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# A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. In 2005, in an effort to promote transparency  
2 in the political campaign contribution process, the legislature  
3 enacted Act 203, Session Laws of Hawaii 2005, which established  
4 sweeping reforms to the State's campaign spending laws. The  
5 legislature finds that there is a need to clarify the intent of  
6 some of the amendments made under Act 203 to enhance its  
7 effectiveness. Specifically, Act 203 restricted the ability of  
8 a corporation or company to use funds from its own treasury to  
9 fund the corporation or company's noncandidate committee. This  
10 Act clarifies that a corporation or company is not limited with  
11 regard to contributions or expenditures made to the corporation  
12 or company's noncandidate committee. This Act also  
13 reestablishes an expenditure ceiling for prosecuting attorney  
14 candidates who participate in the publicly funded campaign  
15 program.

16           The purpose of this Act is to clarify the amendments made  
17 to the State's campaign spending laws under Act 203, Session  
18 Laws of Hawaii 2005. To fully achieve this objective and



1 minimize, if not avoid any confusion Act 203's amendments may  
2 have generated, Section 2 of this Act is given retroactive  
3 effect to Act 203's retroactive date of January 1, 2006.

4 SECTION 2. Chapter 11, Hawaii Revised Statutes, is amended  
5 by adding a new section to be appropriately designated and to  
6 read as follows:

7 "§11- Contributions and expenditures by persons other  
8 than individuals. Persons other than individuals, including  
9 corporations, partnerships, associations, or organizations,  
10 shall make all contributions to and expenditures for:

11 (1) Candidates;

12 (2) Candidate committees;

13 (3) Noncandidate committees other than its own; and

14 (4) Parties,

15 through a noncandidate committee only. Each person, other than  
16 an individual, including a corporation, partnership,  
17 association, or organization, may transfer an unlimited amount  
18 of money from its own funds to its respective noncandidate  
19 committee in an election period, and each noncandidate committee  
20 shall be limited to making contributions and expenditures only  
21 in the same aggregate amounts specified in this part as  
22 individuals may contribute or expend. Each noncandidate



1 committee shall register as a committee as required under this  
2 part."

3 SECTION 3. Section 11-209, Hawaii Revised Statutes, is  
4 amended by amending subsection (a) to read as follows:

5 "(a) From January 1 of the year of any primary, special,  
6 or general election, the total expenditures for each election  
7 for candidates who voluntarily agree to limit their campaign  
8 expenditures, inclusive of all expenditures made or authorized  
9 by the candidate alone and all campaign treasurers and  
10 committees in the candidate's behalf, shall not exceed the  
11 following amounts expressed respectively multiplied by the  
12 number of voters in the last preceding general election  
13 registered to vote in each respective voting district:

- 14 (1) For the office of governor--\$2.50;
- 15 (2) For the office of lieutenant governor--\$1.40;
- 16 (3) For the office of mayor--\$2.00;
- 17 (4) For the offices of state senator, state  
18 representative, [~~and~~] county council member, and  
19 prosecuting attorney--\$1.40; and
- 20 (5) For the offices of the board of education and all  
21 other offices--20 cents."

1           SECTION 4. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3           SECTION 5. This Act shall take effect upon approval,  
4 provided that section 2 shall take effect retroactively to  
5 January 1, 2006.

**Report Title:**

Campaign Spending Law; Clarification

**Description:**

Clarifies that if a corporation or company uses funds from its own treasury to fund the corporation or company's own noncandidate committee, there is no limit on contributions or expenditures to the corporation or company's noncandidate committee. Each noncandidate committee may only make contributions in the same aggregate amount as an individual may contribute provided that the noncandidate committee register as a committee. Establishes an expenditure ceiling for prosecuting attorney candidates who participate in the publicly funded campaign program. (SD1)

