

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
ANNUAL REPORT ON GOALS, OBJECTIVES AND POLICIES

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Program ID/Title: AGS-871/Campaign Spending Commission

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I. Goals

- A. Goal - To improve campaign finance laws and rules to increase transparency, compliance, and ensure the integrity of the campaign finance process.
- B. Goal - To provide training, education, and access to committees for purposes of compliance with, and increasing awareness of, campaign finance laws and rules.
- C. Goal – To increase education, awareness, and access for the public.
- D. Goal – To explore, examine, and implement technological advances and capacities to improve access, reduce paperwork, and increase compliance.
- E. Goal – To obtain compliance with campaign finance laws and rules through enforcement actions.
- F. Goal – To ensure organizational and institutional sustainability.

II. Objectives and Policies

- A. Goal - To improve campaign finance laws and rules to increase transparency, compliance, and ensure the integrity of the campaign finance process.
 - Review existing laws as well as propose and submit legislation as needed.
 - Review existing rules and procedures as well as propose administrative rules as needed.
- B. Goal - To provide training, education, and access to committees for purposes of compliance with, and increasing awareness of, campaign finance laws and rules.
 - Offer and provide training on campaign finance laws and rules.
 - Provide educational and informational materials on how to comply with campaign finance laws and rules.
 - Evaluate the effectiveness of and explore (and implement as needed) new methods of training, education, and communication of information.

- Direct the committees to the Commission's website and continue to improve web-based information as well as other social media applications.
 - Encourage the committees to contact the Commission and/or visit the Commission's office to assist in compliance with campaign finance laws and rules.
 - Issue advisory opinions as requested.
- C. Goal – To increase education, awareness, and access for the public.
- Inform and educate the public about campaign finance laws and rules.
 - Explore and implement improvements to the Commission's online presence and other media applications to provide the public with campaign finance committee data and information.
- D. Goal – To explore, examine, and implement technological advances and capacities to improve access, reduce paperwork, and increase compliance.
- Increase the Commission's capability to process and analyze reported data.
 - Maintain awareness of newer technology, including electronic filing systems and hardware/software or applications, for consideration of integration and/or implementation.
 - Maintain awareness of the implications of technological changes on all aspects of campaign finance.
- E. Goal – To obtain compliance with campaign finance laws and rules through enforcement actions.
- Develop escalating penalties for repeat and gross violations, and disseminate information about the penalties.
 - Seek enforcement of the campaign finance laws and rules against violators.
- F. Goal – To ensure organizational and institutional sustainability.
- Monitor funding and develop proposals to stabilize funding as needed.
 - Provide Commissioner and staff development.
 - Develop and implement plans for continuity of operations.

- Monitor compliance with the strategic plan and annually report to the Commission, committees, and the public.

III. Action Plan with Timetable

A. Goal - To improve campaign finance laws and rules to increase transparency, compliance, and ensure the integrity of the campaign finance process.

- **Past Year Accomplishments**

Review existing laws as well as propose and submit legislation as needed. For the 2022 Legislative Session, the Commission submitted five (5) bills to the President of the Senate and the Speaker of the House for introduction of which two (2) were signed into law (see “*” bills). Further, three (3) bills submitted by other parties were also signed into law this session. They are as follows:

*Act 3 (H.B. 1427, HD 1), Relating to Reports Filed with the Campaign Spending Commission. Amends Hawaii Revised Statutes (“HRS”) §11-334 to provide that candidates who are either unsuccessful or are elected to office in the primary election, do not need to file preliminary general reports. Amends subsections (b) and (c) of HRS §11-339 to make them consistent with subsection (a) by aggregating contributions and expenditures in determining whether a committee need only file the final election period report. Effective on 4/7/22.

*Act 171 (S.B. 2043, HD1), Relating to Candidate Committee and Noncandidate Committee Organizational Report. Repeals references in HRS §11-322(b) and §11-323(b) concerning a paragraph in subsection (a) that was previously repealed concerning committees’ organizational reports. Effective on 6/27/22.

Act 181 (S.B. 665, SD 1, HD 2, CD 1), Relating to Violations of Campaign Finance Law. Amends HRS §11-411 to authorize criminal referrals for prosecution for campaign finance law violations in addition to administrative penalties. Amends HRS §11-412 by making it a class C felony for intentionally providing false information concerning the name or address of a person paying for a campaign advertisement, increasing the period during which a person convicted for a criminal violation of campaign finance law is disqualified from holding elective office from 4 to 10 years, and authorizing the Attorney General or Prosecuting Attorney to commence prosecution of campaign finance law violations without the need for a referral from the Commission. Effective on 6/27/22.

Act 169 (H.B. 2416, HD 2, SD 1, CD 1), Relating to Campaign Spending. Enhances existing campaign finance laws to address dark money. Specifies consent procedures for when 501(c)(4) nonprofit organizations operating as noncandidate committees can use donations for electioneering communications, independent expenditures, or contributions, and requires

these organizations to provide certain written notice to donors. Requires 501(c)(4) nonprofit organizations operating as noncandidate committees to disclose the name and address of donors who make a donation individually or in an aggregate of more than \$10,000, with certain exceptions. Adds definitions. Amends HRS §11-341 by changing the definition of “disclosure date” to when an electioneering communication is publicly distributed and the date on which subsequent electioneering communications is publicly distributed, provided the person making the expenditure has made expenditures for electioneering communications of more than \$2,000 in the aggregate. For mailers, the disclosure date means the date the mailers are first mailed. Effective 1/1/2023.

Act 283 (S.B. 555, SD 1, HD 1), Relating to Campaign Fundraising. Amends HRS §11-342 to prohibit elected state and county officials from holding any fundraiser or fundraiser event to raise contributions for which any price is charged or any contribution is suggested for attendance during a regular session or special session of the state legislature. Effective 1/1/2023.

The three (3) Commission bills that were not passed which the Commission will consider for reintroduction in the next legislative session are as follows:

S.B. 2044 & H.B. 1423, Relating to Violations of Campaign Finance Law. This bill has been introduced every session since 2013. It amends HRS §11-410 by increasing the amount of fine from \$1,000 to \$5,000 that may be assessed against a noncandidate committee making only independent expenditures (Super PAC) that has received at least one contribution of more than \$10,000, or spent more than \$10,000 in an election period, for campaign finance violations. Allows the Commission to order the fine be up to three times the amount of the unlawful contribution or expenditure, and to order that the payment of the fine assessed against a noncandidate committee, or any portion thereof, be paid from the personal funds of an officer of the noncandidate committee.

S.B. 2041 & H.B. 1426, Relating to Orders of the Campaign Spending Commission. This bill has been introduced the last three sessions, but did not pass. These amendments were suggested by the deputies in the Civil Recoveries Division of the Department of the Attorney General who are helping the Commission by enforcing its orders in the First Circuit Court. This measure amends HRS §11-410 by: (1) amending subsection (b) to provide that a person waives the right to a contested case hearing if the person fails to request a contested case hearing within twenty days of receipt of the Commission’s preliminary determination; and (2) amending subsection (d) to provide that a final order of the Commission may be filed in the First Circuit Court for confirmation as a civil judgment, enforceable and collectible as any other judgment issued in the circuit courts.

S.B. 2042 & H.B. 1425, Relating to Electioneering Communications.

This bill sought to amend the current version of HRS §11-341 that was passed as Act 3 in the last session. Act 3 greatly diminished transparency in spending on political advertisements. This measure increases the threshold amount of aggregated expenditures for electioneering communications in a calendar year from more than \$1,000 to more than \$2,000 before statements of information would need to be filed. Amends the definition of “disclosure date” from 24 hours of the contract being executed to 24 hours of the electioneering communications being broadcast, published, or sent by mail as well as to include the date of any subsequent expenditures for electioneering communications during the calendar year. Repeals “actual expenditures” from the list of items that are not electioneering communications. Lastly, it limits the applicability of the definition of “person” in subsection (d) of HRS §11-341 to that HRS section only.

However, because Act 169, SLH 2022 (see above) covered the matters contained in S.B. 2042 and H.B. 1425, the Commission will not be reintroducing this bill.

There were ten (10) Senate bills and nine (9) House bills introduced by other parties which also did not get signed into law concerning additional reporting, political advertising, increasing fines and penalties including criminal prosecution, concerns over foreign influences, permitting use of campaign funds for child care, campaign finance training, and public funding.

Review existing rules and procedures as well as propose administrative rules as needed. There were no changes to the Commission’s administrative rules and procedures during this fiscal year.

- **One Year** – Draft and submit legislation seeking technical revisions to the campaign finance laws for purposes of clarity, consistency, and style as well as to seek substantive changes as needed.
- **Two Year/Five Year** – Continue to update the law and monitor whether changes to the Commission’s rules and procedures are needed.

B. Goal - To provide training, education, and access to committees for purposes of compliance with, and increasing awareness of, campaign finance laws and rules.

○ **Past Year Accomplishments**

Offer and provide training on campaign finance laws and rules. In anticipation of the 2022 election and in an attempt to restore training to pre-COVID-19 in-person presentations, campaign finance trainings to candidates and committees were offered in May and June 2022 on all islands. Because Commission staff were appearing in-person on the neighbor islands, remote training was not offered;

however, people were informed that remote training would be offered for the trainings that occurred on Oahu. In May 2022, on Hilo, four (4) people attended the candidate committee training; on Maui, five (5) people attended the candidate committee training; and, unfortunately, on Kauai, the training was canceled due to insufficient in-person interest. In June 2022, on Oahu, eight (8) people attended the candidate committee training in-person and twenty-six (26) people attended remotely by zoom, and one (1) person attended the noncandidate committee training in-person and thirty-six (36) attended remotely by zoom. Cyber-learning training is also available on the Commission's website for 24-hour remote access.

Provide educational and informational materials on how to comply with campaign finance laws and rules. In preparation for the 2022 election, the Commission reviewed and revised its training modules which are all available on the Commission's website (i.e., guidebooks, manuals, cyber-learning videos, and PowerPoint presentations).

Evaluate the effectiveness and explore (and implement as needed) new methods of training, education, and communication of information. Current efforts to communicate with committees have been successful – especially, our website, e-blasts, and tweets. We have noticed that oftentimes our tweets get retweeted. The Commission will continue to identify other mechanisms to communicate with multi-generational audiences and employ such tools as needed or if appropriate.

The Commission continues to work with the Office of Elections and county clerks in providing informational packets to give to candidates who file their nomination papers. When candidates file their nomination papers, Office of Elections has included on their Candidate Profile worksheet a section that the candidate initials acknowledging that he/she understands that they need to register with the Commission and file reports. This has been very beneficial. Prior to each election, the Commission meets with Office of Elections and county clerks to address any new concerns/issues as well as to ensure that the process of certifying candidates' compliance with campaign finance laws is operating properly so that the winning candidates are able to be sworn into office.

Direct the committees to the Commission's website and continue to improve web-based information as well as other social media applications. For purposes of transparency, much of the Commission's operations, business, and finances are posted on the Commission's website including Commissioners' biographies, meeting agendas and minutes, newsletters, advisory opinions, Hawaii Election Campaign Fund ("HECF") trust fund information, annual reports, campaign finance statistics, and the Strategic Plan. We continue to evaluate our website and update it to include new links for First Time Candidates, commonly asked FAQs (election and non-election year), a payment link to pay fines, and election summaries. Information of current interest is constantly identified and posted on the Commission's website including statute and rule changes, legislation, reporting deadlines, enforcement issues, and new informational and technological tools. There are also links for viewing reports, filing reports, seeking guidance including cyber-learning presentations, forms, guidebooks, and qualifying for

public funding. Based on the results of our annual online survey, we understand that our website continues to be our strongest resource in providing stakeholders and interested parties with campaign finance information. As such, we continue to fine-tune our website with a focus on building more efficient and user-friendly navigation tools which includes a searchable database of all the campaign finance data filed by committees. We have also included a section on our home page for our latest tweets and highlighted the candidate and noncandidate committee data visualization apps. These updates are done at zero cost to the Commission. During this period, we had 178,647 “hits” to our website.

The Commission regularly uses e-blasts as well as Facebook and Twitter posts to inform and educate committees and the public on campaign finance topics. We have found the e-blasts to be especially effective in sending out time sensitive information such as reporting deadline reminders and changes in the law. It also permits us to notify interested parties about registering for training classes, publication of new educational tools, and other campaign finance information. Efforts to not overuse the email system and reserve it for distribution of important announcements is always a consideration. During this period, the CSC email system was employed 235 times and we have 1,233 total subscribers. Notably, subscribers are separated into three groups – candidates (553 subscribers), noncandidate committees (283 subscribers), and the public (397 subscribers), thereby permitting us to target relevant audiences with the e-blast.

Since July 2011, we have been employing social media tools such as Facebook and Twitter to leverage our capabilities to increase, enhance, and supplement our communication efforts to inform the public of important and time sensitive campaign finance information. During this fiscal year, we issued 621 tweets with a total tally of over 203,220 impressions or times a tweet has been seen.

Furthermore, the Commission has an ongoing partnership with the State of Hawaii’s Office of Enterprise Technology Services (“ETS”) to improve the Commission’s two statutorily required electronic filing systems for candidate committees and noncandidate committees which provides us with the campaign spending data that we use to provide transparency in elections to the public.

The candidate committee dashboard app was launched at the end of fiscal year 2018 which consolidated campaign spending data filed by candidates and provided for better comparative analyses of the data by office, party, and reporting period, continues to be very helpful and was viewed 25,306 times during this period. Its success helped the Commission to seek funding to build the noncandidate committee dashboard counterpart which we launched on March 18, 2020, and was viewed 974 times during this period. This dashboard app is a powerful addition to the candidate dashboard app which consolidates campaign spending data filed by noncandidate committees including Super PACs and provides for better analyses of the data. This particular app replaced the Commission's Noncandidate Committee Data Visualization app which was in use since 2014, and will permit the public to see in a more visually engaging and interactive way how noncandidate committees are stacking up against one another

in the area of contributions received, contributions made to candidates, expenditures and independent expenditures made.

Encourage the committees to contact the Commission and/or visit the Commission's office to assist in compliance with campaign finance laws and rules. This position has always been emphasized. The Commission handles numerous phone calls, walk-ins, and inquiries daily. A computer is located in our office for committees to file their reports and to seek our assistance. As government services were being restored as a result of COVID-19 restrictions being lifted, staff members remained vigilant as omicron and the other variants surged, and kept hybrid work schedules which consisted of teleworking and in the office. Committees were encouraged to make appointments to visit the office and were assisted over the phone and via email. Having successfully completed an election year in 2020 with a government shut-down due to COVID-19, Commission staff were equipped to work continuously including remotely to service the 700+ committees.

Issue advisory opinions as requested. There were no advisory opinions requested during this period.

- **One Year** - Continue to drive the public to our website and utilize social media applications as well as employ our email system to inform and educate. Revise and update guidebooks, manuals, and cyber learning videos. Issue advisory opinions as requested.
- **Two Year/Five Year** – Plan, organize, and host trainings in election years. Continue to identify mechanisms to increase education, awareness and access to the committees.

C. Goal – To increase education, awareness, and access for the public.

- **Past Year Accomplishments**

Inform and educate the public about campaign finance laws and rules. The Commission disseminates to the public information concerning campaign finance by posting anything new/interesting on our website under “What’s New,” publishing biannual newsletters, and e-blasting, tweeting, and posting on Facebook. New laws, legislation, guidance, updates to the guidebooks and manuals, updates to the electronic filing systems, and new forms are examples of what the Commission e-blasts, tweets, and posts.

Explore and implement improvements to the Commission's online presence and other media applications to provide the public with campaign finance committee data and information. The Commission continues to promote its searchable database, data visualization applications, candidate committee dashboard, and noncandidate committee dashboard which are available to anyone on the Commission's website. The candidate committee and noncandidate committee data visualization applications permit viewers to see

the data reported by over 700 committees in a more visually attractive, user-friendly, and dynamic way for a particular election period. These applications were conceived to provide greater transparency and accountability in political campaigns to enable the public to follow the money of candidate committees' and noncandidate committees' participation in Hawaii elections. The candidate and noncandidate committee dashboards further help the public (and committees) to see contributions and expenditures from candidates and/or noncandidate committees (including Super PACs) in a comparative format. For candidates, the format is arranged by office, party, and reporting period. For noncandidate committees, the format is arranged by noncandidate committee type (standard, ballot issue, independent expenditure, political party) and the area, scope, or jurisdiction of a noncandidate committee.

Further, at the close of each election, election data is compiled, sorted, analyzed, and summarized in charts, top 10 lists, and cost per vote. These election summaries are all available and posted on the Commission's website under a designated link.

- **One Year** - Continue to work and meet with ETS to identify areas and ways to further this goal including developing visualizations and graphics to our data and examining other applications to increase, supplement, and enhance communication with candidates, committees, and the public. Evaluate current systems, hardware, and software to determine whether upgrades are needed. Update all systems to conform with new laws.
- **Two Year/Five Year** - As ETS is able to complete our work orders with respect to our electronic filing systems, we will continue to collaboratively identify analyses capability of contributions and expenditures data. In recognition that technology plays a critical role in communicating, it is important to remain abreast of newer applications and social media which will enable us to more effectively improve access, increase compliance, and meaningfully engage stakeholders and interested parties.

D. Goal – To explore, examine, and implement technological advances and capacities to improve access, reduce paperwork, and increase compliance.

- **Past Year Accomplishments**

Increase the Commission's capability to process and analyze reported data. During this period, the Commission continued its work with ETS on a rewrite of the Commission's electronic filing systems using a new code generator software called ScriptCase which is a replacement to CodeCharge currently being used by ETS. This new software allows ETS to rewrite the filing systems in the most current version of the PHP language and enhance some of the system's features such as creating a single data entry point for entering transactions into our schedules, auto filling names when data is entered, and allowing Commission staff to add reporting deadlines to reporting schedules based on a candidate or noncandidate committee's reporting track.

During this fiscal year, the Commission completed the rewrite of the candidate filing system in time for the 2022 election and continued work on the rewrite of the noncandidate committee system to be completed in the next fiscal year.

The Commission continues to rely on its searchable database to run queries on various campaign finance issues. Providing a searchable database to the public is a statutory mandate so to comply with this, the Commission has posted its candidate and noncandidate committee datasets on the State's open data platform provided by Socrata since 2012. Furthermore, as a result of the State phasing out the Socrata contract in August 2020 and switching to OpenGov which is the new provider of the State's open data platform, the Commission also added its candidate and noncandidate committee datasets (searchable database) to this new site which it did with the launch of the OpenGov site on May 13, 2020.

The Commission continues to work with Socrata under its own contract to host its datasets on the Commission's designated open data site which provides data to its dashboards through the 2022 election, and has completed the redevelopment of these dashboards on the OpenGov platform during this fiscal year as a contingency for the future of our dashboards.

Maintain awareness of newer technology, including electronic filing systems and hardware/software or applications, for consideration of integration and/or implementation. The Commission works closely with ETS and as a result has benefitted from their expertise and assistance in scaling and maximizing our hardware/software applications.

The Commission continues its employment of eSign forms for committees to use as an additional and alternative way to submit forms. The tool was made available through ETS' commitment to employ new technology to improve government efficiency, services, and communication. The success of eSign is tremendous especially given the COVID-19 pandemic. During the reporting period, we have received and processed 1,373 eSign documents.

Effective January 2018, the Commission extended an alternative payment method for those committees fined to achieve a higher level of compliance and offer better convenience to the committees. Specifically, committees who were assessed an administrative fine were informed that they would have the option to pay their fine not only by check, money order, or cash, but with a credit card online via PayPal using their PayPal account or a guest account. The committees were informed that there would be no fee to use this alternative option and that the Commission opted to absorb the fee of 3.49% of the total payment plus \$0.49. The Commission however noted that if at any point in time the Commission was unable to afford these fees or the fees were approaching the state procurement threshold, it would notify the committees that it would have to stop accepting online payments. During this fiscal year, the Commission received 88 payments via PayPal totaling \$33,486, which included payments for administrative fines and escheats.

The annual COGEL conference is another source from which we learn about other campaign finance systems and technology. During this period, however, there were no plans nor funding to alter our electronic filing systems.

Maintain awareness of the implications of technological changes on all aspects of campaign finance. The annual COGEL conference has been a great venue for the Commission to learn about technological changes or advances employed by other campaign finance offices. During this fiscal year, there were no technological changes that the Commission deemed viable for employment in Hawaii; however, we remain receptive to all new ideas.

- **One Year** – Update guidebooks, manuals, and cyber learning videos. Continue to work closely with the Office of Elections concerning certification of elected officials. Renew our instructor certification with Board of Accountancy.
- **Two Year/Five Year** – Explore other avenues for training and disseminating information.

E. Goal – To obtain compliance with campaign finance laws and rules through enforcement actions.

○ **Past Year Accomplishments**

Develop escalating penalties for repeat and gross violations, and disseminate information about the penalties. The Commission continues to find that there are some candidate and noncandidate committees who do not file their reports. As such, the Commission has been invoking administrative fines pursuant to HRS §11-410(a) as a means to take a stronger punitive stance to those committees who completely fail to file reports by the statutory deadline or violate campaign finance laws. The Commission further finds that there are some candidate and noncandidate committees who do not comply with Commission orders when a campaign finance violation has been determined. To this extent, the Attorney General's Office – Civil Recoveries Division has been assisting the Commission to obtain judicial enforcement of Commission orders. No referrals were made during this fiscal year.

As for complaints in this fiscal year, which was a non-election year, there were 17 which resulted in a total of \$7,450 in assessed administrative fines.

- 5 complaints yielded a preliminary determination of a campaign finance violation resulting in \$7,450 in assessed administrative fines (late or unfiled report violations);
- 1 complaint was referred for criminal prosecution (and is pending) (false name contributions);
- 2 complaints were deferred and later dismissed due to eligibility and approval of a conciliation agreement (late report violations);

- o 2 complaints were withdrawn or dismissed due to compliance in paying the administrative fine (late report violations);
- o 4 complaints were withdrawn or dismissed due to respondents confirming that they were \$1,000 or less committees (unfiled report violations);
- o 1 complaint was dismissed due to insufficient evidence or no violation (unfiled report violations); and
- o 2 complaints are pending investigation and will be addressed next fiscal year (coordination violations).

Pursuant to Hawaii Administrative Rules (“HAR”) §3-160-73(d), this annual report is the means in which the Commission reports the amount of fines paid by persons thereby furthering the dissemination of information concerning the penalties. This rule also requires that the Commission adopt a Schedule of Fines for violations which is posted on the Commission’s website and is referred to in all fine letters to the committees.

Seek enforcement of the campaign finance laws and rules against violators.

During this fiscal year, a total of \$24,393.12 was assessed in administrative fines via fine letters and \$33,085.12 was escheated to the HECF due to campaign finance violations. There were 21 conciliation agreements resulting in reduced fines totaling \$5,205.64. All of the conciliation agreements concerned the late filing of reports. One (1) agreement resulted in a complaint due to respondents failing to comply with the terms of the conciliation agreement.

Most of the campaign finance violations were a result of late or unfiled reports. Specifically, there were 87 late or unfiled reports of which 65 did not involve a conciliation agreement or complaint for a total of \$33,437.79 in assessed administrative fines. There were a total of 32 candidate committees who failed to timely file 32 reports and 49 noncandidate committees who failed to timely file 55 reports.

Other campaign finance violations that occurred during this period include:

- o 11 failure to file the Electronic Filing Form and/or amend the Organizational Report resulting in \$1,525 in fines;
- o 10 late or unfiled fundraiser notices resulting in \$650 in fines;
- o 2 insufficient advertisement disclaimers resulting in \$100 in fines;
- o 1 excess contribution resulting in \$350 in fines; and
- o 1 prohibited expenditures resulting in \$802.64 in fines.

With respect to campaign finance violations involving escheats during this period, they include:

- o 1 false name contribution resulting in a \$3,000 escheat; and
- o 8 excess contributions to candidate committees resulting in \$30,085.12 in escheats.

Of notable interest is that \$142,650 was voluntarily escheated to the HECF from various candidate committees as a result of candidate committees not wanting to

keep past/current contributions from recently indicted contributors Milton Choy, Martin Kao, and Dennis Mitsunaga.

- **One Year** – Continue to pursue enforcement actions to encourage compliance as well as offer conciliation agreements (where appropriate) to expedite campaign finance violators.
- **Two Year/Five Year** – Identifying other strategies to increase and encourage compliance.

F. Goal – To ensure organizational and institutional sustainability.

- **Past Year Accomplishments**

Monitor funding and develop proposals to stabilize funding as needed. The Commission's beginning balance at the close of fiscal year 2021 was \$1,393,364.26. In fiscal year 2022, a total of \$293,974.69 in revenue was realized (i.e., \$102,099 in tax check-offs; \$186,435.34 in escheats of excess, false name, surplus, and anonymous contributions; and \$5,440.35 in other revenue) and a total of \$217.12 in expenditures was incurred (i.e., PayPal fees for escheat payments), thereby closing fiscal year 2022 with a balance of \$1,687,121.83 which is a \$293,757.57 increase from the last fiscal year.

Notably, this was the fifth fiscal year that the Commission's operating expenses including salaries and administrative expenses were general funded. It is expected that this will permit HECF trust funds to replenish and provide a healthier base to pay for public funding for qualified candidates in the upcoming elections. That said, it was a challenging year for the Commission when the Governor restricted spending for all departments and agencies. However, the Commission was able to successfully seek an exemption from the budgetary restrictions thereby permitting it to use most of the funds allocated for this fiscal year. Moving forward, budgets are likely to be severely restricted and reduced as a result of the impact COVID-19 continues to have on the State of Hawaii.

Provide Commissioner and staff development. Commissioners are regularly updated on any new or developing issues and provided information from annual COGEL conferences. This year's COGEL conference in December 2021 was supposed to be held in Denver, Colorado. Due to COVID-19, for the second year in a row, the conference was conducted remotely thereby permitting the Commissioners and staff the opportunity to attend.

Develop and implement plans for continuity of operations. The Commission is composed of five volunteers representing the general public who are appointed by the governor from a list of at least ten nominees submitted by the judicial council as well as five staff members. This fiscal year there were no changes to the composition of the Commission nor changes to Commission staff. The transition from trust fund to general funds operations continue to go smoothly.

Monitor compliance with the strategic plan and annually report to the Commission, committees, and the public. Records are organized and kept to satisfy this requirement internally. The annual report is typically prepared and presented in a public Sunshine meeting in the fall to the Commissioners for their consideration and approval. Once approved, the annual report is posted on the Commission's website.

- **One Year** – Monitor trust fund monies. Continue to add processes and procedures to each position binder to provide smoother transitions in the future.
- **Two Year/Five Year** – Monitor Commission operations to assess whether there are sufficient general funds to cover operating costs as well as trust funds to cover public funding. Implement, oversee, and annually report on the Commission's strategic plan.

IV. Performance Measures

- A. Customer Satisfaction measure – For the past 10 years, in September/October, the Commission invites candidates, committees, email subscribers, and the public to participate in an online survey to help the Commission evaluate and improve the effectiveness of operations and communications. The survey is divided into the following areas: (1) general background information of the survey taker; (2) communication with or access to the Commission; (3) education and training provided by the Commission; (4) compliance and enforcement; (5) public funding; (6) questions related to the HECF, Super PACs and independent expenditures; and (7) COVID-19 closure issues, as well as a general comment question. The results of the survey are assembled and shared with the Commission at a public meeting. Once presented, the survey is then posted on the Commission's website.
- B. Program Standard measure – The number of serious campaign spending law violations should decline as compliance increases as a result of the Commission's widely-publicized investigations, as training sessions increase, as enforcement remains proactive and stable, as public use of the Commission's website increases including employment of more user friendly tools such as graphics of the data contained in our electronic filing systems.
- C. Cost Effectiveness measure – We believe we can be cost effective if we can continue to carry out our duties and responsibilities without increasing costs significantly. We continually look for new and innovative ways to work more efficiently and implement changes accordingly.