

SB-201-SD-1

Submitted on: 3/15/2023 1:22:00 PM

Testimony for JHA on 3/17/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Daniel Foley	Commission to Improve Standards of Conduct	Support	Remotely Via Zoom

Comments:

Dear Mr. Chairman and members of the Judiciary and hawaiiin Affairs Committee,

As Chair of the Commission to Improve Standards of Conduct, I support SB 201, SD1, for reasons stated in the Commission's December 1, 2022 Final Report, specifically at page 33. This bill excludes "employees" as too broad (which was contained in a similar House Bill deferred by your committee because it covered employees). Hopefully your committee can pass this bill as narrowed in its coverage. The Commission recommended this bill in its current amended form

Mahalo, Judge Daniel Foley (ret.)



**STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION**


235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

March 16, 2023

TO: The Honorable David A. Tarnas, Chair
House Committee on Judiciary & Hawaiian Affairs

The Honorable Gregg Takayama, Vice Chair
House Committee on Judiciary & Hawaiian Affairs

Members of the House Committee on Judiciary & Hawaiian Affairs

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

SUBJECT: **Testimony on S.B. No. 201, SD 1, Relating to Contributions by State and County Contractors and Grantees of the State.**

Friday, March 17, 2023
2:00 p.m., Conference Room 325 & Videoconference

Thank you for the opportunity to testify on this bill.¹ The Campaign Spending Commission (“Commission”) supports this bill, but prefers the language in H.B. 724.

This bill amends Hawaii Revised Statutes (“HRS”) §11-355 by extending the ban on contributions from state and county contractors to the officers of the contractor and their immediate family. The Commission believes that it is common for contractors to get around the ban by having those persons connected to the contractor make political contributions. A few of these situations also involved false name contributions where the contributors were reimbursed for their contributions. The bill also extends the ban to HRS Chapter 42F grantees of the state and the officers of the grantee and their immediate family. Grantees, similar to contractors, receive state funds, and thus, should be treated similarly in the context of political contributions. This bill will prevent the corruption, or at least the appearance of corruption, of elected officials.

The Commission notes that H.B. No. 724, a similar bill submitted by the Commission to Improve Standards of Conduct (“CISC”), is moving in the Senate. That bill extends the prohibition on contributions to county grantees in addition to state grantees, and thus, is preferable to this bill. The Senate Committee on Judiciary is hearing H.B. No. 724 on Friday, March 17th at 10:30 a.m.

¹ The companion bill is H.B. No. 96, which was deferred on February 1, 2023, by this Committee because that bill prohibited employees of state and local contractors and state grantees from making contributions and was deemed to be overbroad.

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Submitted on: 3/15/2023 2:07:26 PM

Testimony for JHA on 3/17/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
lynne matusow	Individual	Support	Written Testimony Only

Comments:

I am in full support. This will help clean up campaign financing.

SB-201-SD-1

Submitted on: 3/15/2023 7:46:28 PM

Testimony for JHA on 3/17/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andrew Crossland	Individual	Support	Written Testimony Only

Comments:

I support this Bill.

SB-201-SD-1

Submitted on: 3/15/2023 10:10:21 PM

Testimony for JHA on 3/17/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Under Hawai‘i’s existing campaign finance law, only a state or county contractor is prohibited from making campaign contributions. However, owners, officers, employees, and family members of the contractor can still make contributions, including false name contributions, to election campaigns.

Furthermore, state and county grantees are currently able to make campaign contributions, even though these entities receive funds that have been appropriated by a legislative body, similar to state or county contractors.

While extreme examples of outright bribery may have led to the creation of the commission to improve standards of conduct, it is the more subtle, pervasive “pay-to-play” loopholes like this one allow that have long been the bigger corruption problem for Hawai‘i.

While there are other ways for donations to influence politicians, closing this loophole is a good step toward reducing the potential for donations to unduly influence policymaking. Legislative decisions that impact all our lives should always be made with the best interests of the public at heart, not the interest of a few well-connected donors or their special interests. Please support SB201 SD1.

SB-201-SD-1

Submitted on: 3/16/2023 7:25:26 AM

Testimony for JHA on 3/17/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello,

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Furthermore, state and county grantees are currently able to make campaign contributions, even though these entities receive funds that have been appropriated by a legislative body, similar to state or county contractors.

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While there are other ways for donations to influence politicians, closing this loophole is a good step toward reducing the potential for donations to unduly influence policy-making. Legislative decisions that impact all our lives should always be made with the best interests of the public at heart, not the interest of a few well-connected donors or their special interests. Please support SB201 SD1.

me ke aloha ‘āina,

Nanea Lo, Mō‘ili‘ili