

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 22
RELATING TO THE CAMPAIGN FINANCE.

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

Common Cause Hawaii provides comments on HB 22, which (1) increases the amount of fines that may be assessed against a noncandidate committee for violations of organizational report requirements and (2) the amount of fines that may be assessed for violations of advertisement disclaimer requirements.

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 increasing fines for noncandidate committees to ensure compliance with our campaign spending laws. Common Cause Hawaii refers this honorable Committee to HB 141 which amends Hawaii Revised Statutes (HRS) § 11-410 to increase the fines against noncandidate committees by not more than three times the amount of an unlawful contribution or expenditure and permits 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. HB 22 removes reference to HRS § 11-410.

Thank you for the opportunity to provide comments on HB 22. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii

HB-22

Submitted on: 1/31/2021 9:31:50 PM

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

Submitted By	Organization	Testifier Position	Present at Hearing
Feena Bonoan	Individual	Oppose	No

Comments:

Please do not pass this bill.



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COMMITTEE ON GOVERNMENT REFORM
WEDNESDAY, 2/3/21, 8:30 AM, Room No. 309

HB22 RELATING TO CAMPAIGN FINANCE
TESTIMONY

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

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

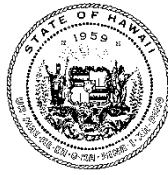
The League of Women Voters of Hawaii supports HB22, which Increases the amount of fines that may be assessed against a noncandidate committee for violations of organizational report requirements and the amount of fines that may be assessed for violations of advertisement disclaimer requirements.

The League of Women Voters of Hawaii supports transparent and accountable policies and conduct in political elections. HB22 improves accountability in the conduct of non-candidate committees during election campaigns.

The existing fines for violations of CSC requirements by these committees are so small that they may well fail to deter violations. Such minimal fines also may give the impression that violating CSC requirements is not very important. Increasing the fines substantially acknowledges the size of expenditures by many of these committees which averaged \$199,290 in 2020.

Please pass this bill to improve accountability in Hawaii election financing.

Thank you for the opportunity to submit testimony.



STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION


235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

February 1, 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 
Campaign Spending Commission

SUBJECT: **Testimony on H.B. No. 22, Related to Campaign Finance.**

Wednesday, February 3, 2021
8:30 a.m., Via Video Conference

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission (“Commission”) provides the following comments on this bill.

Section 1 and Section 2 of this measure amends Hawaii Revised Statutes (“HRS”) §11-323(a) by specifying the fine to be assessed against noncandidate committees who violate the requirements for the organizational report to be \$1,000 and amends HRS §11-391(b) by increasing the fine for violations of the advertisement disclaimer requirement to \$150 but not to exceed 25% of the total expenditures for the advertisement. Section 3 of the measure amends HRS §11-393(d) to provided for the assessment of minimum \$1,000 fine, not to exceed 25% of the cost of the advertisement, if a Super PAC fails to properly identify the top contributors to the advertisement or to the Super PAC in a disclaimer.

The Commission notes that the title of the bill uses the word “Related” rather than the more commonly used “Relating.” Also, increasing the fine for advertisements missing the disclaimer to \$150 for each advertisement with a cap of 25% of the cost of the advertisement may result in the higher fine not being applied to social media advertisements which frequently cost less than \$75. However, a social media advertisement that lacks a disclaimer is as opaque as a full-page advertisement in a newspaper or a 30-second advertisement on television that lacks the disclaimer. Instead of attaching the fine cap to a percentage of the advertisement cost, the Committee should just retain the \$5,000 cap that already exists in HRS §11-391(b).

The Commission has not yet been confronted with a case where it is alleged that a Super PAC has violated HRS §11-393. If a case does arise, the Commission currently has the statutory authority in HRS §11-410(a) to assess a \$1,000 fine against the Super PAC. Thus, the Commission recommends that subsection (d) of HRS §11-393 be left as is for now.