



STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION


235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

January 31, 2022

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. 1423, Relating to Violations of Campaign Finance Law**

Wednesday, February 2, 2022
9:30 a.m., Via Videoconference

Thank you for the opportunity to testify on this bill.¹ 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 Super PACs. The Commission believes that the higher fine amount will be a more effective deterrent for Super PACs.

¹ The companion bill is S. B. No. 2044.

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.

HB1423

To: The House Government Operations Committee

The Green Party of Hawai'i asks for the support of HB1423, which increases fines on the Super Political Action Committee from \$1,000 to \$5,000 or an amount to exceed 3 times the amount of an unlawful contribution or expenditure. The Green Party of Hawai'i encourages The House Government Operations Committee to pass HB1423.

Mahalo,

Green Party of Hawai'i

Co-Chair GPH Susan Roberts Emery

Statement Before The
HOUSE COMMITTEE ON GOVERNMENT REFORM
Wednesday, February 2, 2022
9:30 AM
Via Videoconference and Conference Room 309

in consideration of
HB 1423
RELATING TO VIOLATIONS OF CAMPAIGN FINANCE LAW.

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

Common Cause Hawaii supports HB 1423, which (1) increases from \$1,000 to \$5,000 the fine that may be assessed for campaign spending law violations against a noncandidate committee making only independent expenditures 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 fine be up to three times the amount of the unlawful contribution or expenditure, and that the payment of the 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 our representative 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 1423, 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 1423 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 1423, will hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

Thank you for the opportunity to testify in support of HB 1423, and Common Cause Hawaii respectfully urges the Committee members to pass HB 1423 unamended out of your Committee. If you have questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii



Committee on Government Reform
Chair McKelvey, Vice Chair Wildberger

February 2, 2022, 9:30 AM
HB1423 — 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 HB1423 which would increase the fines for violation of Campaign Spending Commission (CSC) requirements by non-candidate committees which have either a) made independent expenditures of at least \$10,000; or b) received a donation of at least \$10,000 from an individual. HB1423 would allow the CSC to order payment of all or part of such fines from personal funds of the candidate or 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.

HB1423 will improve the accountability of campaigns and “Super-Pacs” in Hawaii’s elections. The threat of higher fines will discourage violations of campaign finance law, and thus improve the credibility of our election system. Please pass this useful bill.

Thank you for the opportunity to submit testimony.

HB-1423

Submitted on: 1/30/2022 7:41:07 AM

Testimony for GVR on 2/2/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Barbara Best	Individual	Support	No

Comments:

PACs and Super PACs should be subjected to the same penalties as individuals and candidate committees. Hopefully this bill will be a deterrent from violation of campaign spending laws.

HB-1423

Submitted on: 1/30/2022 9:20:29 AM

Testimony for GVR on 2/2/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kauanoë Batangan	Individual	Support	No

Comments:

I support HB 1423 because 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 1423, will hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

HB-1423

Submitted on: 1/30/2022 6:04:51 PM

Testimony for GVR on 2/2/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Susan Dursin	Individual	Support	No

Comments:

Campaign finance law continues to be a challenging area of election security and credibility. HB1423, which would increase fines for PACS and SuperPacs, needs your support.

The amounts of these fines already relates to individuals. PACs and SuperPacs surely should have the same scrutiny and penalties as individuals and candidate committees. PACS and SuperPacs often are not wary of breaking campaign spending laws. HB1423 may make them more aware of the possible penalties in doing so.

Please support HB1423.

HB-1423

Submitted on: 1/31/2022 6:08:44 AM

Testimony for GVR on 2/2/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
David Anderson	Individual	Support	No

Comments:

- I support HB 1423 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 1423 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 1423, will hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

Thank you for the opportunity to submit testimony in support of this bill.

HB-1423

Submitted on: 1/31/2022 8:40:42 AM

Testimony for GVR on 2/2/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Lisa Huynh Eller	Individual	Support	No

Comments:

I support HB 1423 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 1423 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 1423, will hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

HB-1423

Submitted on: 1/31/2022 11:21:15 AM

Testimony for GVR on 2/2/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
lynne matusow	Individual	Support	No

Comments:

All PACs should be subject to the same penalties as individuals and candidate committees. The fine should be identical to that levied against individuals. Also, the fines should be imposed on the individual candidates and/or officers of the noncandidate committees (PACs).

HB-1423

Submitted on: 1/31/2022 2:46:57 PM

Testimony for GVR on 2/2/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Barbara Dalton	Individual	Support	No

Comments:

Low voter turnout in Hawaii is the result of many factors, not least of which is a deficiency in civics education in the public schools. As a sometime-teacher, student enthusiasm for the political process has astonished me when they begin to understand the power of their voice and advocate for issues meaningful to them. Studies have shown that voting is a habit that can be strongly ingrained if developed and encouraged early. What better setting to do that than the classroom? I support HB 163 because it will teach our youth the importance of civic engagement and voting, thus creating engaged future leaders and a strong, vibrant democracy.

HB-1423

Submitted on: 1/31/2022 3:06:15 PM

Testimony for GVR on 2/2/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Barbara Dalton	Individual	Support	No

Comments:

I support HB 1423 because it increases the fines against Super PACs from \$1000 to \$5000, or an amount not to exceed three times the amount of an unlawful contribution or expenditure. The trebling of an amount of an unlawful contribution or expenditure as a fine already applies to individuals. In addition, HB 1423 allows for fines to be imposed on the individual candidates and/or officers of the non-candidate committees (PACs.) This provision currently applies only 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 1423 will effectively deter deep-pocketed PACs and Supert PACs from violating campaign spending laws with impunity.

(Please disregard earlier testimony submitted from me here in error..it was intended for HB 1683.) Thank you.