
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 a contribution to a
13 candidate or candidate's committee made by a person other than
14 an individual from its own treasury shall not be a contribution
15 to or expenditure by a noncandidate committee.

16 (c) Contributions by persons other than individuals,
17 including corporations, limited liability companies, and
18 partnerships, and other entities, organizations and
19 associations, to a candidate or a candidate's committee shall be
20 subject to the same contribution limits as other persons
21 pursuant to subsection (a).



1 [~~(e)~~] (d) A candidate's immediate family, in making
2 contributions to the candidate's campaign, shall be exempt from
3 the [~~above~~] limitation specified in subsection (b) [~~, but~~];
4 provided that the candidate's immediate family shall be limited
5 in the aggregate to \$50,000 in any election period. The
6 aggregate amount of \$50,000 shall include any loans made for
7 campaign purposes to the candidate from the candidate's
8 immediate family.

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

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



1 initiation of prosecution shall not be subject to any penalty
2 under section 11-228.

3 ~~(f)~~ (g) All payments made by a person or political party
4 whose contributions or expenditure activity is financed,
5 maintained, or controlled by any corporation, labor
6 organization, association, political party, or any other person
7 or committee, including any parent, subsidiary, branch,
8 division, department, or local unit of the corporation, labor
9 organization, association, political party, political committees
10 established and maintained by a national political party, or any
11 other person, or by any group of those persons shall be
12 considered to be made by a single person or political party.

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

16 ~~(h)~~ (i) No committee that supports or opposes a
17 candidate for public office shall have as officers individuals
18 who serve as officers on any other committee which supports or
19 opposes the same candidate. No such committee shall act in
20 concert with, or solicit or make contributions on behalf of, any
21 other committee.



1 [~~(i)~~] (j) No contributions or expenditures shall be made
2 to or on behalf of a candidate or committee by a foreign
3 national or foreign corporation, including a domestic subsidiary
4 of a foreign corporation, a domestic corporation that is owned
5 by a foreign national, or a local subsidiary where
6 administrative control is retained by the foreign corporation,
7 and in the same manner prohibited under 2 United States Code
8 [~~section~~] Section 441e and 11 Code of Federal Regulations
9 110.20, as amended. No foreign-owned domestic corporation shall
10 make contributions where:

11 (1) Foreign national individuals participate in election-
12 related activities such as decisions concerning the
13 making of contributions or the administration of a
14 political committee; or

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

16 [~~(j)~~] (k) No person or any other entity other than
17 political committees established and maintained by a national
18 political party shall make contributions to a political party in
19 an aggregate amount greater than \$25,000 in any two-year
20 election period. No political committee established and
21 maintained by a national political party[~~7~~] shall make



1 contributions to a political party in an aggregate amount
2 greater than \$50,000 in any two-year election period.

3 [~~(k)~~] (1) The contribution limits under this section shall
4 apply for the office sought by the candidate. This section
5 shall not apply to ballot issue committees."

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

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

- 10 (1) Any fundraising activity;
- 11 (2) Any other politically related activity sponsored by
12 the candidate;
- 13 (3) Any ordinary and necessary expenses incurred in
14 connection with the candidate's duties as a holder of
15 an elected state or county office; [~~or~~]
- 16 (4) Any contribution to a political party by a retiring
17 elected official without filing an organizational
18 report to run for office; provided that in any
19 election cycle, no person shall make contributions to
20 a political party in an aggregate amount greater than
21 \$25,000 in any two-year election period pursuant to
22 section 11-204(k); or



1 [~~4~~] (5) Any contribution to any community service,
2 educational, youth, recreational, charitable,
3 scientific, or literary organization; provided that in
4 any election cycle, the total amount of all
5 contributions from campaign funds and surplus funds
6 shall be no more than the maximum amount that one
7 person or other entity may contribute to that
8 candidate pursuant to section 11-204(a); provided
9 further that no contributions from campaign funds
10 shall be made from the date the candidate files
11 nomination papers to the date of the general
12 election."

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

15 "(d) Surplus funds may be expended by a candidate for the
16 next subsequent election upon registration for the election
17 pursuant to section 11-194~~[]~~; provided that surplus funds may
18 be expended at any time as contributions to a political party
19 pursuant to section 11-206."

20 SECTION 4. The campaign spending commission shall adopt
21 rules pursuant to chapter 91 to establish a schedule that
22 establishes the amount of each fine for each relevant campaign



1 spending violation. The fine schedule shall be based upon the
2 dollar amount of each violation.

3 SECTION 5. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 6. This Act shall take effect upon its approval.



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. (HB2455 HD1)

