



1 "Candidate's committee" means a committee, as defined in  
2 section 11-191, Hawaii Revised Statutes, which makes an  
3 expenditure or accepts a contribution on behalf of a candidate  
4 for nomination for election to the Hawaii county council, with  
5 the candidate's authorization. A candidate shall have only one  
6 authorized candidate's committee.

7 "Certification for comprehensive public funding" means the  
8 decision by the commission that a candidate is certified to  
9 receive public funding in accordance with this part.

10 "Certified candidate" or "comprehensive publicly funded  
11 candidate" means a participating candidate who is certified by  
12 the commission as eligible for comprehensive public funding  
13 under this part and who agrees to abide by the requirements of  
14 this part.

15 "Commission" means the campaign spending commission  
16 established under section 11-192, Hawaii Revised Statutes.

17 "Contested election" means, in a primary election, the  
18 certified candidate is opposed by one or more candidates for the  
19 nomination; and, in a general election, the certified candidate  
20 is opposed by one or more candidates for election to the office.

21 "County" means the county of Hawaii.



1 "County council" means the county council of the county of  
2 Hawaii.

3 "Declaration of intent to seek comprehensive public  
4 funding" means the form completed by a participating candidate  
5 and the filing of which triggers the participating candidate's  
6 ability to begin collecting qualifying contributions.

7 "District" means a county district, as established in  
8 accordance with section 46-1.5, Hawaii Revised Statutes.

9 "Equalizing funds" means additional public funds released  
10 by the commission to a comprehensive publicly funded candidate  
11 to allow the publicly funded candidate to stay financially  
12 competitive with a nonparticipating candidate in a contested  
13 election and to penalize a nonparticipating candidate for filing  
14 false or late reports.

15 "Excess expenditure" means the amount of comprehensive  
16 public funds spent or obligated to be spent by a comprehensive  
17 publicly funded candidate in excess of one hundred per cent of  
18 the allocated funds for a primary election, general election, or  
19 both.



1 "General election campaign period" means the period  
2 beginning the day after the primary election and ending on  
3 general election day.

4 "General election year" means the period commencing January  
5 1 of an even-numbered year in which a general election is held  
6 and ending on general election day.

7 "Independent expenditure" means an expenditure by any  
8 person for a communication that expressly advocates the  
9 nomination, election, or defeat of a clearly identified  
10 certified candidate or nonparticipating candidate and that is  
11 not made in concert or cooperation with or as part of any  
12 coordinated activity or at the request or suggestion of the  
13 certified candidate or nonparticipating candidate, a candidate's  
14 committee, or their agents. For the purposes of this  
15 definition, "clearly identified" means that the name, likeness,  
16 photograph, or drawing of the certified candidate or  
17 nonparticipating candidate is used, or the identity of the  
18 certified candidate or nonparticipating candidate is apparent by  
19 unambiguous reference.

20 "Nonmonetary contribution" means a contribution other than  
21 of money that may include goods or services.



1 "Nonparticipating candidate" means a candidate who does not  
2 qualify for or receive public funding during an election period  
3 and is involved in a contested election with a certified  
4 participating candidate.

5 "Participating candidate" means a candidate who is seeking  
6 certification for comprehensive public funding under this part.

7 "Primary election campaign period" means the period in a  
8 primary election year beginning with the certification for  
9 comprehensive public funding under this part and ending on  
10 primary election day.

11 "Public funding" or "public funds" means campaign funds  
12 from the Hawaii election campaign fund under section 11 217,  
13 Hawaii Revised Statutes, received by an eligible candidate  
14 pursuant to this part.

15 "Qualifying contribution" means a \$5 monetary contribution  
16 made in the form of a check or a money order payable to the  
17 Hawaii election campaign fund for purposes of meeting the  
18 criteria of section 7.

19 "Qualifying period" means the period in a general election  
20 year, beginning January 1 and ending on the deadline for filing  
21 candidate nomination papers during which a candidate may collect



1 qualifying contributions to qualify for comprehensive public  
2 funding under this part; provided the commission has determined  
3 that the Hawaii election campaign fund has sufficient funds to  
4 make payments to comprehensive publicly funded candidates during  
5 the election period.

6 "Seed money" means contributions made to a participating  
7 candidate by an individual in accordance with section 5 that  
8 shall be expended for the purpose of determining campaign  
9 viability.

10 "Surplus campaign funds" means any campaign contributions  
11 not spent during a prior election period by a participating  
12 candidate who previously sought election as a privately funded  
13 candidate.

14 SECTION 3. Sufficiency of funding for comprehensive public  
15 funding. On September 1 of each odd-numbered year before the  
16 general election years of 2010, 2012, and 2014, the commission  
17 shall determine whether there is a minimum of \$3,500,000 in the  
18 Hawaii election campaign fund established under section 11-217,  
19 Hawaii Revised Statutes, to certify participating candidates  
20 during the next election and provide funding for comprehensive  
21 public funding for elections under this part.



1           If the commission determines that there is sufficient  
2 funding, then within five business days, the commission shall  
3 publish notice statewide, pursuant to section 1-28.5, Hawaii  
4 Revised Statutes, that the comprehensive public funding program  
5 shall become effective on January 1 of the following year. If  
6 there is insufficient funding, then this part shall be  
7 inoperative.

8           If this part is inoperative, candidates may seek public  
9 funding as provided under subpart B of part XII of chapter 11,  
10 Hawaii Revised Statutes.

11           **SECTION 4. Qualifications for comprehensive public**  
12 **funding.** (a) A candidate may seek comprehensive public funding  
13 for the primary election campaign period if the candidate:

14           (1) Resides in the district from which election is sought  
15 as of the date of the filing of nomination papers for  
16 the primary election in the general election year in  
17 which the candidate seeks to be nominated or elected;

18           (2) Is a registered voter in the district from which  
19 election is sought;

20           (3) Files a declaration of intent to seek comprehensive  
21 public funding with the commission between January 1



- 1 of the election year and thirty days before the  
2 closing date to file nomination papers to run for  
3 office for which the candidate intends to seek  
4 election;
- 5 (4) Collects a \$5 qualifying contribution in accordance  
6 with section 7;
- 7 (5) Accepts only the following contributions prior to  
8 applying for certification as a comprehensive publicly  
9 funded candidate:
- 10 (A) Seed money contributions until the candidate  
11 files a declaration of intent to seek  
12 comprehensive public funding; and
- 13 (B) Qualifying contributions that may be accepted  
14 only after filing the declaration of intent to  
15 seek comprehensive public funding;
- 16 and
- 17 (6) Files an application for certification for  
18 comprehensive public funding with the commission.
- 19 (b) A candidate is qualified to seek comprehensive public  
20 funding for the general election campaign period if the  
21 candidate:





- 1 (1) Was certified as a comprehensive publicly funded  
2 candidate during the primary election campaign period  
3 immediately preceding the general election in which  
4 the funds under this part are provided; and
- 5 (2) Received a sufficient number of votes to appear on the  
6 ballot in the general election or is otherwise  
7 certified by the Hawaii county clerk to be placed on  
8 the ballot in the general election.

9 SECTION 5. **Seed money contributions; limitations on use of**  
10 **seed money; penalties.** (a) The use of seed money shall be  
11 limited to expenditures necessary to determine whether  
12 sufficient support exists for a participating candidate to run  
13 for office as a comprehensive publicly funded candidate.

14 (b) The amount of seed money received or expended, or  
15 both, by a candidate seeking eligibility for comprehensive  
16 public funding for a county council seat shall not exceed  
17 \$3,000. A candidate may use personal funds, surplus campaign  
18 funds, or receive contributions from individuals in an aggregate  
19 amount no greater than \$250 each.

20 (c) A participating candidate shall not accept  
21 contributions of seed money from any individual whose



1 contributions are prohibited under subpart B of part XII of  
2 chapter 11, Hawaii Revised Statutes. All contributors whose  
3 seed money has been accepted shall be issued a receipt by the  
4 participating candidate.

5 (d) Seed money shall not be collected after the candidate  
6 has filed the declaration of intent to seek comprehensive public  
7 funding, which must be filed no later than thirty days before  
8 the closing date to file nomination papers to run for office for  
9 which the candidate intends to seek election. The candidate may  
10 spend seed money only until the candidate is certified by the  
11 commission as a comprehensive publicly funded candidate or the  
12 closing date to file nomination papers to run for office for  
13 which the candidate intends to seek election, whichever occurs  
14 first.

15 (e) Any unspent seed money shall be deducted from the base  
16 amount of public funding if the certified candidate does not  
17 donate the unspent seed money to the Hawaii election campaign  
18 fund.

19 **SECTION 6. Restriction on use of surplus campaign funds.**

20 A certified candidate who has surplus campaign funds from a  
21 previous election is prohibited from using those funds for



1 anything other than seed money pursuant to section 5(d) and in-  
2 office constituent communications pursuant to section 11(b).  
3 The surplus campaign funds shall be frozen and maintained in a  
4 separate depository account from that established for the  
5 comprehensive public funds under section 16. The candidate  
6 shall continue to file reports on the surplus campaign funds in  
7 accordance with subpart B of part XII of chapter 11, Hawaii  
8 Revised Statutes, or as otherwise may be required by the  
9 commission.

10 SECTION 7. **Qualifying contributions.** (a) Each qualifying  
11 contribution shall meet the requirements of this section. To be  
12 counted as a qualifying contribution, a contributor to a  
13 candidate for a seat on the Hawaii county council shall be a  
14 registered voter who resides within the county district to which  
15 the candidate seeks nomination or election at the time the  
16 contribution is given. The voter must not be given anything of  
17 value in exchange for the qualifying contribution.

18 (b) No qualifying contribution shall be collected prior  
19 to a candidate filing a declaration of intent to seek  
20 comprehensive public funding with the commission.



1 (c) Any receipt for a qualifying contribution shall be  
2 made in a form that may be prescribed by the commission.

3 (d) All qualifying contributions collected by candidates,  
4 whether or not the candidate is certified, shall be deposited  
5 into the Hawaii election campaign fund.

6 SECTION 8. **Certification of qualification for**  
7 **comprehensive public funds.** (a) Candidates seeking  
8 certification as a comprehensive publicly funded candidate shall  
9 submit to the commission an application for certification that  
10 contains at least two hundred printed names, addresses, and  
11 signatures and qualifying contributions for the county of Hawaii  
12 from registered voters in the district for which the candidate  
13 seeks office no later than thirty days prior to the primary  
14 election, signed by the participating candidate and the  
15 participating candidate's campaign treasurer under penalty of  
16 perjury. The clerk for the county of Hawaii shall verify that  
17 at least two hundred signatures and qualifying contributions  
18 were received from registered voters in the district for which  
19 the candidate seeks office, that the candidate resides in the  
20 district from which election is sought as of the date of the



1 filing of nomination papers, and that the candidate is a  
2 registered voter in the district from which election is sought.

3 (b) The application shall also include any information  
4 deemed necessary and appropriate by the commission.

5 (c) The commission shall issue a decision to certify or  
6 deny certification of a candidate as a comprehensive publicly  
7 funded candidate within ten business days following receipt of  
8 the candidate's completed application for certification for  
9 comprehensive public funds, including verification of the  
10 information in subsection (a) by the clerk for the county of  
11 Hawaii.

12 (d) After a participating candidate is certified, the  
13 candidate's certification shall apply to both the primary and  
14 the general election, even if the candidate is unopposed in the  
15 primary election.

16 (e) Initial certification by the commission under  
17 subsection (c) and all determinations by the commission under  
18 this section are final and conclusive, except to the extent they  
19 are subject to examination and audit by the commission under  
20 section 10(a).



1           SECTION 9.   **Comprehensive publicly funded candidates;**  
2 **contributions and expenditures; penalties.**   (a) Except as  
3 authorized under section 12, a certified candidate shall comply  
4 with the following restrictions on contributions and  
5 expenditures:

6           (1) Upon certification for comprehensive public funding  
7           and until the end of the general election campaign  
8           period, a candidate shall not accept for use in the  
9           campaign:

- 10           (A) Contributions from any person;
- 11           (B) Loans from any person, including a certified  
12           candidate;
- 13           (C) Contributions from political parties; and
- 14           (D) Any campaign material purchased or held from a  
15           date prior to filing the declaration of intent to  
16           seek comprehensive public funds;

17           and

18           (2) Upon certification for comprehensive public funding  
19           and until the end of the general election campaign  
20           period, a candidate shall not expend for campaign  
21           purposes:



1 (A) Any money except public funds issued by the  
2 commission;

3 (B) Public funds for purposes other than those  
4 permitted in this part;

5 (C) Public funds outside the applicable campaign  
6 period; and

7 (D) Public funds in excess of the comprehensive  
8 public funds allocated to the candidate,  
9 including equalizing funds.

10 (b) A certified candidate who accepts contributions in  
11 violation of this section shall be subject to a fine equal to  
12 three times the public funding received, in addition to any  
13 other action, fines, or prosecution under section 18 and subpart  
14 B of part XII of chapter 11, Hawaii Revised Statutes, or any  
15 provision of the Hawaii Penal Code.

16 (c) A certified candidate who makes expenditures of more  
17 than one hundred per cent of the public funds allocated to the  
18 candidate shall repay to the Hawaii election campaign fund an  
19 amount equal to three times the excess expenditures.

20 **SECTION 10. Comprehensive publicly funded candidate;**  
21 **reporting.** (a) A certified candidate and the certified



1 candidate's committee shall furnish to the commission complete  
2 campaign records, including all records of seed money  
3 contributions, qualifying contributions and expenditure. A  
4 candidate shall fully cooperate with any audit or examination by  
5 the commission.

6 (b) A certified candidate shall comply with the reporting  
7 requirements of subpart B of part XII of chapter 11, Hawaii  
8 Revised Statutes, in addition to those required under this part  
9 or that may be required by the commission.

10 (c) An individual who uses seed money to determine whether  
11 sufficient support exists to run for office as a comprehensive  
12 publicly funded candidate who is not already registered with the  
13 commission shall register as a candidate by filing the  
14 organizational report required by section 11-194, Hawaii Revised  
15 Statutes, within ten days of receiving more than \$100 in seed  
16 money, either from contributions or personal funds.

17 (d) All reports required by subpart B of part XII of  
18 chapter 11, Hawaii Revised Statutes, seed money reports, and  
19 post-election reports shall be filed with the commission.

20 (e) Seed money reports shall be filed with the commission  
21 no later than:





- 1 (1) January 31 of an election year;
- 2 (2) April 30 of an election year; and
- 3 (3) Twenty days prior to the primary election.
- 4 (f) Each report shall be current through:
- 5 (1) The six-month period ending on December 31 for the
- 6 report filed on January 31;
- 7 (2) The three-month period ending on March 31 for the
- 8 report filed on April 30; and
- 9 (3) Thirty days prior to the primary election for the
- 10 report filed twenty days prior to the primary
- 11 election.
- 12 (g) The seed money reports shall include:
- 13 (1) The committee's name and address;
- 14 (2) The amount of cash on hand at the beginning of the
- 15 reporting period;
- 16 (3) The reporting period and aggregate total for each of
- 17 the following categories:
- 18 (A) Contributions;
- 19 (B) Expenditures; and
- 20 (C) Other receipts; and
- 21 (4) The cash on hand at the end of the reporting period.



1 (h) Schedules filed with the seed money reports shall also  
2 include:

3 (1) The amount and date of deposit of each contribution  
4 and the name and address of each contributor who makes  
5 contributions aggregating more than \$100 in an  
6 election period; provided that if all the information  
7 is not on file, the contribution shall be returned to  
8 the contributor within thirty days of deposit;

9 (2) All expenditures made, including the name and address  
10 of each payee and the amount, date, and purpose of  
11 each expenditure. Expenditures for consultants,  
12 advertising agencies and similar firms, credit card  
13 payments, salaries, and candidate reimbursements must  
14 be itemized to permit a reasonable person to determine  
15 the ultimate intended recipient of the expenditure and  
16 its purpose; and

17 (3) The amount, date of deposit, and description of other  
18 receipts and the name and address of the source of  
19 each of the other receipts.

20 (i) Post-election reports shall be submitted to the  
21 commission no later than twenty days after a primary election



1 and no later than thirty days after a general election  
2 certifying that all public funds paid to the candidate have been  
3 used as required by this part. The reports shall include  
4 information regarding all expenditures made, including the name  
5 and address of each payee and the amount, date, and purpose of  
6 each expenditure. Expenditures for consultants, advertising  
7 agencies and similar firms, credit card payments, salaries, and  
8 candidate reimbursements must be itemized to permit a reasonable  
9 person to determine the ultimate intended recipient of the  
10 expenditure and its purpose.

11 (j) All certified candidates shall file the reports  
12 required under this part by electronic means in the manner  
13 prescribed by the commission.

14 SECTION 11. **Comprehensive publicly funded candidate;**  
15 **continuing obligation.** (a) A certified candidate shall comply  
16 with all requirements under this part through the general  
17 election campaign period, except as provided in section 11(d),  
18 regardless of whether the certified candidate maintains  
19 eligibility for comprehensive public funding in the general  
20 election campaign period.



1           (b) Any surplus of funds up to \$4,000 for a certified  
2 candidate elected to the office sought may be carried over to  
3 pay for in-office constituent communications. Expenditures for  
4 these communications shall not exceed \$2,000 per year or \$4,000  
5 for a two-year term.

6           (c) If the total surplus for a certified candidate who is  
7 elected to office falls under \$4,000, subsection (d)  
8 notwithstanding, the office holder shall be allowed to raise the  
9 difference with private contributions pursuant to subpart B of  
10 part XII of chapter 11, Hawaii Revised Statutes in an aggregate  
11 amount of \$2,000 per year; provided that the contributions are  
12 received from an individual and each individual shall be limited  
13 to contributing \$250 for the election period.

14           (d) Except for seed money contributions and qualifying  
15 contributions a certified candidate who is elected to the office  
16 sought shall not accept private contributions from any person  
17 until either September 1 of the next odd-numbered year following  
18 the general election in which the candidate was last elected, or  
19 the date when the commission determines there are insufficient  
20 funds under section 3, whichever occurs earlier.



1 (e) If a certified candidate withdraws from seeking the  
2 nomination for or from the election, all unencumbered funds  
3 received by the candidate under this part shall be returned to  
4 the Hawaii election campaign fund within thirty days after  
5 withdrawal.

6 SECTION 12. **Sufficiency of public funding; amount of base**  
7 **public funding; disbursements.** (a) The commission shall not  
8 distribute comprehensive public funding to certified candidates  
9 that exceeds the total amount of \$300,000 for all candidates  
10 subject to this part in any given election year in which this  
11 part is operative.

12 (b) Beginning January 1 of a general election year and  
13 ending with the deadline to submit applications for  
14 certification, the commission shall post on its website a  
15 monthly report stating, by district:

- 16 (1) The number of declarations of intent to seek  
17 comprehensive public funding received;
- 18 (2) The number of applications for certification received;
- 19 (3) The number of candidates who have been certified for  
20 comprehensive public funding;



1 (4) The amount of public funding committed to certified  
2 candidates; and

3 (5) The amount of public funding available for additional  
4 certified candidates.

5 Notwithstanding any other provisions in this part, if the  
6 commission determines that the revenues are insufficient to meet  
7 distributions to certified candidates under this section or  
8 \$300,000 is distributed, the commission shall permit certified  
9 candidates to accept and spend contributions, subject to the  
10 campaign contribution limitations set forth in section 11-204,  
11 Hawaii Revised Statutes, up to the applicable amounts, including  
12 equalizing funds the certified candidate would have received  
13 from comprehensive public funding.

14 (c) For primary elections subject to this part, the base  
15 amount of public funding shall be the average of the amount  
16 spent by the winning candidates in the previous two county  
17 council primary elections of the same district, reduced by ten  
18 per cent.

19 (d) For general elections subject to this part, the base  
20 amount of public funding shall be the average of the amount  
21 spent by the winning candidates in the previous two county



1 council general elections for the same district, reduced by ten  
2 per cent.

3 (e) The base amount of public funding for a primary  
4 election in which no other candidate has filed nomination papers  
5 shall be thirty per cent of the amount provided in a contested  
6 election as determined under subsection (c). No funding shall  
7 be allocated in an uncontested general election.

8 (f) Public funds, including equalizing funds, shall be  
9 paid to a certified candidate by the comptroller in the manner  
10 prescribed in section 11-222, Hawaii Revised Statutes.

11 (g) If the winning primary candidate has residual funds  
12 from the primary election, those funds may be carried over to  
13 the general election provided that a winning primary candidate  
14 who does not have an opponent in the general election shall  
15 return all unexpended public funds to the Hawaii campaign  
16 election fund within thirty days after the primary election  
17 except as provided in section 11(b).

18 (h) A certified candidate who is not successful in the  
19 election shall return all unexpended public funds to the Hawaii  
20 election campaign fund within thirty days after the election in  
21 which the candidate was not successful.



1 SECTION 13. **Equalizing funds; sufficiency of funds.** (a)

2 Equalizing funds, subject to the expenditure cap in section  
3 12(a), shall be disbursed in the amounts provided in this  
4 section to a certified candidate in a contested election  
5 whenever that candidate is outspent by an opposing  
6 nonparticipating candidate.

7 (b) An opposing nonparticipating candidate is deemed to  
8 have outspent a certified candidate when the campaign report  
9 filed pursuant to this subpart shows that the nonparticipating  
10 candidate's committee's expenditures or contributions, whichever  
11 is greater, added to any independent expenditures made in  
12 support of that nonparticipating candidate or against the  
13 opposing certified candidate reported by any person, minus any  
14 independent expenditures made in support of the certified  
15 candidate or against the nonparticipating candidate reported by  
16 any person exceeds one hundred per cent of the base amount for  
17 the certified candidate.

18 (c) In a contested election, the aggregate amount of  
19 equalizing funds shall be limited to an amount equal to the base  
20 amount allotted to the certified candidate regardless of the  
21 amount of contributions received or expenditures made by an



1 opposing nonparticipating candidate; independent expenditures  
2 made in support of that nonparticipating candidate or against  
3 the opposing certified candidate; or the failure to file an  
4 excess report on or before the due date by the nonparticipating  
5 candidate or filing of a false excess report.

6 Twenty-five per cent of the base amount shall be paid to  
7 the certified participating candidate in the manner prescribed  
8 in section 11-222, Hawaii Revised Statutes, if the commission  
9 determines that the nonparticipating candidate's committee's  
10 expenditures or contributions, whichever is greater, added to  
11 any independent expenditures made in support of that  
12 nonparticipating candidate or against the opposing certified  
13 candidate reported by any person, minus any independent  
14 expenditures made in support of the certified candidate or  
15 against the nonparticipating candidate reported by any person:

- 16 (1) Exceeds one hundred per cent but is less than one  
17 hundred twenty five per cent;
- 18 (2) Is equal to or exceeds one hundred twenty five per  
19 cent but is less than one hundred fifty per cent;
- 20 (3) Is equal to or exceeds one hundred fifty per cent but  
21 is less than one hundred seventy five per cent; or



1           (4) Is equal to or exceeds one hundred seventy five per  
2           cent  
3 of the certified candidate's base amount.

4           SECTION 14. Reporting; public funds if report not filed by  
5 nonparticipating candidate; penalties for failure to report. (a)  
6 Reporting obligations under this section for nonparticipating  
7 candidates and their candidate's committees or any other persons  
8 making independent expenditures shall be in addition to the  
9 reporting requirements under this part and chapter 11, Hawaii  
10 Revised Statutes, whenever a certified candidate is opposed in a  
11 contested election by a nonparticipating candidate as follows:

12           (1) Beginning forty-five days before the primary election  
13           day, nonparticipating candidates and their candidate's  
14           committees shall file an initial excess report with  
15           the commission within twenty-four hours after  
16           aggregate contributions are received, or expenditures  
17           are made in an election that exceeds one hundred one  
18           per cent of the base amount of comprehensive public  
19           funding allotted to an opposing certified candidate in  
20           a contested election. Nonparticipating candidates and  
21           the candidate's committees shall file supplemental



1 excess reports within twenty-four hours after the  
2 committees' aggregate expenditures exceed \$1,000 since  
3 the filing of the prior report; and

- 4 (2) Beginning forty-five days before the general election  
5 day, noncandidate committees and any other persons  
6 that make independent expenditures that expressly  
7 advocate the nomination, election, or defeat of a  
8 certified candidate shall file the initial independent  
9 expenditure report with the commission within twenty  
10 four hours after expenditures exceed \$1,000 in  
11 aggregate in an election. Noncandidate committees and  
12 any other persons that incur independent expenditures  
13 shall file supplemental independent expenditure  
14 reports within twenty-four hours after the aggregate  
15 expenditures exceed \$1,000 since the filing of the  
16 prior report. The independent expenditure reports  
17 shall identify the nonparticipating candidate or  
18 certified candidate for whom the independent  
19 expenditure is intended to influence the nomination,  
20 election, or defeat.



1 (b) If a nonparticipating candidate and the candidate's  
2 committee fails to file the initial excess report or  
3 supplemental excess report in a contested election on or before  
4 the due date as required by this section or files a false excess  
5 report or supplemental excess reports, the commission, within  
6 twenty-four hours of verifying the failure or falsity, shall  
7 inform the comptroller. The entire base amount subject to the  
8 expenditure cap in section 12(a) and equalizing funds cap in  
9 section 13(c) shall be paid to a certified candidate by the  
10 comptroller in the manner prescribed in section 11-222, Hawaii  
11 Revised Statutes.

12 (c) Any nonparticipating candidate and the candidate's  
13 committee, or any other person that makes independent  
14 expenditures in a contested election involving a certified  
15 candidate and that fails to file a report as required under this  
16 part shall be subject to a fine pursuant to section 11-\_\_\_\_\_,  
17 Hawaii Revised Statutes;

18 (d) Any nonparticipating candidate and the candidate's  
19 committee, or any other person that makes independent  
20 expenditures in a contested election involving a certified



1 candidate and that files a false report as required under this  
2 part shall be subject to:

3 (1) Any penalty pursuant to section 11-228, Hawaii Revised  
4 Statutes; and

5 (2) Prosecution pursuant to section 11-229, Hawaii Revised  
6 Statutes, and any provision of the Hawaii Penal Code.

7 **SECTION 15. Comprehensive public funding; permitted uses.**

8 (a) Comprehensive public funds shall be used only for the  
9 purpose of defraying expenses directly related to the certified  
10 candidate's campaign during the election campaign period for  
11 which the comprehensive public funds are allocated.

12 (b) A candidate receiving funds under this part or the  
13 candidate's campaign treasurer shall not transfer any portion of  
14 the funds provided under this part to any other candidate for  
15 another campaign.

16 **SECTION 16. Deposit of, and access to, comprehensive**

17 **public funds.** (a) All public funds and seed money received by  
18 a certified candidate shall be deposited directly into a  
19 depository institution as provided under section 11-199(a),  
20 Hawaii Revised Statutes, and accessed through use of debit cards  
21 and bank checks. No expenditures of any public funds received



1 under this subpart shall be made except by debit cards or checks  
2 drawn on such checking account.

3 (b) All reports required under subpart B of part XII of  
4 chapter 11, Hawaii Revised Statutes, and this part for financial  
5 disclosure shall include the most recent, available bank  
6 statement from the financial depository holding the public  
7 funds, as attested to by the candidate's committee.

8 **SECTION 17. Deposit of money into the Hawaii election**  
9 **campaign fund.** The following moneys shall be deposited into the  
10 Hawaii election campaign fund established under section 11-217,  
11 Hawaii Revised Statutes:

- 12 (1) Appropriations from the legislature;
- 13 (2) Excess seed money contributions;
- 14 (3) Qualifying contributions, including any excess  
15 qualifying contributions of certified candidates;
- 16 (4) Unspent public funds distributed to any certified  
17 candidate;
- 18 (5) Fines levied by the commission for violation of this  
19 part; and
- 20 (6) Voluntary donations.



1 SECTION 18. **Violations; penalties.** Any candidate who  
2 knowingly seeks or receives public funding to fraudulently  
3 qualify for or receive public funding shall:

4 (1) Have the candidate's certification for comprehensive  
5 public funding revoked. Upon revocation of  
6 certification, the certified candidate shall repay all  
7 public funds received within ten business days to the  
8 Hawaii election campaign fund; and

9 (2) Be subject to fines and penalties as specifically  
10 provided in this part and other fines or penalties  
11 pursuant to sections 11-228 and 11-229, Hawaii Revised  
12 Statutes, and the Hawaii Penal Code.

13 SECTION 19. (a) This part shall be a pilot project limited  
14 to the elections of 2010, 2012, and 2014 for the county of  
15 Hawaii county council elections only.

16 (b) No candidate who is certified for comprehensive public  
17 funding under this part in any of the elections of 2010, 2012,  
18 and 2014 shall become eligible for partial public funding in the  
19 election for which the candidate qualifies for comprehensive  
20 public funding; provided that comprehensive public funding as



1 provided for in this part is practicable according to the terms  
2 of Section 3.

3 (c) Seed money and qualifying contributions received by a  
4 candidate shall be included in the aggregate contributions of  
5 individuals for purposes of section 11-204, Hawaii Revised  
6 Statutes, if:

7 (1) A candidate who is not certified for comprehensive  
8 public funding subsequently seeks election as a  
9 privately funded candidate in the same election for  
10 which the candidate was not certified; or

11 (2) The commission determines, pursuant to section 12(b),  
12 that revenues are insufficient to meet distributions  
13 to certified candidates.

14 SECTION 20. The campaign spending commission shall create  
15 and publish all forms and receipts required as well as a  
16 candidates' guide to the comprehensive public funding program  
17 that shall include an explanation of rules and procedures  
18 applicable to candidates.

19 SECTION 21. Section 11-217.5, Hawaii Revised Statutes, is  
20 amended to read as follows:





1           "§11-217.5 Depletion of fund. (a) The Hawaii election  
2 campaign fund shall be under no obligation to provide moneys to  
3 ~~[qualified]~~ eligible candidates ~~[in the event that]~~ if, in the  
4 partial public funding program or comprehensive public funding  
5 for elections to the county of Hawaii council, moneys in that  
6 fund ~~[have been depleted.]~~ are near depletion.

7           (b) ~~[In the event that]~~ For purposes of the partial  
8 funding program, if the Hawaii election campaign fund is close  
9 to depletion, as determined by the commission, the commission  
10 shall determine the amounts available to ~~[qualified]~~ eligible  
11 candidates based on their order of eligibility in qualifying for  
12 partial public funds, as determined by the date of filing of an  
13 application for public funds with the commission pursuant to  
14 section 11-222; provided that the application has been accepted  
15 by the commission.

16           (c) For the purposes of the comprehensive public funding  
17 for elections to the county councils, if the Hawaii election  
18 campaign fund is close to depletion, the commission shall  
19 determine whether that program shall be operative in accordance  
20 with subpart ."



1 SECTION 22. If any provisions in this part conflict with  
2 or are otherwise inconsistent with any statutory provision of  
3 part XII of chapter 11, Hawaii Revised Statutes, this part shall  
4 supersede any such conflicting or inconsistent statutory  
5 provisions for the purposes of this part.

6 PART II

7 SECTION 23. Chapter 11, Hawaii Revised Statutes, is  
8 amended by adding a new section to part XII, subpart B, to be  
9 appropriately designated and to read as follows:

10 "§11- Failure to file report; filing a substantially  
11 defective or deficient report. (a) True and accurate reports  
12 shall be filed with the commission on or before the due date  
13 specified in this subpart. Any committee that is required to  
14 file reports under this subpart shall be subject to the  
15 penalties in this section if the report is not filed by the due  
16 date or if the report is substantially defective or deficient,  
17 as determined by the commission.

18 (b) The penalty for not filing a report by the due date  
19 shall be \$50 per day for the first seven days, beginning with  
20 the day after the due date of the report, and \$200 per day  
21 thereafter, not to exceed twenty-five per cent of the total



1 amount of contributions or expenditures, whichever is greater,  
2 for the period covered by the report; provided that the minimum  
3 penalty for a report filed more than four days after the due  
4 date shall be \$200.

5 (c) Subsection (b) notwithstanding, if a candidate's  
6 committee does not file the second preliminary primary report or  
7 the preliminary general report or if a noncandidate committee  
8 does not file the preliminary primary report or the preliminary  
9 general report by the due date, the fine shall be \$300 per day,  
10 not to exceed twenty-five per cent of the total amount of  
11 contributions or expenditures, whichever is greater, for the  
12 period covered by the report; provided that the minimum penalty  
13 shall be \$300.

14 (d) If the commission determines that a report is  
15 substantially defective or deficient, the commission shall  
16 notify the candidate's committee by first class mail that:

17 (1) The report is substantially defective or deficient;

18 and

19 (2) A penalty may be assessed.

20 (e) If the corrected report is not filed with the  
21 commission's electronic filing system on or before the



1 fourteenth day after the notice of deficiency has been mailed,  
2 the penalty for a substantially defective or deficient report  
3 shall be \$50 per day for the first seven days, beginning with  
4 the fifteenth day after the notice was sent, and \$200 per day  
5 thereafter, not to exceed twenty-five per cent of the total  
6 amount of contributions or expenditures, whichever is greater,  
7 for the period covered by the report; provided that the minimum  
8 penalty for not filing a corrected report more than eighteen  
9 days after the notice was sent shall be \$200.

10 (f) The commission shall publish on its website the names  
11 of all candidate's committees that have failed to file a report  
12 or to correct a report within the time allowed by the  
13 commission.

14 (g) All penalties collected under this section shall be  
15 deposited into the general fund."

16 SECTION 24. Section 11-191, Hawaii Revised Statutes, is  
17 amended as follows:

18 1. By amending the definition of "loan" to read:

19 "Loan" means an advance of money, goods, or services, with  
20 a promise to repay in full or in part within a specified period



1 of time. A "loan" does not include expenditures made on behalf  
2 of a committee by a candidate, volunteer, or employee if:

3 (1) A candidate, volunteer, or employee's aggregate  
4 expenditures do not exceed \$1,500 within a thirty day  
5 period;

6 (2) A dated receipt and a written description of the name  
7 and address of each payee and the amount, date, and  
8 purpose of each expenditure is provided to the  
9 committee before the committee reimburses the  
10 candidate, volunteer, or employee; and

11 (3) The committee reimburses the candidate, volunteer, or  
12 employee within forty-five days of the expenditure  
13 being made."

14 2. By amending the definition of "person" to read:

15 ""Person" means an individual, partnership, committee,  
16 association, corporation, business entity, organization, or  
17 labor union and its auxiliary committees."

18 SECTION 25. Section 11-193, Hawaii Revised Statutes, is  
19 amended by amending subsection (a) to read as follows:

20 "(a) The duties of the commission under this subpart are:



- 1           (1) To develop and adopt reporting forms required by this  
2           subpart;
- 3           (2) To adopt and publish a manual for all candidates and  
4           committees, describing the requirements of this  
5           subpart, including uniform and simple methods of  
6           recordkeeping;
- 7           (3) To preserve all reports required by this subpart for  
8           at least ten years from the date of receipt;
- 9           (4) To permit the inspection, copying, or duplicating of  
10          any report required by this subpart pursuant to rules  
11          adopted by the commission; provided that no  
12          information or copies from the reports shall be sold  
13          or used by any person for the purpose of soliciting  
14          contributions or for any commercial purpose;
- 15          (5) To ascertain whether any candidate, committee, or  
16          party has failed to file a report required by this  
17          subpart or has filed a substantially defective or  
18          deficient report, and to notify these persons by first  
19          class mail that their failure to file or filing of a  
20          substantially defective or deficient report must be  
21          corrected and explained, and that a penalty may be



1            assessed. ~~[The correction or explanation shall be~~  
2            ~~submitted in writing to the commission not later than~~  
3            ~~4:30 p.m. on the fifth day after notification of the~~  
4            ~~failure to file or deficiency has been mailed to these~~  
5            ~~persons. The commission shall publish in the~~  
6            ~~newspaper, and on its website, the names of all~~  
7            ~~candidates, committees, and parties who have failed to~~  
8            ~~file a report or to correct their deficiency within~~  
9            ~~the time allowed by the commission. Failure to file~~  
10           ~~or correct a report when due, as required by this~~  
11           ~~subpart, shall result in a penalty of \$50. Failure to~~  
12           ~~respond after a newspaper notification or website~~  
13           ~~publication shall result in an additional penalty of~~  
14           ~~\$50 for each day a report remains overdue or~~  
15           ~~uncorrected. All penalties collected under this~~  
16           ~~section shall be deposited in the [Hawaii election~~  
17           ~~campaign fund;] general fund of the State;~~

18           (6) To hold public hearings;

19           (7) To investigate and hold hearings for receiving  
20           evidence of any violations;



- 1           (8) To adopt a code of fair campaign practices as a part  
2           of its rules;
- 3           (9) To establish rules pursuant to chapter 91;
- 4           (10) To request the initiation of prosecution for the  
5           violation of this subpart pursuant to section 11-229;
- 6           (11) To administer and monitor the distribution of public  
7           funds under this subpart;
- 8           (12) To suggest accounting methods for candidates, parties,  
9           and committees, as the commission may deem advisable,  
10          in connection with reports and records required by  
11          this subpart;
- 12          (13) To employ or contract, without regard to chapters 76,  
13          78, and 89 and section 28-8.3, and, at pleasure, to  
14          dismiss persons it finds necessary for the performance  
15          of its functions, including a full-time executive  
16          director, and to fix their compensation;
- 17          (14) To do random audits, field investigations, as  
18          necessary;
- 19          (15) To file for injunctive relief when indicated; and
- 20          (16) To render advisory opinions upon the request of any  
21          candidate, candidate committee, noncandidate





1 committee, or other person or entity subject to this  
2 chapter, as to whether the facts and circumstances of  
3 a particular case constitute or will constitute a  
4 violation of the campaign spending laws. If no  
5 advisory opinion is rendered within ninety days after  
6 all information necessary to issue an opinion has been  
7 obtained, it shall be deemed that an advisory opinion  
8 was rendered and that the facts and circumstances of  
9 that particular case do not constitute a violation of  
10 the campaign spending laws. The opinion rendered or  
11 deemed rendered, until amended or revoked, shall be  
12 binding on the commission in any subsequent charges  
13 concerning the candidate, candidate committee,  
14 noncandidate committee, or other person or entity  
15 subject to this chapter, who sought the opinion and  
16 acted in reliance on it in good faith, unless material  
17 facts were omitted or misstated by the persons in the  
18 request for an advisory opinion. Nothing in this  
19 section shall be construed to allow the commission to  
20 issue rules through an advisory opinion."



1 SECTION 26. Section 11-195, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "**§11-195 Filing of reports, generally.** (a) All reports  
4 required to be filed under this subpart by a [~~candidate or those~~  
5 ~~committees directly associated with the candidate's candidacy]~~  
6 candidate's committee shall be certified by the candidate and  
7 treasurer. Reports required to be filed under this subpart by a  
8 [~~party or committee that supports more than one candidate]~~  
9 noncandidate committee shall be certified by [~~a person~~  
10 ~~authorized to sign the reports. All reports required to be~~  
11 ~~filed under this subpart shall be open for public inspection in~~  
12 ~~the office of the commission.] the chairperson and treasurer.~~

13 (b) [~~The original and one copy of all]~~ All reports  
14 required under this subpart shall be electronically filed [~~at~~  
15 ~~the office of the commission. In the case of counties having~~  
16 ~~less than two hundred thousand voters, the filing shall be~~  
17 ~~accomplished by filing an original and two copies of the~~  
18 ~~required report with either the commission or the clerk of the~~  
19 ~~county in which the candidate resides. The clerk shall then~~  
20 ~~immediately mail the original and one copy of the report to the~~  
21 ~~commission.~~



1       ~~(c) The commission or county clerk shall give each person~~  
2 ~~filing a report a receipt stating the type of report filed and~~  
3 ~~the date and time of filing.~~

4       ~~(d) All reports filed with the county clerk's office shall~~  
5 ~~be preserved by that office for four years from the date of~~  
6 ~~receipt.]~~ on the commission's electronic filing system.

7       ~~(c)~~ (c) All reports required to be filed under this  
8 subpart shall at all times be available to the general public.

9       ~~(d)~~ (d) For purposes of this subpart, whenever a report  
10 is required to be filed with the commission, "filed" means  
11 ~~[received in the office of the commission or county clerk,~~  
12 ~~whichever is applicable,]~~ electronically filed on the  
13 commission's electronic filing system by the date and time  
14 specified for the filing of the report ~~[, except that a~~  
15 ~~noncandidate committee required to be registered with the~~  
16 ~~commission pursuant to section 11-194(d), and a candidate]~~ by  
17 the:

18       (1) Candidate or the committee of a candidate who is  
19 seeking election to the:

20       ~~(1)~~ (A) Office of governor;

21       ~~(2)~~ (B) Office of lieutenant governor;



- 1        [~~3~~] (C) Office of mayor;
- 2        [~~4~~] (D) Office of prosecuting attorney;
- 3        [~~5~~] (E) County council;
- 4        [~~6~~] (F) Senate;
- 5        [~~7~~] (G) House of representatives;
- 6        [~~8~~] (H) Office of Hawaiian affairs; or
- 7        [~~9~~] (I) Board of education[~~7~~

8 ~~shall file by electronic means in the manner prescribed by the~~  
 9 ~~commission.]; or~~

10        (2) Noncandidate committee required to be registered with  
 11        the commission pursuant to section 11-194.

12        (e) In order to be timely filed, a committee's reports  
 13 shall be filed on the commission's electronic filing system on  
 14 or before 11:59 p.m. Hawaii standard time on the prescribed  
 15 filing date."

16        SECTION 27. Section 11-205.6, Hawaii Revised Statutes, is  
 17 amended to read as follows:

18        "**§11-205.6 Campaign contributions; loans.** (a) Any loan  
 19 to a candidate or candidate's committee in excess of \$100 shall  
 20 be documented and disclosed as to lender, including the lender's  
 21 name, address, employer, and occupation and purpose of the loan



1 in the subsequent report to the commission. A copy of the  
2 executed loan document shall accompany the report. The document  
3 shall contain the terms of the loan, including the interest and  
4 repayment schedule. Failure to document the loan or to disclose  
5 the loan to the commission shall cause the loan to be treated as  
6 a campaign contribution, subject to all relevant provisions of  
7 this chapter.

8 (b) A candidate or candidate's committee may receive and  
9 accept loans in an aggregate amount not to exceed \$10,000 during  
10 an election period, provided that if the \$10,000 limit is  
11 reached, the candidate or candidate's committee shall be  
12 prohibited from receiving or accepting any other loans until the  
13 \$10,000 is repaid in full by the candidate or candidate's  
14 committee.

15 (c) If any loan made to a candidate is not repaid within  
16 one year of the date that the loan is made, the candidate and  
17 candidate's committee shall be prohibited from accepting any  
18 other loans, and all subsequent contributions received and any  
19 surplus retained shall only be expended toward the repayment of  
20 the outstanding loan, until the loan is repaid in full by the  
21 candidate or candidate's committee.



1 (d) No loan may be accepted or made by noncandidate  
2 committees.

3 (e) Any loan by a financial institution regulated by the  
4 State or a federally chartered depository institution and made  
5 in accordance with applicable law in the ordinary course of  
6 business, or a loan by a candidate of the candidate's own funds,  
7 or a loan from immediate family members of a candidate using  
8 their own funds to the candidate's committee shall not be deemed  
9 a contribution and not subject to the contribution limits  
10 provided in section 11-204 or the loan limit and repayment  
11 provisions of subsection (b) and (c); provided that loans from  
12 the immediate family members of the candidate shall remain  
13 subject to the provisions in section 11-204(c).

14 (f) For the purposes of this section, a "loan" does not  
15 include expenditures made on behalf of a candidate committee by  
16 a candidate, volunteer, or employee if:

17 (1) The candidate's, volunteer's, or employee's aggregate  
18 expenditures do not exceed \$1,500 within a thirty-day  
19 period;

20 (2) A dated receipt and a written description of the name  
21 and address of each payee and the amount, date, and



1           purpose of each expenditure is provided to the  
2           candidate committee before the candidate committee  
3           reimburses the candidate, volunteer, or employee; and  
4           (3) The candidate committee reimburses the candidate,  
5           volunteer, or employee within forty-five days of the  
6           expenditure being made."

7           SECTION 28. Section 11-206, Hawaii Revised Statutes, is  
8 amended by amending subsection (c) to read as follows:

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

- 11           (1) Any fundraising activity;
- 12           (2) Any other politically related activity sponsored by  
13           the candidate;
- 14           (3) Any ordinary and necessary expenses incurred in  
15           connection with the candidate's duties as a holder of  
16           an elected state or county office; or
- 17           (4) Any contribution to any community service,  
18           educational, youth, recreational, charitable,  
19           scientific, or literary organization; provided that in  
20           any election cycle, the total amount of all  
21           contributions from [~~campaign funds and~~] surplus funds



1 shall be no more than twice the maximum amount that  
2 one person or other entity may contribute to that  
3 candidate pursuant to section 11-204(a); provided  
4 further that no contributions from campaign funds  
5 shall be made from the date the candidate files  
6 nomination papers to the date of the general  
7 election."

8 SECTION 29. Section 11-207.5, Hawaii Revised Statutes, is  
9 amended by amending subsection (a) to read as follows:

10 "(a) Each candidate, candidate's committee, or committee,  
11 that within the period of fourteen calendar days through four  
12 calendar days prior to a primary, special primary, general, or  
13 special general election, makes contributions aggregating more  
14 than \$500, or receives contributions from any person or entity  
15 aggregating more than \$500, shall file a report with the  
16 commission [~~or appropriate county clerk's office on forms~~  
17 ~~provided by the commission, no later than 4:30 p.m.,~~] three  
18 calendar days prior to the election."

19 SECTION 30. Section 11-212, Hawaii Revised Statutes, is  
20 amended as follows:

21 1. By amending subsections (a) and (b) to read:





1    "(a) (1)   The candidate committee of each candidate whose name  
2                   will appear on the ballot in the immediately  
3                   succeeding election shall file a preliminary report  
4                   ~~[with the commission or appropriate county clerk's~~  
5                   ~~office]~~. Preliminary reports shall be filed ~~[on forms~~  
6                   ~~provided by the commission no later than 4:30 p.m.]~~ on  
7                   the following dates:

- 8                   (A)   July thirty-first of the year of the primary  
9                   election;
- 10                  (B)   Ten calendar days prior to each primary and  
11                  initial special election; and
- 12                  (C)   Ten calendar days prior to a special or general  
13                  election.
- 14           (2)   Each report shall be certified pursuant to section 11-  
15                  195 and shall contain the following information which  
16                  shall be current through June 30 prior to the filing  
17                  of the report filed on the thirty-first of July and  
18                  fifth calendar day prior to the filing of other  
19                  preliminary reports:
- 20                  (A)   The aggregate sum of all contributions and other  
21                  campaign receipts received;



- 1 (B) The amount and date of deposit of the  
2 contribution and the name and address of each  
3 donor who contributes an aggregate of more than  
4 \$100 during an election period, which has not  
5 previously been reported; provided that if all  
6 the information is not on file, the contribution  
7 shall be returned to the donor within thirty days  
8 of deposit;
- 9 (C) The amount and date of deposit of each  
10 contribution and the name, address, employer, and  
11 occupation of each donor who contributes an  
12 aggregate of \$1,000 or more during an election  
13 period, which has not previously been reported;  
14 provided that if all the information is not on  
15 file, the contribution shall be returned to the  
16 donor within thirty days of deposit;
- 17 (D) All expenditures made, incurred, or authorized by  
18 or for a candidate, including the name and  
19 address of each payee and the amount, date, and  
20 purpose of each expenditure; and



1 (E) A current statement of the balance on hand or  
2 deficit.

3 (b) Each noncandidate committee shall file a preliminary  
4 report with the commission [~~on forms provided by the~~  
5 ~~commission, no later than 4:30 p.m.~~] on the tenth calendar day  
6 prior to each primary election and the tenth calendar day prior  
7 to a special or general election. Each report shall be  
8 certified pursuant to section 11-195 and shall contain the  
9 following information, which shall be current through the fifth  
10 calendar day prior to the filing of a preliminary report:

11 (1) The aggregate sum of all contributions and other  
12 campaign receipts received;

13 (2) The amount and date of deposit of the contribution and  
14 the name, address, employer, and occupation of each  
15 donor who contributes an aggregate of \$100 or more  
16 during an election period, which has not previously  
17 been reported; provided that if all the information is  
18 not on file, the contribution shall be returned to the  
19 donor within thirty days of deposit;

20 (3) The amount and date of each disbursement or  
21 contribution made to a candidate, party, organization,



1 or committee, including the name and address of each  
2 payee, which has not previously been reported;

3 (4) The amount and date of each expenditure made or  
4 incurred by the committee for or against any  
5 candidate, ballot issue, or on behalf of another  
6 committee, which has not previously been reported; and

7 (5) A current statement of the balance on hand."

8 2. By amending subsection (d) to read:

9 "(d) A candidate, party, or committee whose aggregate  
10 contributions and aggregate expenditures for the reporting  
11 period each total \$2,000 or less may file a short form report  
12 with the commission [~~or appropriate county clerk's office~~] in  
13 lieu of the reports required by this section and section 11-  
14 213."

15 SECTION 31. Section 11-213, Hawaii Revised Statutes, is  
16 amended as follows:

17 1. By amending subsections (a) and (b) to read:

18 "(a) Primary and initial special election. Each candidate  
19 whether or not successful in a primary or initial special  
20 election, authorized person in the case of a party, or campaign  
21 treasurer in the case of a committee, shall file a final primary



1 report certified pursuant to section 11-195 with the commission  
2 [~~on forms provided by the commission no later than 4:30 p.m.~~] on  
3 the twentieth calendar day after a primary or initial special  
4 election. The report shall include the following information  
5 which shall be current through the day of the primary election:

- 6 (1) A statement of the total contributions and campaign  
7 receipts received;
- 8 (2) The amount and date of deposit of each contribution  
9 and the name and address of each donor who contributes  
10 an aggregate of more than \$100 during an election  
11 period, which has not previously been reported;  
12 provided that if all the information is not on file,  
13 the contribution shall be returned to the donor within  
14 thirty days of deposit;
- 15 (3) The amount and date of deposit of each contribution  
16 and the name, address, employer, and occupation of  
17 each donor who contributes an aggregate of \$1,000 or  
18 more during an election period, which has not  
19 previously been reported; provided that if all the  
20 information is not on file, the contribution shall be  
21 returned to the donor within thirty days of deposit;



1 (4) A statement of all expenditures made, incurred, or  
2 authorized by or for a candidate including the name  
3 and address of each payee and the amount, date, and  
4 purpose of each expenditure; and

5 (5) The cash balance and a statement of surplus or  
6 deficit.

7 (b) Each noncandidate committee shall file a final primary  
8 report, certified pursuant to section 11-195, [~~with the~~  
9 ~~commission on forms provided by the commission no later than~~  
10 ~~4:30 p.m.~~] on the twentieth calendar day after a primary  
11 election. The report shall include the following information,  
12 which shall be current through the day of the primary election:

13 (1) A statement of the total contributions and campaign  
14 receipts received;

15 (2) The amount and date of deposit of each contribution  
16 and the name, address, employer, and occupation of  
17 each donor who contributes an aggregate of more than  
18 \$100 during an election, which has not previously been  
19 reported;

20 (3) The amount and date of each disbursement or  
21 contribution made to a candidate, party, organization,



1 or committee, including the name and address of each  
2 payee, which has not previously been reported;

3 (4) The amount and date of each expenditure made or  
4 incurred by the committee for or against any  
5 candidate, ballot issue, or on behalf of another  
6 committee, which has not previously been reported; and

7 (5) A current statement of the balance on hand."

8 2. By amending subsection (d) to read:

9 "(d) General, special general, special election or  
10 election period. Each candidate, authorized person in the case  
11 of a party, or campaign treasurer in the case of a committee  
12 shall file a final election period [~~general~~] report with the  
13 commission on forms provided by the commission [~~no later than~~  
14 ~~4:30 p.m.~~] on the thirtieth calendar day after a general,  
15 special general, or special election. The final election period  
16 report shall be certified pursuant to section 11-195, shall  
17 report all items prescribed in subsection (a) or (b) for  
18 noncandidate committees, and shall be current through the day of  
19 the general election. A candidate who is unsuccessful in a  
20 primary or special primary election shall file a final election  
21 period report."



1           3. By amending subsections (f) and (g) to read:

2           "(f) Deficit. In the event of a deficit the candidate,  
3 authorized person in the case of a party, or campaign treasurer  
4 in the case of a committee shall, every six months until the  
5 deficit is eliminated, file supplemental reports covering all  
6 items prescribed in subsection (a) or subsection (b) in the case  
7 of noncandidate committees. The first report shall be due no  
8 later than [~~4:30 p.m. on~~] the thirty-first day after the last  
9 day of the election year.

10          (g) Surplus. In the event of a surplus the candidate,  
11 authorized person in the case of a party, or campaign treasurer  
12 in the case of a committee, shall:

13           (1) Maintain the cash surplus in a financial depository;  
14           and

15           (2) Every six months, until the candidate files to be on  
16           the ballot with the state office of elections, or in  
17           the case of a party or committee until they  
18           participate in an election again, file supplemental  
19           reports detailing all items prescribed in subsection  
20           (a) or in the case of a noncandidate committee until  
21           they participate in an election again, or file





1 supplemental reports detailing all items prescribed in  
2 subsection (b).

3 The first report shall be due not later than [~~4:30 p.m. on~~]  
4 the thirty-first calendar day after the last day of the election  
5 year."

6 SECTION 32. Section 11-216, Hawaii Revised Statutes, is  
7 amended by amending subsection (f) to read as follows:

8 "(f) If the commission renders a final determination of  
9 violation, its written decision with findings of fact and  
10 conclusions of law may also provide, without limitation the  
11 following orders:

- 12 (1) The return of any contribution;  
13 (2) The reimbursement of any unauthorized expenditure;  
14 (3) The payment of any administrative fine payable to the  
15 [~~Hawaii election campaign fund;~~] general fund of the  
16 State;  
17 (4) Cease and desist violation of this subpart; or  
18 (5) File any report, statement, or other information as  
19 required by this subpart."

20 SECTION 33. Section 11-228, Hawaii Revised Statutes, is  
21 amended by amending subsection (d) to read as follows:



1           "(d) Any administrative fine collected by the commission  
2 shall be deposited [~~in the Hawaii election campaign fund.~~] into  
3 the general fund of the State of Hawaii."

4           SECTION 34. Section 235-102.5, Hawaii Revised Statutes, is  
5 amended by amending subsection (a) to read as follows:

6           "(a) Any individual whose state income tax liability for  
7 any taxable year is [~~\$2~~] \$3 or more may designate [~~\$2~~] \$3 of the  
8 liability to be paid over to the Hawaii election campaign fund,  
9 any other law to the contrary notwithstanding, when submitting a  
10 state income tax return to the department. In the case of a  
11 joint return of a husband and wife having a state income tax  
12 liability of [~~\$4~~] \$6 or more, each spouse may designate that  
13 [~~\$2~~] \$3 be paid to the fund. The director of taxation shall  
14 revise the individual state income tax form to allow the  
15 designation of contributions to the fund on the face of the tax  
16 return and immediately above the signature lines. An  
17 explanation shall be included which clearly states that the  
18 check-off does not constitute an additional tax liability. If  
19 no designation was made on the original tax return when filed, a  
20 designation may be made by the individual on an amended return  
21 filed within twenty months and ten days after the due date for



1 the original return for such taxable year. A designation once  
2 made whether by an original or amended return may not be  
3 revoked."

4 PART III

5 SECTION 35. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7 SECTION 36. If any provision of this Act or the  
8 application thereof to any person or circumstance is held  
9 invalid, the invalidity does not affect other provisions or  
10 applications of the Act, which can be given effect without the  
11 invalid provision or application, and to this end the provisions  
12 of this Act are severable.

13 SECTION 37. This Act shall take effect upon its approval;  
14 provided that part I shall take effect on July 1, 2008, and  
15 shall be applicable beginning with the general election year of  
16 2010. This part and part II shall take effect upon their  
17 approval.



**Report Title:**

Campaign Spending; Public Funding

**Description:**

Establishes pilot project for comprehensive public funding of Hawaii County Council Elections for three election cycles, beginning in 2010. Establishes penalties for failure to file a report and for filing a substantially defective or deficient report. Clarifies definition of "loan." Clarifies definition of "person" as including a business entity or organization. Requires amounts collected as administrative fines by Campaign Spending Commission to be deposited into the general fund. Increases State income tax check-off amount from \$2 to \$3 for deposit into the Hawaii election campaign fund. Increases amount of candidate's surplus funds that may be contributed to community services and other organizations. Clarifies deadlines and procedures for electronic filing. (HB661 CD1)

