



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2024**

ON THE FOLLOWING MEASURE:

H.B. NO. 2184, RELATING TO CAMPAIGN FINANCE.

BEFORE THE:

HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS

DATE: Thursday, February 22, 2024 **TIME:** 2:00 p.m.

LOCATION: State Capitol, Room 325 and Videoconference

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Candace J. Park, Deputy Attorney General

Chair Tarnas and Members of the Committee:

The Department of the Attorney General provides the following comments.

This bill proposes to add a new section to part XIII of chapter 11, Hawaii Revised Statutes (HRS): (1) to prohibit certain persons convicted or found in violation of county, state, or federal laws regarding campaign finance, ethics, or lobbying activities, from participating in certain campaign activities; and (2) to require that funds received from a person convicted or found in violation of campaign finance, ethics, or lobbying laws escheat to the Campaign Spending Commission.

The proposed subsection (a) on page 2, lines 1-5, indicates in part “No person who has been convicted of a criminal offense under section 11-412, a violation of chapter 84 or 97, or a federal or county offense regarding the regulation of campaign finance, ethics, or lobbying activities shall” Chapter 84, HRS, the ethics code, and chapter 97, HRS, the lobbying law, are civil statutes and do not contain criminal offenses. An argument can be made that a person found in violation of chapter 84 or 97 would not be considered a person convicted of a violation. To avoid any ambiguity, we recommend replacing page 2, lines 1-5, with: “No person who has been convicted of a criminal offense under section 11-412, [a] or found in violation of chapter 84 or 97, or convicted or found in violation of a federal or county offense regarding the regulation of campaign finance, ethics, or lobbying activities shall”

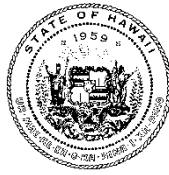
The proposed subsection (c) on page 2, lines 17-20, states, "All funds remaining in a depository institution on the date that a person is convicted of an offense described in subsection (a) shall escheat to the campaign spending commission." This provision may be unenforceable because it neither adequately describes "the funds" that would be subject to escheat, nor does it describe the relation between "the funds" and the person convicted of the stated offense.

The proposed subsection (d) on page 3, lines 1-2, "The commission may assess a fine against any person that violates subsection (a)," is unnecessary because section 11-410, HRS, allows for the assessment of administrative fines for violation of any provision in part XIII of chapter 11, HRS.

The proposed subsection (e) on page 3, lines 3-4, "The commission may adopt rules pursuant to chapter 91 to carry out the requirements of subsections (b) and (c)," is unnecessary because section 11-314(8), HRS, authorizes the Campaign Spending Commission to adopt rules for part XIII of chapter 11, HRS.

If the Committee decides to pass this bill, the Department respectfully requests the Committee to amend the bill as recommended.

Thank you for the opportunity to provide these comments.



STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

February 21, 2024

TO: The Honorable David A. Tarnas, Chair
House Committee on Judiciary & Hawaiian Affairs

The Honorable Gregg Takayama, Vice Chair
House Committee on Judiciary & Hawaiian Affairs

Members of the House Committee on Judiciary & Hawaiian Affairs

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

SUBJECT: **Testimony on H.B. No. 2184, Relating to Campaign Finance.**

Thursday, February 22, 2024
2:00 p.m., Conference Room 325 & Videoconference

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

This bill adds a new section to Chapter 11, Part XIII, of the Hawaii Revised Statutes (“HRS”), to prohibit contributions from a person convicted of campaign finance, ethics, or lobbying offenses. The bill also provides for the escheat of prohibited contributions as well as the escheat of funds of a person convicted of a campaign finance, ethics, or lobbying offense.

Although campaign finance violations, via HRS §11-412, may result in criminal prosecution and conviction, it appears that violations of Chapter 84 (Ethics) and Chapter 97 (Lobbying) are civil in nature and will not result in a conviction. Further, proposed subsection (c) is vague as the particular fund or account to be escheated is not specified. Also, there appears to be no nexus between a criminal conviction for a campaign finance, ethics, or lobbying offense and the funds in the depository institution to justify an escheat of all of the moneys in the account. If the depository institution is a campaign account, it may be better to allow the return of contributions to contributors before the escheat of funds. Finally, proposed subsections (d) and (e) are unnecessary since HRS §§11-314(8) and 11-410, respectively, already authorizes the Commission to adopt rules and to assess fines for violations.

HB-2184

Submitted on: 2/20/2024 12:22:32 PM

Testimony for JHA on 2/22/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Corey Rosenlee	Individual	Support	Written Testimony Only

Comments:

****Testimony in Support of Hawaii House Bill 2184****

To Members of the House of Representatives Judiciary and Hawaiian Affairs Committee,

I am writing to express my enthusiastic support for House Bill 2184, which aims to fortify the integrity of campaign finance in Hawaii. In a climate where public trust is paramount, it is imperative that measures are in place to uphold transparency and accountability in our electoral processes.

This bill addresses a critical loophole in current state law, which permits individuals convicted of certain public corruption offenses to retain control over their campaign spending accounts and continue making political contributions. By prohibiting contributions from individuals convicted of campaign finance, lobbying, or ethical offenses, and redirecting any unlawfully acquired contributions to the campaign spending commission, this legislation takes a significant step towards ensuring that our campaign finance system remains free from undue influence and corruption.

The provisions outlined in House Bill 2184 serve to safeguard the integrity of our democratic institutions and foster greater public confidence in the electoral process. By holding accountable those who seek to undermine the principles of fairness and transparency, we affirm our commitment to upholding the highest standards of ethical conduct in governance.

I urge you to swiftly pass House Bill 2184 and demonstrate our state's unwavering dedication to the principles of honesty, integrity, and accountability in campaign finance.

Thank you for your attention to this vital matter.

Sincerely,

Corey Rosenlee

HB-2184

Submitted on: 2/21/2024 12:42:56 AM

Testimony for JHA on 2/22/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Greg Misakian	Individual	Support	Written Testimony Only

Comments:

I support HB2184.

Gregory Misakian

Kokua Council, 2nd Vice President

Waikiki Neighborhood Board, Sub-District 2 Vice Chair

HB-2184

Submitted on: 2/21/2024 10:30:18 AM

Testimony for JHA on 2/22/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lu Ann Mahiki Lankford-Faborito	Individual	Support	Written Testimony Only

Comments:

absolute support