
A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

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

1 SECTION 1. Section 11-204, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§11-204 Campaign contributions; limits as to persons.**

4 (a) (1) No person or any other entity shall make
5 contributions to:

6 (A) A candidate seeking nomination or election to a
7 two-year office or to the candidate's committee
8 in an aggregate amount greater than \$2,000 during
9 an election period;

10 (B) A candidate seeking nomination or election to a
11 four-year statewide office or to the candidate's
12 committee in an aggregate amount greater than
13 \$6,000 during an election period; and

14 (C) A candidate seeking nomination or election to a
15 four-year nonstatewide office or to the
16 candidate's committee in an aggregate amount
17 greater than \$4,000 during an election period.



1 These limits shall not apply to a loan made to a
2 candidate by a financial institution in the ordinary
3 course of business;

4 (2) For purposes of this section, the length of term of an
5 office shall be the usual length of term of the office
6 as unaffected by reapportionment, a special election
7 to fill a vacancy, or any other factor causing the
8 term of the office the candidate is seeking to be less
9 than the usual length of term of that office.

10 (b) No person or any other entity shall make contributions
11 to a noncandidate committee[~~r~~] in an aggregate amount greater
12 than \$1,000 in an election[~~r~~]; provided that this limitation
13 shall apply to corporate contributions to a noncandidate
14 committee only when a corporation makes a contribution directly
15 from its own treasury to the noncandidate committee.

16 (c) Corporate contributions to a candidate shall be
17 subject to the same contribution limitation as that imposed upon
18 a person or any other entity.

19 [~~e~~] (d) A candidate's immediate family, in making
20 contributions to the candidate's campaign, shall be exempt from
21 the above limitation, but shall be limited in the aggregate to
22 \$50,000 in any election period. The aggregate amount of \$50,000



1 shall include any loans made for campaign purposes to the
2 candidate from the candidate's immediate family.

3 ~~[(d)]~~ (e) A contribution by a dependent minor shall be
4 reported in the name of the minor but shall be counted against
5 the contribution of the minor's parent or guardian.

6 ~~[(e)]~~ (f) Any candidate, candidate's committee, or
7 committee that receives in the aggregate more than the
8 applicable limits set forth in this section in any primary,
9 initial special, special, or general election from a person,
10 shall be required to return any excess contribution to the
11 original donor within thirty days of receipt of the excess
12 contribution. Any excess contribution not returned to the
13 original donor within thirty days shall escheat to the Hawaii
14 election campaign fund. A candidate, candidate's committee, or
15 committee who complies with this subsection prior to the
16 initiation of prosecution shall not be subject to any penalty
17 under section 11-228.

18 ~~[(f)]~~ (g) All payments made by a person or political party
19 whose contributions or expenditure activity is financed,
20 maintained, or controlled by any corporation, labor
21 organization, association, political party, or any other person
22 or committee, including any parent, subsidiary, branch,



1 division, department, or local unit of the corporation, labor
2 organization, association, political party, political committees
3 established and maintained by a national political party, or any
4 other person, or by any group of those persons shall be
5 considered to be made by a single person or political party.

6 ~~(g)~~ (h) An individual and any general partnership in
7 which the individual is a partner shall be treated as one
8 person.

9 ~~(h)~~ (i) No committee that supports or opposes a
10 candidate for public office shall have as officers individuals
11 who serve as officers on any other committee which supports or
12 opposes the same candidate. No such committee shall act in
13 concert with, or solicit or make contributions on behalf of, any
14 other committee.

15 ~~(i)~~ (j) No contributions or expenditures shall be made
16 to or on behalf of a candidate or committee by a foreign
17 national or foreign corporation, including a domestic subsidiary
18 of a foreign corporation, a domestic corporation that is owned
19 by a foreign national, or a local subsidiary where
20 administrative control is retained by the foreign corporation,
21 and in the same manner prohibited under 2 United States Code
22 section 441e and 11 Code of Federal Regulations 110.20, as



1 amended. No foreign-owned domestic corporation shall make
2 contributions where:

3 (1) Foreign national individuals participate in election-
4 related activities such as decisions concerning the
5 making of contributions or the administration of a
6 political committee; or

7 (2) The contribution funds are not domestically-derived.

8 [~~+~~] (k) No person or any other entity other than
9 political committees established and maintained by a national
10 political party shall make contributions to a political party in
11 an aggregate amount greater than \$25,000 in any two-year
12 election period. No political committee established and
13 maintained by a national political party[~~7~~] shall make
14 contributions to a political party in an aggregate amount
15 greater than \$50,000 in any two-year election period.

16 [~~+~~] (l) The contribution limits under this section shall
17 apply for the office sought by the candidate. This section
18 shall not apply to ballot issue committees."

19 SECTION 2. Section 11-206, Hawaii Revised Statutes, is
20 amended by amending subsection (c) to read as follows:

21 "(c) Surplus funds may be used after a general or special
22 election for:



- 1 (1) Any fundraising activity;
- 2 (2) Any other politically related activity sponsored by
- 3 the candidate;
- 4 (3) Any ordinary and necessary expenses incurred in
- 5 connection with the candidate's duties as a holder of
- 6 an elected state or county office; [~~or~~]
- 7 (4) Any contribution to a political party by a retiring
- 8 elected official without filing an organizational
- 9 report to run for office; provided that in any
- 10 election cycle no person shall make contributions to a
- 11 political party in an aggregate amount greater than
- 12 \$25,000 in any two-year election period pursuant to
- 13 section 11-204(k); or
- 14 [~~4~~] (5) Any contribution to any community service,
- 15 educational, youth, recreational, charitable,
- 16 scientific, or literary organization; provided that in
- 17 any election cycle, the total amount of all
- 18 contributions from campaign funds and surplus funds
- 19 shall be no more than the maximum amount that one
- 20 person or other entity may contribute to that
- 21 candidate pursuant to section 11-204(a); provided
- 22 further that no contributions from campaign funds



1 shall be made from the date the candidate files
2 nomination papers to the date of the general
3 election."

4 SECTION 3. Section 11-214, Hawaii Revised Statutes, is
5 amended by amending subsection (d) to read as follows:

6 "(d) Surplus funds may be expended by a candidate for the
7 next subsequent election upon registration for the election
8 pursuant to section 11-194[-]; provided that surplus funds may
9 be expended at any time as contributions to a political party
10 pursuant to section 11-206."

11 SECTION 4. The campaign spending commission shall adopt
12 rules pursuant to chapter 91 to establish a schedule that
13 establishes the amount of each fine for each relevant campaign
14 spending violation. The fine schedule shall be based upon the
15 dollar amount of each violation.

16 SECTION 5. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 6. This Act shall take effect upon its approval.
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INTRODUCED BY:

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Report Title:

Campaign Spending; Corporate Contributions; Surplus Funds

Description:

Clarifies limitations on corporate contributions to a noncandidate committee. Clarifies that retiring elected officials may contribute surplus funds to a political party without filing an organizational statement. Requires campaign spending commission to adopt rules that establish schedule of fines.

