### A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

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

1	SECTION 1. Chapter 11, Hawaii Revised Statutes, is amended					
2	by adding a new section to part XII, subpart B, to be					
3	appropriately designated and to read as follows:					
4	"S11- Reporting deadline. When any reporting deadline					
5	falls on a Saturday, Sunday, or holiday designated in section 8-					
6	1, the reporting deadline shall be the next succeeding day that					
7	is not a Saturday, Sunday, or holiday."					
8	SECTION 2. Section 11-191, Hawaii Revised Statutes, is					
9	amended as follows:					
10	1. By amending the definition of "contribution" to read as					
11	follows:					
12	""Contribution" [means]:					
13	(1) Means:					
14	(A) A gift, subscription, deposit of money or anything					
15	of value, or cancellation of a debt or legal					
16	obligation and includes the purchase of tickets to					
17	fundraisers for the purpose of:					

```
1
          \left[\frac{A}{A}\right] (i) Influencing the nomination for election, or
 2
                     election, of any person to office;
          [<del>(B)</del>](ii) Influencing the outcome of any question or issue
 3
 4
                     that appears or is reasonably certain to appear
 5
                    on the ballot at the next applicable election
 6
                    described in [subparagraph (A); or] clause (i);
 7
                    or
 8
          [<del>(C)</del>](iii)
                         Use by any party or committee for the
 9
                    purposes set out in [subparagraph (A) or (B);]
10
                    clause (i) or (ii);
11
         [+(2)-] (B) The payment, by any person, political party, or
12
               any other entity other than a candidate or committee,
13
               of compensation for the personal services or services
14
               of another person that are rendered to the candidate
15
               or committee without charge or at an unreasonably low
16
               charge for the purposes set out in [paragraph (1)(A),
17
               (1) (B), or (1) (C); subparagraph (A) (i), (ii), or
18
               (iii); or
19
        [<del>(3)</del>] (C) A contract, promise, or agreement to make a
20
               contribution; provided that notwithstanding this
21
               [paragraph and paragraphs (1) and (2),] subparagraph
22
               and subparagraphs (A) and (B), the term
```

1	"contributions" shall not include services or portions			
2	thereof voluntarily provided without reasonable			
3	compensation by individuals to or in behalf of a			
4	candidate or committee[; or].			
5	$[\frac{4}{1}]$ Notwithstanding $[\frac{1}{2}, \frac{2}{3}, \frac{3}{3}]$			
6	subparagraphs (A), (B) and (C), a candidate's expenditure of the			
7	candidate's own funds or the making of a loan or advance in the			
8	pursuit of the candidate's campaign shall not be a contribution			
9	for the purpose of this subpart but shall nevertheless be			
10	reportable as a campaign receipt.			
11	(2) Does not include an individual or committee engaging in			
12	internet activities for the purpose of influencing an election			
13	if:			
14	(A) The individual or committee is uncompensated for the			
15	internet activities; or			
16	(B) The individual or committee uses equipment or services			
17	for uncompensated internet activities, regardless of			
18	who owns the equipment and services.			
19	For purposes of this exclusion, "internet activities"			
20	includes sending or forwarding electronic messages; providing a			
21	hyperlink or other direct access to another person's website;			
22	blogging; creating, maintaining, or hosting a website; paying a			
	HB1130 HD1 SD1 JDL.doc			

```
1
    nominal fee for the use of another person's website; and any
 2
    other form of communication distributed over the Internet.
 3
         For purposes of this paragraph, "equipment and services"
 4
    includes computers, software, internet domain names, internet
 5
    service providers, and any other technology that is used to
 6
    provide access to or use of the Internet.
7
         This paragraph does not apply to any payment for: an
8
    advertisement other than a nominal fee; the purchase or rental
9
    of an e-mail address list made at the direction of a committee;
10
    or an e-mail address list that is transferred to a committee."
11
         2. By amending the definition of "expenditure" to read as
    follows:
12
13
         ""Expenditure" [means]:
14
         (1)
              Means:
15
         (A)
              Any purchase or transfer of money or anything of
16
              value, or promise or agreement to purchase or transfer
17
              money or anything of value, or payment incurred or
18
              made, or the use or consumption of a nonmonetary
19
              contribution for the purpose of:
20
         [<del>(A)</del>](i) Influencing the nomination for election, or
21
                   election, of any person seeking nomination for
22
                   election, or election, to office whether or not
```

HB1130 HD1 SD1 JDL.doc

1		the person has filed the person's nomination
2		paper;
3	[ <del>(B)</del> ] <u>(</u> :	ii) Influencing the outcome of any question or issue
4		that has been certified to appear on the ballot
5		at the next applicable election; or
6	[ <del>(C)</del> ] <u>(</u> :	iii) Use by any party or committee for the
7		purposes set out in [subparagraph (A) or (B);]
8		clause (i) or (ii);
9	[ <del>(2)</del> ] <u>(B</u> )	The payment, by any person other than a candidate
10	0	r committee, of compensation for the personal
11	S	ervices of another person that are rendered to the
12	Ç	andidate or committee for any of the purposes
13	me	entioned in [paragraph (1); subparagraph (A); or
14	[ <del>(3)</del> ] <u>(C</u> )	The expenditure by a candidate of the candidate's
15	07	wn funds for the purposes set out in paragraph (1).
16	[ <del>(4)</del> ]	The term does not include volunteer personal services
17	and voter re	egistration efforts that are not partisan.
18	<u>(2)</u> <u>Do</u>	des not include an individual or committee engaging
19	iı	n internet activities for the purpose of influencing
20	a	n election if:
21	(A) <u>T</u>	he individual or committee is uncompensated for
22	iı	nternet activities; or

1	(B) The individual or committee uses equipment or services
2	for uncompensated internet activities, regardless of
3	who owns the equipment and services.
4	For purposes of this paragraph, "internet activities"
5	includes sending or forwarding electronic messages; providing a
6	hyperlink or other direct access to another person's website;
7	blogging; creating, maintaining, or hosting a website; paying a
8	nominal fee for the use of another person's website; and any
9	other form of communication distributed over the Internet.
10	For purposes of this paragraph, "equipment and services"
11	includes computers, software, internet domain names, internet
12	service providers, and any other technology that is used to
13	provide access to or use of the Internet.
14	This paragraph does not apply to any payment for: an
15	advertisement other than a nominal fee; the purchase or rental
16	of an e-mail address list made at the direction of a committee;
17	or an e-mail address list that is transferred to a committee."
18	SECTION 3. Section 11-194, Hawaii Revised Statutes, is
19	amended to read as follows:
20	"§11-194 Registration. (a) Each candidate[-] or
21	noncandidate committee[, or party] shall [file] register with

the commission by filing an organizational report as set forth 1 2 in section 11-196 or 11-196.5 as applicable. 3 [(b) Committees that form within ten days of any election 4 and expend in the aggregate more than \$1,000 for the election 5 shall register and fully disclose the expenditure by 4:30 p.m. 6 on the last calendar day prior to the expenditure. 7 (c) (b) Each candidate [who files nomination papers for 8 office with the chief election officer or county clerk] shall 9 file an organizational report within ten days of: 10 Filing the nomination papers for office; or 11 (2) The date the candidate or candidate's committee 12 receives contributions or makes expenditures that 13 amount to more than \$100 in the aggregate during the 14 applicable election period[-], whichever occurs first. 15 [(d)] (c) An elected official who is seeking [re election] 16 reelection to the same office in successive elections shall not 17 be required to file an organizational report under this section 18 unless the candidate is required to report a change in 19 information pursuant to section 11-196(b); provided that the 20 candidate has not sought election to any other office during the 21 period between elections.

```
1
          [(e)] (d) A noncandidate committee shall file an
 2
    organizational report within ten days of receiving contributions
 3
    or making expenditures that amount to more than $1,000, in the
 4
    aggregate, in a two-year election period[-]; except that within
    thirty days prior to an election, a noncandidate committee shall
 5
 6
    file an organizational report within two days of receiving
 7
    contributions or making expenditures that amount to more than
 8
    $1,000, in the aggregate, in a two-year election period."
9
         SECTION 4. Section 11-195, Hawaii Revised Statutes, is
10
    amended by amending subsection (f) to read as follows:
11
         "(f) For purposes of this subpart, whenever a report is
12
    required to be filed with the commission, "filed" means received
13
    in the office of the commission or county clerk, whichever is
14
    applicable, by the date and time specified for the filing of the
15
    report; except that a noncandidate committee required to be
16
    registered with the commission pursuant to section 11-194(d),
    and a candidate or the committee of a candidate who is seeking
17
18
    election to the:
19
         (1) Office of governor;
20
         (2)
              Office of lieutenant governor;
21
         (3) Office of mayor;
22
         (4) Office of prosecuting attorney;
```

HB1130 HD1 SD1 JDL.doc

## H.B. NO. H.D. 1 S.D. 1

1 (5) County council; 2 (6) Senate: House of representatives; [or] 3 (7) 4 (8) Office of Hawaiian affairs[7]; or (9) Board of education, 5 shall file by electronic means in the manner prescribed by the 6 7 commission. [Candidates for the offices named in this 8 subsection with contributions or expenditures of less than 9 \$5,000 need not file by electronic means. A candidate or 10 candidate committee without access to a computer or the Internet 11 may request a waiver from electronic filing from the commission.]" 12 SECTION 5. Section 11-203, Hawaii Revised Statutes, is 13 14 amended to read as follows: "§11-203 Fundraisers and fundraising activities. (a) 15 16 used in this section, "fundraiser" means any function held for 17 the benefit of a person that is intended or designed, directly 18 or indirectly, to raise funds for political purposes for which 19 the price or suggested contribution for attending the function

is more than \$25 per person.

20

```
1
         (b) There shall be no more than two fundraisers held for
2
    a person prior to a general or special election in which that
3
    person is either elected or defeated.
4
         [<del>(c)</del>] (b) No fundraiser or fundraising activity shall be
    held unless a notice of intent to hold the function is filed by
5
6
    the person in charge of the function with the commission prior
    to the date of the function setting forth the name and address
7
8
    of the person in charge, the price per person, the date, hour,
    and place of the affair and the method thereof.
9
10
         [(d) Fundraisers sponsored by a candidate for a statewide
11
    office are exempt from the $25 limit of subsection (a) and the
12
    restrictions of subsection (b), and fundraisers sponsored by a
13
    party for a political purpose for the general benefit of the
14
    party are exempt from the restrictions of subsection (b).] "
15
         SECTION 6. Section 11-204.5, Hawaii Revised Statutes, is
16
    amended to read as follows:
17
         "[+]$11-204.5[+] Limit on contributions from nonresident
    individuals and persons. Contributions from [any individual or
18
19
    any person as defined in section 11 191, all persons, except
20
    for a member of the candidate's immediate family, who [is] are
21
    not [a resident] residents of the State at the time the
    contributions are made, including a noncandidate committee
22
```

- 1 organized under the laws of another state and whose participants
- 2 are not residents of the State, shall not exceed twenty per cent
- 3 of the total contributions received by a candidate or
- 4 candidate's committee for each reporting period."
- 5 SECTION 7. Section 11-207.5, Hawaii Revised Statutes, is
- 6 amended by amending subsection (a) to read as follows:
- 7 "(a) Each candidate, candidate's committee, or committee,
- 8 that within the period of [fifteen] fourteen calendar days
- 9 through four calendar days prior to a primary, special primary,
- 10 general, or special general election, makes contributions
- 11 aggregating more than \$500, or receives contributions from any
- 12 person or entity aggregating more than \$500, shall file a report
- 13 with the commission or appropriate county clerk's office on
- 14 forms provided by the commission, no later than 4:30 p.m., three
- 15 calendar days prior to the election."
- 16 SECTION 8. Section 11-209, Hawaii Revised Statutes, is
- 17 amended by amending subsection (a) to read as follows:
- "(a) From January 1 of the year of any primary, special,
- 19 or general election, the total expenditures for each election
- 20 for candidates who voluntarily agree to limit their campaign
- 21 expenditures, inclusive of all expenditures made or authorized
- 22 by the candidate alone and all campaign treasurers and



```
1
    committees in the candidate's behalf, shall not exceed the
 2
    following amounts expressed respectively multiplied by the
    number of voters in the last preceding general election
 3
 4
    registered to vote in each respective voting district:
 5
         (1)
              For the office of governor-[\$2.50;] $2.60;
 6
         (2)
              For the office of lieutenant governor-[$1.40;] $1.50;
 7
         (3)
              For the office of mayor-[\$2.00;] $2.10;
 8
         (4)
              For the offices of state senator, state
              representative, [and] county council member[-$1.40;],
9
              and prosecuting attorney-$; and
10
11
         (5)
              For the offices of the board of education and all
12
              other offices-[20 cents.] 25 cents."
13
         SECTION 9. Section 11-212, Hawaii Revised Statutes, is
14
    amended by amending subsection (a) to read as follows:
15
     "(a)(1) The candidate committee of each candidate whose name
16
              will appear on the ballot in the immediately
17
              succeeding election shall file a preliminary report
18
              with the commission or appropriate county clerk's
19
              office. Preliminary reports shall be filed on forms
20
              provided by the commission no later than 4:30 p.m. on
21
              the following dates:
```

# H.B. NO. H.D. 1 S.D. 1

1		(A)	July [thirtieth] thirty-first of the year of the
2			primary election;
3		(B)	Ten calendar days prior to each primary and
4			initial special election; and
5		(C)	Ten calendar days prior to a special or general
6			election.
7	(2)	Each	report shall be certified pursuant to section 11-
8		195	and shall contain the following information which
9		shal	l be current through [the thirtieth calendar day]
10		June	30 prior to the filing of the report filed on the
11		[ <del>thi</del>	rtieth] thirty-first of July and fifth calendar
12		day	prior to the filing of other preliminary reports:
13		(A)	The aggregate sum of all contributions and other
14			campaign receipts received;
15		(B)	The amount and date of deposit of the
16			contribution and the name and address of each
17			donor who contributes an aggregate of more than
18			\$100 during an election period, which has not
19			previously been reported; provided that if all
20			the information is not on file, the contribution
21			shall be returned to the donor within thirty days
22			of denosit.

### H.B. NO. H.D. 1 S.D. 1

	(6)	The amount and date of deposit of each
2		contribution and the name, address, employer, and
3		occupation of each donor who contributes an
4		aggregate of \$1,000 or more during an election
5		period, which has not previously been reported;
6		provided that if all the information is not on
7		file, the contribution shall be returned to the
8		donor within thirty days of deposit;
9	(D)	All expenditures made, incurred, or authorized by
10		or for a candidate, including the name and
11		address of each payee and the amount, date, and
12		purpose of each expenditure; and
13	(E)	A current statement of the balance on hand or
14		deficit."
15	SECTION 1	0. Section 11-213, Hawaii Revised Statutes, is
16	amended by ame	nding subsections (f) and (g) to read as follows:
17	"( <b>f</b> ) Def	icit. In the event of a deficit the candidate,
18	authorized per	son in the case of a party, or campaign treasurer
19	in the case of	a committee shall, every six months until the
20	deficit is eli	minated, file supplemental reports covering all
21	items prescrib	ed in subsection (a) or subsection (b) in the case
22	of noncandidat	e committees. The first report shall be due no

HB1130 HD1 SD1 JDL.doc

## H.B. NO. H.D. 1 S.D. 1

- 1 later than 4:30 p.m. on the [thirtieth] thirty-first day after
- 2 the last day of the election year.
- 3 (q) Surplus. In the event of a surplus the candidate,
- 4 authorized person in the case of a party, or campaign treasurer
- 5 in the case of a committee, shall:
- 6 (1) Maintain the cash surplus in a financial depository;
- 7 and
- 8 (2) Every six months, until the candidate files to be on
- 9 the ballot with the state office of elections, or in
- 10 the case of a party or committee until they
- 11 participate in an election again, file supplemental
- 12 reports detailing all items prescribed in subsection
- 13 (a) or in the case of a noncandidate committee until
- 14 they participate in an election again, or file
- 15 supplemental reports detailing all items prescribed in
- subsection (b).
- 17 The first report shall be due not later than 4:30 p.m. on
- 18 the [thirtieth] thirty-first calendar day after the last day of
- 19 the election year."
- 20 SECTION 11. Section 11-218, Hawaii Revised Statutes, is
- 21 amended by amending subsections (a) and (b) to read as follows:

## H.B. NO. H.D.

- 1 "(a) For the office of governor, lieutenant governor, or
- 2 mayor, the maximum amount of public funds available to a
- 3 candidate in any election shall not exceed [ten] fourteen per
- 4 cent of the total expenditure limit as determined under section
- 5 11-209 for each election for each office listed in this
- 6 subsection.
- 7 (b) For the office of state senator, state representative,
- 8 county council member, and prosecuting attorney, the maximum
- 9 amount of public funds available to a candidate in any election
- 10 shall be [fifteen] \_\_\_\_\_ per cent of the total expenditure
- 11 limit as determined under section 11-209 for each election for
- 12 each office listed in this subsection."
- 13 SECTION 12. Statutory material to be repealed is bracketed
- 14 and stricken. New statutory material is underscored.
- 15 SECTION 13. This Act shall take effect on January 1, 2112;
- 16 provided that section 4 shall apply to reporting periods
- 17 beginning on January 1, 2112.

#### Report Title:

Campaign Spending Commission; Reporting Deadline

### Description:

Revises various campaign spending reporting deadlines. Amends definitions of "contribution" and "expenditure" for use of internet services. (SD1)