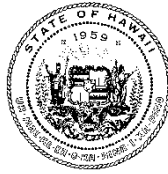


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STATE OF HAWAII  
CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300  
HONOLULU, HAWAII 96813

February 27, 2023

TO: The Honorable Kyle T. Yamashita, Chair  
House Committee on Finance

The Honorable Lisa Kitagawa, Vice Chair  
House Committee on Finance

Members of the House Committee on Finance

FROM: Tony Baldomero, Associate Director for *TB*  
Kristin Izumi-Nitao, Executive Director  
Campaign Spending Commission

SUBJECT: **Testimony on H.B. No. 92, Relating to Violations of Campaign Finance Law**

Tuesday, February 28, 2023  
11:30 a.m., Conference Room 308 & Videoconference

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 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, including candidates. 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.

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<sup>1</sup> The companion bill is S. B. No. 197.

The bill allows the Commission to assess fines against the officers of noncandidate committees. Presently, subsection (c) authorizes the Commission to order 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).



Committee on Finance  
Chair Kyle Yamashita, Vice Chair Lisa Kitagawa

Tuesday February 28, 11:30 am Videoconference/Rm 308  
HB 92 — RELATING TO VIOLATIONS OF CAMPAIGN FINANCE LAW

TESTIMONY

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

Chair Yamashita, Vice Chair Kitagawa, and Committee Members:

**The League of Women Voters of Hawaii supports HB92, which increases the fine that may be assessed for campaign spending law violations against a noncandidate committee making only independent expenditures that received at least 1 contribution of more than \$10,000, or spent more than \$10,000 in an election period; Allows the Campaign Spending Commission to order a fine of up to 3 times the amount of the unlawful contribution or expenditure, and to order 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.**

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

We support the language found in [HB1423 HD1 HSCR134-22, State Legislature 2022](#) which suggests that (a future committee hearing HB1423, which closely resembles HB92) “consider increasing the fines for campaign spending law violations against certain noncandidate committees that make only independent expenditures to \$10,000 or more, as these fines would mainly affect large political action committees

who have a large amount of funds and resources available.” We note that HB92 would increase those fines only to \$5,000.

Allowing the Campaign Spending Commission to collect fines assessed against a non-candidate committee from the personal funds of an officer of that committee, will certainly serve as a deterrent to allowing illegal contributions or expenditures by that committee.

HB92 will improve the accountability of non-candidate committees (“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.