



STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

March 28, 2023

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

The Honorable Mike Gabbard, Vice Chair
Senate Committee on Judiciary

Members of the Senate Committee on Judiciary

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

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SUBJECT: **Testimony on H.B. No. 92, Relating to Violations of Campaign Finance Law**

Thursday, March 30, 2023
9:32 a.m., Conference Room 016 & 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 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, including candidates. 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.

¹ The companion bill is S. B. No. 197. This bill crossed over to the House on March 7, 2023.

The bill allows the Commission to assess fines against the officers of noncandidate committees. Presently, subsection (c) authorizes the Commission to order 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).

HB-92

Submitted on: 3/25/2023 9:05:05 AM

Testimony for JDC on 3/30/2023 9:32:00 AM

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

Comments:

Dear Mr. Chairman and members of the Senate Judiciary Committee,

As Chair of the Commission to Improve Standards of Conduct, I support HB 92 to increase fines for campaign spending violations assessed against noncandidate committees. See Commission's December 1, 2022 Final Report at page 34.

Although we cannot limit the amount of funds expended by Super PACS because of the United Supreme Court decision in Citizens United, we can take steps to make Super PACS strictly comply with our campaign spending laws or face stiff penalties for noncompliance.

Mahalo, Judge Daniel Foley (ret.)

HB-92

Submitted on: 3/26/2023 12:30:15 PM

Testimony for JDC on 3/30/2023 9:32:00 AM

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

Comments:

I support this bill. It will enhance penalties for campaign spending law violations. It is one of the excellent proposals which had its inception in the Commission to Improve Standards of Conduct.

Please move this bill forward to help restore the public's trust in government.

HB-92

Submitted on: 3/29/2023 1:38:50 PM

Testimony for JDC on 3/30/2023 9:32:00 AM

Submitted By	Organization	Testifier Position	Testify
Margaret Murchie	Individual	Support	Written Testimony Only

Comments:

Please support this bill as we really need to stop the offensive attacks like the one on Sylvia Luke