



STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION


235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

January 24, 2022

TO: The Honorable Karl Rhoads, Chair
Senate Committee on Judiciary

The Honorable Jarrett Keohokalole, Vice Chair
Senate Committee on Judiciary

Members of the Senate Committee on Judiciary

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

SUBJECT: **Testimony on S.B. No. 212, Relating to Campaign Finance**

Tuesday, January 25, 2022
09:30 a.m., Via Videoconference

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission (“Commission”) supports the intent of this bill.

This measure amends Hawaii Revised Statutes (“HRS”) §11-323, concerning the information required to be reported in organizational reports of noncandidate committee, by providing a \$1,000 minimum fine for a violation of that section. The measure also amends HRS §11-391, disclaimer requirements for advertisements, by increasing the fine provided in HRS §11-391(b) from \$25 for each advertisement missing the disclaimer to \$150 per advertisement and changes the maximum fine from \$5,000 to 25% of the total cost of the advertisement. Finally, the measure amends HRS §11-393, concerning the requirement for Super PACs to disclose their top three contributors in advertisements, by setting a minimum fine of \$1,000 for a violation of that provision. Although the Commission believes that fines are necessary in the enforcement of these disclosure and disclaimer provisions, the Commission does not believe that an increase in the fine for violations of these provisions is necessary at this time as the Commission has not seen an escalation in violations of these sections.

The Commission believes that a more pressing concern for political advertisements are those that contain false information about the name and address of the purchaser of the advertisements. S.B. No. 665, Relating to Violations of Campaign Finance Law, addresses this issue by, among other things, making any person who intentionally or knowingly provides false information about the name and address of the purchaser of an advertisement guilty of a class C felony.

Statement Before The
SENATE COMMITTEE ON JUDICIARY

Tuesday, January 25, 2022

9:30 AM

Via Videoconference

in consideration of

SB 212**RELATING TO CAMPAIGN FINANCE.**

Chair RHOADS, Vice Chair KEOHOKALOLE, and Members of the Senate Judiciary Committee

Common Cause Hawaii supports SB 212, which increases (1) 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 our representative democracy through laws that increase the transparency and accountability of our campaign finance system and amplify the voices of everyday Americans.

Common Cause Hawaii supports SB 212 increasing the fine for noncandidate committees – PACs and SuperPACs – to a minimum of \$1,000 per violation for failure to file organizational reports, which are required by Hawaii Revised Statutes (HRS) § 11-323. Currently, the fines are minimal for failure to file organizational reports by noncandidate committees (\$100 for failure to file and \$50 for late filing or failure to amend or correct within 10 days) and are the same for candidate committees.

The increased fines that may be assessed against a noncandidate committee for violations of organizational report requirements will increase transparency and accountability in our electoral system and will also hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

Common Cause Hawaii also supports SB 212 increasing the fines for advertisements that fail to contain the required disclosures, per HRS § 11-391, of the names and addresses of those that are paying for the advertisements and whether the advertisements have been approved or not by the candidate. The fines, under SB 212, are increased to \$150 for each advertisement but shall not exceed 25% of the total expenditure for the advertisement lacking the proper disclaimer. Currently, the fines are minimal ranging from \$25 for the first failure to properly disclose to \$500 for the fourth time and then to be determined by the Commission.

Common Cause Hawaii further supports SB 212 increasing the fines for advertisements paid by noncandidate committees making only independent expenditures – SuperPACs – that fail to provide notice, which is required by HRS § 11-393, of the three top contributors paying for the advertisement. The fine under SB 212 is \$1,000 per violation and not to exceed 25% of the total expenditure for the advertisement lacking the proper disclaimer. Under the current fine schedule, it is \$500 for the first time, \$750, for the second time, and \$1,000 thereafter.

The increased fines for violations of advertisement disclaimer requirements are necessary to increase transparency in our electoral system and to limit misinformation and disinformation. For a fair election, the public must be properly notified as to who is spending monies on our political advertisements to influence and sway elections. The increased fines for failure to disclose spending on political advertisements will bring more transparency and accountability to our electoral system and hopefully obtain more compliance with our campaign finance laws.

While Common Cause Hawaii appreciates SB 212 increasing fines, Common Cause Hawaii also acknowledges that the Hawaii Campaign Spending Commission should have some latitude and flexibility to levy fines under HRS § 11-410.

Thank you for the opportunity to testify in support of SB 212. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii





Committee on Judiciary
Chair Rhoads, Vice Chair Keohokalole

Tuesday, January 5, 2022, 9:30 am Videoconference
SB212 — RELATED TO CAMPAIGN FINANCE

TESTIMONY

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

Chair Rhoads, Vice Chair Keohokalole, and Committee Members:

The League of Women Voters of Hawaii supports SB212, which would increase 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.

In order to achieve the goals for campaign finance regulation, the League of Women Voters supports enhanced enforcement of campaign finance laws. SB212 is consistent with this LWV position. If a non-candidate committee fails to meet Campaign Spending Commissions reporting requirements (for example by filing reports after deadlines, or omitting required information), voters as well as the CSC are handicapped in timely evaluation of the committee's conformance to legal requirements.

The League of Women Voters, both nationally and in Hawaii, believes that the methods of financing political campaigns should ensure transparency and the public's right to know who is using money to influence elections. The increased fines for failure to disclose spending on political advertisements, as proposed in SB212, will bring more transparency and accountability to our electoral system and obtain more compliance with our campaign finance laws.

Thank you for the opportunity to present this testimony.

Thank you for the opportunity to submit testimony.

SB-212

Submitted on: 1/22/2022 1:05:10 PM

Testimony for JDC on 1/25/2022 9:30:00 AM

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

Comments:

i am a volunteer and supporter of Common Cause Hawaii and i support their mission. Therefor i agree with CC Hawaii on SB212:

- I support SB 212 increasing the fine for noncandidate committees to a minimum of \$1,000 per violation for failure to file organizational reports.
- The increased fines for filing of organizational reports by noncandidate committees will increase transparency and accountability in our electoral system.
- I also support SB 212 increasing the fines for advertisements that fail to contain the required disclosures of the names and addresses of those that are paying for the advertisements and whether the advertisements have been approved or not by the candidate. The fines, under SB 212, are increased to \$250 for each advertisement but shall not exceed 25% of the total expenditure for the advertisement lacking the proper disclaimer
- I further support SB 212 increasing the fines for advertisements paid by noncandidate committees making only independent expenditures that fail to provide notice of the three top contributors paying for the advertisement. The fine under SB 212 is \$1,000 per violation and not to exceed 25% of the total expenditure for the advertisement lacking the proper disclaimer.
- The increased fines for violations of advertisements disclaimer requirements are necessary to increase transparency in our electoral system and to limit misinformation and disinformation. For a fair election, the public must be properly notified as who is spending monies on our political advertisements to influence and sway elections. The increased fines for failure to disclose spending on political advertisements will bring more transparency and accountability to our electoral system and obtain more compliance with our campaign finance laws.

SB-212

Submitted on: 1/23/2022 7:21:20 AM

Testimony for JDC on 1/25/2022 9:30:00 AM

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

Comments:

-
- The increased fines for filing of organizational reports by noncandidate committees will increase transparency and accountability in our electoral system.

SB-212

Submitted on: 1/23/2022 7:55:34 PM

Testimony for JDC on 1/25/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kathy Jaycox	Individual	Support	No

Comments:

For the sake of accountability, I support this bill.

SB-212

Submitted on: 1/23/2022 8:08:23 PM

Testimony for JDC on 1/25/2022 9:30:00 AM

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

Comments:

I support SB 212, increasing the fine for non-candidate committees to a minimum of \$1,000 per violation for failure to file organizational reports.

The increased fines for filing of organizational reports by non-candidate committees will increase transparency and accountability in our electoral system.

I also support SB 212 in that it increases the fines for advertisements that fail to contain the required disclosures of the names and addresses of those that are paying for the advertisements and whether the advertisements have been approved or not by the candidate. The fines, under SB 212, are increased to \$250 for each advertisement but shall not exceed 25% of the total expenditure for the advertisement lacking the proper disclaimer.

I further support SB 212 increasing the fines for advertisements paid by non-candidate committees making only independent expenditures that fail to provide notice of the three top contributors paying for the advertisement. The fine under SB 212 is \$1,000 per violation and not to exceed 25% of the total expenditure for the advertisement lacking the proper disclaimer.

The increased fines for violations of advertisement disclaimer requirements are necessary to increase transparency in our electoral system and to limit misinformation and disinformation. For a fair election, the public must be properly notified as to who is spending monies on our political advertisements to influence and sway elections. The increased fines for failure to disclose spending on political advertisements will bring more compliance with our campaign finance laws.

Mahalo for allowing me to submit testimony on this important bill.