



STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

February 22, 2022

TO: The Honorable Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means

The Honorable Gilbert S.C. Keith-Agaran, Vice Chair
Senate Committee on Ways and Means

Members of the Senate Committee on Ways and Means

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

SUBJECT: **Testimony on S.B. No. 2044, Relating to Violations of Campaign
Finance Law**

Wednesday, February 23, 2022
10:05 a.m., Via Videoconference

Thank you for the opportunity to testify on this bill. 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.

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
SENATE COMMITTEE ON WAYS AND MEANS
Wednesday, February 23, 2022
10:05 AM
Conference Room 211 and Videoconference

in consideration of
SB 2044
RELATING TO VIOLATIONS OF CAMPAIGN FINANCE LAW.

Chair DELA CRUZ, Vice Chair KEITH-AGARAN, and Members of the Senate Ways and Means Committee

Common Cause Hawaii supports SB 2044, 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 SB 2044, 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. SB 2044 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 SB 2044, 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 SB 2044. If you have questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii

SB-2044

Submitted on: 2/22/2022 7:33:43 AM

Testimony for WAM on 2/23/2022 10:05:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Lila Mower	Testifying for Kokua Council	Support	No

Comments:

I am Lila Mower, president of Kokua Council, one of Hawaii's oldest advocacy groups. Kokua Council is concerned about policies and practices which can impact the well-being of seniors and our community.

Kokua Council supports this measure.

SB-2044

Submitted on: 2/19/2022 1:46:59 PM

Testimony for WAM on 2/23/2022 10:05:00 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).

With the recent guilty pleas of former legislators Kalani English and Ty Cullen this legislation is more important than ever. We need to clean up government and restore people's faith in the political process.

SB-2044

Submitted on: 2/19/2022 1:47:55 PM

Testimony for WAM on 2/23/2022 10:05:00 AM

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

Comments:

SB 2044, will hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

SB-2044

Submitted on: 2/20/2022 6:25:09 AM

Testimony for WAM on 2/23/2022 10:05:00 AM

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

Comments:

I support SB 2044, 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 SB 2044, will hopefully be a more effective deterrent against PACs and Super PACs from violating campaign spending laws.

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

SB-2044

Submitted on: 2/20/2022 12:36:13 PM

Testimony for WAM on 2/23/2022 10:05:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
tlaloc tokuda	Individual	Support	No

Comments:

Aloha WAM Chair and Committee,

I am a volunteer with Common Cause (CC) and i usually support their views on bills coming through our state legislature and local councils. I agree with CC and support [SB2044](#) .

- I support SB 2044, 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 SB 2044, will hopefully be a more effective deterrent against PACs and Super PACs. I would suggest that they raise the sum to \$10,000 due to the PAXs deep pockets, the sum is like a slap on the wrist.

Mahalo,

tlaloc tokuda

Kailua Kona, HI 96740

SB-2044

Submitted on: 2/21/2022 11:10:06 AM

Testimony for WAM on 2/23/2022 10:05:00 AM

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

Comments:

I support SB2044, which would raise fines against Super Pacs that violate the law. If the law is to have any teeth, the amount of fines and the personal liabilities involved must be substantial enough to deter bad behavior.

SB-2044

Submitted on: 2/21/2022 1:55:31 PM

Testimony for WAM on 2/23/2022 10:05:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Michele Mitsumori	Individual	Support	No

Comments:

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee Members,

I support SB2044, Relating to Violations of Campaign Finance Law, 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 of expenditure.

Consequences need to be relative to the recipient to be effective. PACs and Super PACs, with their deep pockets, can easily absorb smaller fines or warnings. SB2044's increased fine amount, trebling of fines, and personal liability together contribute to more effective deterrence of campaign spending law violations.

Thank you for the opportunity to give testimony in support of SB2044.

SB-2044

Submitted on: 2/22/2022 6:04:06 AM

Testimony for WAM on 2/23/2022 10:05:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Linda Morgan	Individual	Support	No

Comments:

I strongly support SB2044. Curtaining the violation of election finance laws will, hopefully, help level the playing field. Currently elections are corruptly skewed in favor of the rich by those making large campaign donations in order to gain favors from the candidate. Please vote for SB2044 to end some of the corruption in Hawaii government.