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Hawaii News

New campaign spending rule brings 'better transparency'

By [Gordon Y.K. Pang](#)

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Political candidates reporting their expenses online must now place each expenditure into one of eight categories under new rules from the state Campaign Spending Commission.

The requirement is aimed at making it easier to track how election dollars are spent.

Using a drop-down menu, candidate committees must assign each expenditure to one of the following categories: directly related to candidate's campaign; charitable donations; public school or public library donations; full-time student scholarship awards; fundraiser tickets (maximum of two); political party contributions; ordinary and necessary expenses as an officeholder; and mixed benefit expenses.

The commission's website further details what's allowed and not allowed under the eight categories. Food and beverage expenses tied to constituent meetings are OK under "ordinary and necessary expenses" for an officeholder, for instance, but food and beverages strictly for staff are not, the guidelines state.

Candidates are required to follow the new steps when reporting any expenses that occurred July 1 or later, said Kristin Izumi-Nitao, commission executive director.

"It's proper reporting and it's better transparency, and for us, obviously, it's better compliance and better enforcement," Izumi-Nitao said. "This is a better way to capture their spending."

In the old system, candidates had the option of choosing from 24 different types of

expenditures. Some of the categories were often too broad, highly subjective, and could be interpreted in different ways by different candidate committees, Izumi-Nitao said.

Committees can still use the 24 subcategories to provide more detail about expenditures but must get past the drop-down menu of eight first, she said.

"There was a necessity to define which of the eight categories they are using their money for," she said.

The change in reporting procedure was announced weeks after the state Ethics Commission voted to issue guidelines on how annual legislative allowances can be spent.

The commission approved the guidelines despite the objections of Senate President Donna Mercado Kim and House Speaker Joe Souki.

The legislative leaders said that policing the allowances is the responsibility of the Legislature.

But Les Kondo, Ethics Commission executive director, said any money not considered salary is public money and therefore part of the commission's kuleana.

While the two commissions oversee different areas, the Campaign Spending Commission followed the lead of the Ethics Commission and looked into how it could best shore up its own policies to improve compliance, Izumi-Nitao said.

The Campaign Spending Commission also looked into whether the 76 officeholders in the Legislature received "double reimbursement," getting compensated from both their legislative and campaign financing accounts, she said.

The commission found two instances during the 2012-2013 period, but both appeared to be inadvertent reporting errors, Izumi-Nitao said. Both lawmakers were cooperative and are paying back their campaign accounts with personal funds, she said.