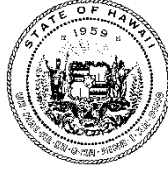


KRISTIN E. IZUMI-NITAO
EXECUTIVE DIRECTOR



PHONE: (808) 586-0285
FAX: (808) 586-0288
WWW.HAWAII.GOV/CAMPAIGN

**STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION**


235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

February 1, 2021

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. 401, Relating to Violations of Campaign
Finance Law**

Tuesday, February 2, 2021
9:30 a.m., Via Videoconference

Thank you for the opportunity to testify on this bill.¹ 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

¹ The companion bill is H.B. No. 141.

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.

Hawaii
Holding Power Accountable

Statement Before The
Tuesday, February 2, 202
9:30 AM
Via Videoconference

in consideration of
SB 401
RELATING TO VIOLATIONS OF CAMPAIGN FINANCE LAW.

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

Common Cause Hawaii supports SB 401, which (1) increases the amount of the fine for campaign spending law violations that may be assessed against a noncandidate committee making only independent expenditures (i.e., Super PACs) 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 payment of a 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 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 401, 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 401 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 401, will hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

Common Cause Hawaii supports SB 401, and Common Cause Hawaii respectfully urges the Committee members to pass SB 401 unamended out of your Committee.

Thank you for the opportunity to testify in support of SB 401. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii

SB-401

Submitted on: 1/31/2021 8:58:43 AM

Testimony for JDC on 2/2/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dyson Chee	Individual	Support	No

Comments:

I support SB401, and mahalo for the opportunity to testify.

SB-401

Submitted on: 1/31/2021 11:44:17 AM

Testimony for JDC on 2/2/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
tlaloc tokuda	Individual	Support	No

Comments:

Aloha Committee members,

I am a member of Common Cause HI and i have read their info sheets about pending legislation. I have copied their suggestions as my testimony, & i totally agree with their assessment and that is why i share MY thoughts and feelings with you. Mahalo

1. [SB401](#) -- Increases the amount of the fine for campaign spending law violations (SUPPORT).

We support SB 401, 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 401 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 401, will hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

We support SB 401 and respectfully urge the Committee members to pass SB 401 unamended out of your Committee.

Mahalo for your consideration

Tlaloc Tokuda

Kailua Kona 96740

SB-401

Submitted on: 1/31/2021 12:32:38 PM

Testimony for JDC on 2/2/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Martha Nakajima	Individual	Support	No

Comments:

Super PACs should be subjected to the same controls and penalties as individuals. I strongly support this bill and as a member of Common Cause associate with its position on SB401.

SB-401

Submitted on: 1/31/2021 8:22:45 PM

Testimony for JDC on 2/2/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Golojuch Jr	Individual	Support	No

Comments:

Aloha Senators,

I fully support SB 401.

Mahalo,

Michael

SB-401

Submitted on: 1/31/2021 9:58:33 PM

Testimony for JDC on 2/2/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Feena Bonoan	Individual	Oppose	No

Comments:

Please do not pass this bill.

SB-401

Submitted on: 2/1/2021 9:10:11 AM

Testimony for JDC on 2/2/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
laurie boyle	Individual	Support	No

Comments:

I am in full support of sb401 for the simple reason that the monetary damages for unethical violations of our campaign finance laws should provide a better deterrant for candidates considering committing such illegal acts.

Mahalo

LATE

SB-401

Submitted on: 2/1/2021 4:23:48 PM

Testimony for JDC on 2/2/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Rhoads, Vice Chair Keohokalole and the Committee on Judiciary,

Please support SB401 to improve the overall fairness of our elections.

A \$1000 fine is a drop in the bucket for a Super Political Action Committee (PAC).

I support SB 401, 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 401 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 401, will hopefully be a more effective deterrent against PACs and Super PACs, with their deep pockets, from violating campaign spending laws.

I support SB 401 and respectfully urge the Committee members to pass SB 401 unamended out of your Committee.

Mahalo,

Caroline Kunitake