fundraising on not only a state or county property, but also in a facility owned, rented, leased, subleased, or associated with any person with a "contract with the State."

The Commission notes that the term "contract with the State" is also mentioned in HRS §11-355 which is the state and county contractor contribution ban, and thus, may create confusion as to its application. Presently, HRS §11-355 specifies the types of contracts with the State that are subject to the ban (i.e., personal services; the buying of property, or furnishing of

any material, supplies, or equipment; for selling any land or building) if payment is to be made in whole or in part from funds appropriated by the legislative body. There is no amount or ceiling for these contracts in a fiscal year. Further, HRS §11-355 also includes the counties and any department or agency of the State and its counties.

Thus, the Commission believes that clarification is required as to when this new definition is applicable.

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

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To: The Senate Committee on the Judiciary  
From: Brodie Lockard for the Common Cause Hawaii Board  
Date: Friday, March 15, 2019, 9:00 am

**In strong support of HB 1382 HD2**

Dear JDC Chair Rhoads, Vice Chair Wakai and Committee Members—

Common Cause Hawaii strongly supports HB 1382 HD2. It should cost the State nothing.

This bill clarifies the meaning of "contract with the State," then uses that term to help prevent undue influence and the appearance of it.

No contractor should be soliciting contributions in their offices or related facilities.

Please pass HB 1382 HD2 and help to restrict improper solicitations.

Thank you for the opportunity to testify.

Brodie Lockard  
Board Member, Common Cause Hawaii