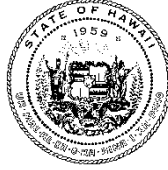


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**STATE OF HAWAII  
CAMPAIGN SPENDING COMMISSION**

235 SOUTH BERETANIA STREET, ROOM 300  
HONOLULU, HAWAII 96813

January 29, 2021

TO: The Honorable Angus L.K. McKelvey, Chair  
House Committee on Government Reform

The Honorable Tina Wildberger, Vice Chair  
House Committee on Government Reform

Members of the House Committee on Government Reform

FROM: Kristin Izumi-Nitao, Executive Director<sup>KI</sup>  
Campaign Spending Commission

SUBJECT: **Testimony on H.B. No. 141, Relating to Violations of Campaign  
Finance Law**

Wednesday, February 3, 2021  
8:30 a.m., Conference Room 309

Thank you for the opportunity to testify on this bill.<sup>1</sup> The Campaign Spending Commission (“Commission”) supports this bill.

This bill amends Hawaii Revised Statutes (“HRS”) §11-410 by amending subsection (a)(1) by replacing “an individual” with “a person other than a person described in paragraph (2)” and amending subsection (a)(2) by replacing “corporation, organization, association, or labor union” with “noncandidate committee that makes only independent expenditures and has either received at least one contribution of more than \$10,000 from any one person or has made expenditures of more than \$10,000 in the aggregate, in an election period.” The bill also increases the amount of a fine that the Commission may assess against a committee that makes only independent expenditures (Super PAC) from an amount not to exceed \$1,000 to an amount not to exceed \$5,000 or an amount not exceeding three times an unlawful contribution or expenditure. The increase in the amount of the fine is necessary in enforcement cases against Super PACs. Further, the trebling of the amount of an unlawful contribution or expenditure as a fine is already applicable to individuals. It makes sense to extend this potential increased fine to

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<sup>1</sup> The companion bill S.B. No. 401.

Super PACs. The Commission believes that the higher fine amount will be a more effective deterrent for Super PACs.

The bill also allows the Commission to assess fines against the officers of noncandidate committees. Presently, subsection (c) authorizes the Commission to order that fines assessed against a candidate committee be paid out of a candidate's personal funds.

This bill also deletes the reference to political activities of liquor commission employees (HRS §281-22) in subsection (a).

The Commission requests that this Committee pass this measure.

Statement Before The  
**HOUSE COMMITTEE ON GOVERNMENT REFORM**  
Wednesday, February 3, 2021  
8:30 AM  
Via Video Conference, Conference Room 309

in consideration of  
**HB 141**  
**RELATING TO THE CAMPAIGN FINANCE.**

Chair McKELVEY, Vice Chair WILDBERGER, and Members of the Government Reform Committee

Common Cause Hawaii supports HB 141, which (1) increases the amount of the fine for campaign spending law violations that may be assessed against a noncandidate committee making only independent expenditures (i.e., Super PACs) and that has received at least one contribution of more than \$10,000, or spent more than \$10,000, in an election period, and (2) allows the Campaign Spending Commission to order that the payment of a fine assessed against a noncandidate committee, or any portion thereof, be paid from the personal funds of an officer of the noncandidate committee.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening democracy through improving our campaign finance system with laws that amplify the voices of everyday Americans by requiring strong disclosures and making sure everyone plays by the same commonsense rules.

Common Cause Hawaii supports HB 141, because it increases the fines against Super PACs from \$1,000 to \$5,000 or an amount not to exceed three times the amount of an unlawful contribution or expenditure. The trebling of the amount of an unlawful contribution or expenditure as a fine is already applicable to individuals. HB 141 additionally permits the fines to be imposed on the individual candidates and/or officers of the noncandidate committees (PACs), which currently is only applicable to candidate committees. PACs and Super PACs should be subject to the same penalties as individuals and candidate committees. The increased fine amount, trebling of fines, and personal liability, as proposed under HB 141, will hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

Common Cause Hawaii supports HB 141, and Common Cause Hawaii respectfully urges the Committee members to pass HB 141 unamended out of your Committee.

Thank you for the opportunity to testify in support of HB 141. If you have further questions of me, please contact me at [sma@commoncause.org](mailto:sma@commoncause.org).

Very respectfully yours,

Sandy Ma  
Executive Director, Common Cause Hawaii

**HB-141**

Submitted on: 1/31/2021 9:33:13 PM

Testimony for GVR on 2/3/2021 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Feena Bonoan	Individual	Oppose	No

Comments:

Please do not pass this bill.

**HB-141**

Submitted on: 2/1/2021 10:11:19 AM

Testimony for GVR on 2/3/2021 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Banner Fanene	Individual	Support	No

## Comments:

I Supports HB 141, because it increases the fines against Super PACs from \$1,000 to \$5,000 or an amount not to exceed three times the amount of an unlawful contribution or expenditure. The increased fine amount, trebling of fines, and personal liability, as proposed under HB 141, will hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

I Support HB 141, and respectfully urge the Committee members to pass HB 141 unamended out of your Committee.



49 South Hotel Street, Room 314 | Honolulu, HI 96813  
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COMMITTEE ON GOVERNMENT REFORM  
WEDNESDAY, 2/3/21, 8:30 AM, Room No. 309

HB141 RELATING TO VIOLATIONS OF CAMPAIGN FINANCE LAW  
**TESTIMONY**

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

Chair McKelvey, Vice-Chair Wildberger, and Committee Members:

**The League of Women Voters of Hawaii supports this bill which would increase the fines for violation of Campaign Spending Commission (CSC) requirements by non-candidate committees making independent expenditures of at least \$10,000; and allow the CSC to order payment of all or part of such fines by an officer of the non-candidate committee.**

The League of Women Voters supports campaign finance policies which provide transparency and accountability for expenditures by political campaigns.

HB141 will improve the accountability of expenditures by campaigns and “ Super-Pacs” in Hawaii’s elections. Please pass this useful bill.

Thank you for the opportunity to submit testimony.