

Statement Before The  
**SENATE COMMITTEE ON JUDICIARY**

Tuesday, February 8, 2022

9:30 AM

Via Videoconference

in consideration of  
**SB 2417****RELATING TO ELECTIONS.**

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

Common Cause Hawaii opposes SB 2417, which repeals the cap on the amount of campaign funds candidates may donate to any community service, educational, youth, recreational, charitable, scientific, literary organization, public school, or public library.

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 people by requiring strong disclosures and making sure everyone plays by the same commonsense rules.

Candidates are currently permitted to donate campaign funds to any community service, educational, youth, recreational, charitable, scientific, literary organization, public school, or public library up to twice the maximum amount that one person may contribute to that candidate -- \$2,000 for a 2 year office, \$4,000 for 4 year non-statewide office, and \$6,000 for a 4 year statewide office. See Hawaii Revised Statutes § 11-357.

SB 2417 removes the cap, which could create conflicts interest and an appearance that votes were cast in exchange for a donation from the candidate's campaign funds.

Thank you for the opportunity to testify in opposition to SB 2417. If you have further questions of me, please contact me at [sma@commoncause.org](mailto:sma@commoncause.org).

Very respectfully yours,

Sandy Ma  
Executive Director, Common Cause Hawaii



COMMITTEE ON JUDICIARY  
Sen. Karl Rhoads, Chair, Sen. Jarrett Keohokalole, Vice Chair

Tuesday, February 4, 2022, 9:30 a.m., Via Videoconference  
SB. 2417 RELATING TO ELECTIONS

TESTIMONY  
Janet Mason, Legislative Committee, League of Women Voters of Hawaii

Chair Rhoads, Vice Chair Keohokalole and Committee Members:

**The League of Women Voters of Hawaii opposes SB 2417** which proposes to repeal the cap on the amount of funds candidates may donate to any community service, educational, youth, recreational, charitable, scientific, literary organization, public school, or public library.

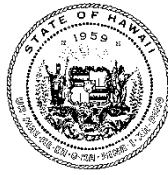
We note there is no preamble to this measure; having one might explain why the bill is necessary. In fact, it's not necessary; it's a bad idea. The legitimate use of campaign funds is for expenses related to a candidate's campaign: communicating with the public through media advertisements and social media, mailings and websites listing the candidate's qualifications and positions on issues, making signs, rallies, and meetings, buying tee shirts or other modest gifts for active supporters, car expenses, office rent, paid staff, etc. This bill goes further than existing law, not only perpetuating the notion that campaign funds are appropriately used for community donations but removing any limit on how much can be used for such donations!

Should **all** campaign donations be used for community donations? It's hard to believe that is how campaign donors expected these funds to be used. When making donations this way, the candidate is effectively substituting his/her judgement about which organizations deserve financial support instead of permitting donors to make this choice.

The League of Women Voters has long opposed using campaign funds for civic and community memberships, donations or protocol gifts since these items are not campaign expenses. It is simply "seeding the community" for future votes.

Excess campaign funds not used by the candidate can be used for the candidate's next campaigns as Permitted in Section 1 (b), or better yet returned to the donor. We ask that the current version of this bill be amended to delete Section 1, (a) 3,4 and 5 entirely. League does not support "seeding the community" for future votes.

Thank you for the opportunity to submit testimony.



**STATE OF HAWAII**  
**CAMPAIGN SPENDING COMMISSION**

235 SOUTH BERETANIA STREET, ROOM 300  
HONOLULU, HAWAII 96813

February 7, 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. 2417, Relating to Elections**

Tuesday, February 8, 2022  
9:30 a.m., Via Videoconference

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission (“Commission”) offers the following comments on this bill.

This bill amends Hawaii Revised Statutes (“HRS”) §11-381(a) by repealing the limits that candidates are permitted to use campaign funds on donations to community service, educational, youth, recreational, charitable, scientific, literary organization, public school, or public library. The limits were placed on donation amounts because the Legislature found that incumbent candidates had an unfair advantage over new candidates to “seed the community” during election campaigns because of larger war chests. This disparity still remains today. The Commission also notes that contributors make contributions to candidates for the purpose of seeking nomination or election to office. HRS §11-381(a)(1). If a contributor wanted to donate to an IRS 501(c)(3) tax-exempt organization or a public school or library, that contributor would give the money directly to the organization and receive whatever tax benefit that the contributor would be entitled to by making the donation.

**SB-2417**

Submitted on: 2/4/2022 9:17:50 PM

Testimony for JDC on 2/8/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Gerard Silva	Individual	Oppose	No

Comments:

This is how they will be able to lander money right back into there pockets!!

**SB-2417**

Submitted on: 2/5/2022 1:23:05 PM

Testimony for JDC on 2/8/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Barbara Best	Individual	Oppose	No

Comments:

This could conceivably create conflicts of interest for organizations receiving funds.

SB 2417 could create an appearance that votes were cast in exchange for a donation from the candidate's campaign funds.

**SB-2417**

Submitted on: 2/5/2022 5:18:10 PM

Testimony for JDC on 2/8/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
tlaloc tokuda	Individual	Oppose	No

Comments:

I am a volunteer for Common Cause and usually agree with their position on bills i am helping them with. This is not a good bill the way it is written.

- Candidates are currently permitted to donate campaign funds to any community service, educational, youth, recreational, charitable, scientific, literary organization, public school, or public library up to twice the maximum amount that one person may contribute to that candidate under Hawaii Revised Statutes § 11-357.
- If SB 2417 removes the cap, this could conceivably create conflicts of interest for organizations receiving funds. For example, a nonprofit may be obligated to give an award to the person, which the person may then use for campaigning purposes.
- Further, SB 2417 could create an appearance that votes were cast in exchange for a donation from the candidate's campaign funds.
- For these reasons, I am testifying in opposition to SB 2417.
- tlaloc tokuda

Kailua Kona \* I lived on Oahu in the 60,70s & 80s

**SB-2417**

Submitted on: 2/6/2022 5:34:10 AM

Testimony for JDC on 2/8/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
David Anderson	Individual	Oppose	No

Comments:

Candidates are currently permitted to donate campaign funds to any community service, educational, youth, recreational, charitable, scientific, literary organization, public school, or public library up to twice the maximum amount that one person may contribute to that candidate under Hawaii Revised Statutes § 11-357.

If SB 2417 removes the cap, this could conceivably create conflicts of interest for organizations receiving funds. For example, a nonprofit may be obligated to give an award to the person, which the person may then use for campaigning purposes.

Further, SB 2417 could create an appearance that votes were cast in exchange for a donation from the candidate's campaign funds.

For these reasons, I am testifying in opposition to SB 2417. Thank you for the opportunity to submit this testimony.



**SB-2417**

Submitted on: 2/6/2022 5:01:17 PM

Testimony for JDC on 2/8/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Younghi Overly	Individual	Oppose	No

Comments:

Dear Chair Rhoads, Vice-Chair Keohokalole, and members of the committee,

I oppose SB2417 which would remove the cap on the amount of campaign funds candidates may donate to community organizations, public schools, or public library because this could create conflicts of interest for organizations receiving funds. Thank you for your consideration.