A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

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

1	PILOT COMPREHENSIVE PUBLIC FUNDING FOR ELECTIONS
2	TO THE HAWAII COUNTY COUNCIL
3	SECTION 1. There is established a pilot project
4	establishing a comprehensive public funding program for the
5	county of Hawaii council elections. The pilot project shall be
6	for a period of three election cycles, beginning with the 2010
7	elections.
8	SECTION 2. Definitions. Except for terms that are
9	specifically defined in this Act, terms that are defined under
10	section 11-191, Hawaii Revised Statutes, shall apply to this
11	Act. When used in this Act, unless the context clearly requires
12	otherwise:
13	"Candidate" means an individual who seeks nomination for
14	election or seeks election to the Hawaii county council, and who
15	meets the criteria of section 4.
16	"Candidate's committee" means a committee, as defined in
17	this costion, which makes an expenditure or accepts a

- 1 contribution on behalf of a candidate for nomination for
- 2 election, or reelection, to the Hawaii county council, with the
- 3 candidate's authorization. A candidate shall have only one
- 4 authorized candidate's committee.
- 5 "Certification for comprehensive public funding" means the
- 6 decision by the commission that a candidate is certified to
- 7 receive public funding in accordance with this Act.
- 8 "Certified candidate" or "comprehensive publicly funded
- 9 candidate means a participating candidate who is certified by
- 10 the commission as eligible for comprehensive public funding
- 11 under this Act and who agrees to abide by the requirements of
- 12 this Act.
- 13 "Commission" means the campaign spending commission
- 14 established under section 11-192, Hawaii Revised Statutes.
- 15 "Contested election" means, in a primary election, the
- 16 certified candidate is opposed by one or more candidates for the
- 17 nomination; and, in a general election, the certified candidate
- 18 is opposed by one or more candidates for election to the office.
- "County" means the county of Hawaii.
- 20 "County council" means the county council of the county of
- 21 Hawaii.

- 1 "Declaration of intent to seek comprehensive public
- 2 funding" means the form completed by a participating candidate
- 3 and the filing of which triggers the participating candidate's
- 4 ability to begin collecting qualifying contributions.
- 5 "District" means a county district, as established in
- 6 accordance with section 46-1.5, Hawaii Revised Statutes.
- 7 "Equalizing funds" means additional public funds released
- 8 by the commission to a comprehensive publicly funded candidate
- 9 to allow the publicly funded candidate to stay financially
- 10 competitive with a nonparticipating candidate in a contested
- 11 election.
- 12 "Excess expenditure" means the amount of comprehensive
- 13 public funds spent or obligated to be spent by a comprehensive
- 14 publicly funded candidate in excess of one hundred per cent of
- 15 the allocated funds for a primary election, general election, or
- 16 both.
- "General election campaign period" means the period
- 18 beginning the day after the primary election and ending two
- 19 weeks after a general election.
- 20 "General election year" means the period commencing
- 21 January 1 of an even-numbered year in which a general election
- 22 is held and ending two weeks after the general election.

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- 1 "Independent expenditure" means an expenditure by a
 2 noncandidate committee, party, or any other person for a
- 3 communication that expressly advocates the nomination, election,
- 4 or defeat of a clearly identified certified candidate or
- 5 nonparticipating candidate and that is not made in concert or
- 6 cooperation with or as part of any coordinated activity or at
- 7 the request or suggestion of the certified candidate or
- 8 nonparticipating candidate, a candidate's committee, or their
- 9 agents. For the purposes of this definition, "clearly
- 10 identified" means that the name, likeness, photograph, or
- 11 drawing of the certified candidate or nonparticipating candidate
- 12 is used, or the identity of the certified candidate or
- 13 nonparticipating candidate is apparent by unambiguous reference.
- 14 "Nonmonetary contribution" means a contribution other than
- 15 of money that may include goods or services.
- 16 "Nonparticipating candidate" means a candidate who does not
- 17 qualify for or receive public funding during an election period
- 18 and is involved in a contested election with a certified
- 19 participating candidate.
- 20 "Participating candidate" means a candidate who is seeking
- 21 certification for comprehensive public funding under this Act.

"Primary election campaign period" means the period in a 1 primary election year beginning with the certification for 2 comprehensive public funding under this Act and ending two weeks 3 after the primary election. 4 5 "Public funding" or "public funds" means campaign funds from the Hawaii election campaign fund under section 11-217, 6 7 Hawaii Revised Statutes, received by an eligible candidate 8 pursuant to this Act. "Qualifying contribution" means a \$5 monetary contribution 9 made to a participating candidate for purposes of meeting the 10 11 criteria of section 7. 12 "Qualifying period" means the period in a general election 13 year, beginning January 1 and ending on the deadline for filing 14 candidate nomination papers to run in the primary election of a general election year during which a candidate may collect 15 qualifying campaign contributions to qualify for comprehensive 16 public funding under this Act; provided the commission has 17 18 determined that the Hawaii election campaign fund has sufficient

funds to make payments to comprehensive publicly funded

candidates during the election period.

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1 "Seed money" means contributions made to a participating candidate by a person in accordance with section 5 that shall be 2 3 expended for the purpose of determining campaign viability. 4 "Surplus campaign funds" means any campaign contributions 5 not spent during a prior election period by a participating candidate who previously sought election as a privately funded 6 7 candidate. SECTION 3. Sufficiency of funding for comprehensive public 8 funding. On September 1 of each odd-numbered year before a 9 10 general election year, the commission shall determine whether 11 there is a minimum of \$3,500,000 in the Hawaii election campaign fund established under section 11-217, Hawaii Revised Statutes, 12 to certify participating candidates during the next election and 13 14 provide funding for comprehensive public funding for elections 15 under this Act. If the commission determines that there is sufficient 16 17 funding, then within five business days, the commission shall 18 publish notice statewide, pursuant to section 1-28.5, Hawaii 19 Revised Statutes, that the comprehensive public funding program 20 shall become effective on January 1 of the following year. If there is insufficient funding, then this Act shall be 21

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inoperative.

1	II t	his Act is inoperative, candidates may seek public
2	funding a	s provided under subpart B of part XII of chapter 11,
3	Hawaii Re	vised Statutes.
4	SECT	ION 4. Qualifications for comprehensive public
5	funding.	(a) A candidate may seek comprehensive public funding
6	for the p	rimary election campaign period if the candidate:
7	(1)	Resides in the district from which election is sought
8		as of the date of the filing of nomination papers for
9		the primary election in the general election year in
10		which the candidate seeks to be nominated or elected;
11	(2)	Is a registered voter in the district from which
12		election is sought;
13	(3)	Files a declaration of intent to seek comprehensive
14		public funding with the commission between January 1
15		of the election year and thirty days before the
16		closing date to file nomination papers to run for
17		office for which the candidate intends to seek
18		election;
19	(4)	Collects a \$5 district qualifying contribution in
20		accordance with section 7;

1	(5)	Acce	pts only the following contributions prior to		
2		applying for certification as a comprehensive publicly			
3		fund	funded candidate:		
4		(A)	Seed money contributions until the candidate		
5			files a declaration of intent to seek		
6			comprehensive public funding; and		
7		(B)	Qualifying contributions that may be accepted		
8			only after filing the declaration of intent to		
9			seek comprehensive public funding;		
10		and			
11	(6)	File	s an application for certification for		
12		comp	rehensive public funding with the commission and a		
13		decl	aration that the candidate has complied and will		
14		comp	ly with all of the requirements of this Act, as		
15		appl	icable.		
16	(d)	A car	ndidate is qualified to seek comprehensive public		
17	funding f	or th	e general election campaign period if the		
18	candidate	:			
19	(1)	Was	certified as a comprehensive publicly funded		
20		cand	idate during the primary election campaign period		
21		imme	diately preceding the general election in which		
22		the :	funds under this Act are provided; and		

5	SECT	ION 5. Seed money contributions; limitations on use of
4		the ballot in the general election.
3		certified by the office of elections to be placed on
2		ballot in the general election or is otherwise
1	(2)	Received a sufficient number of votes to appear on the

- 7 limited to expenditures necessary to determine whether
- -
- 8 sufficient support exists for a participating candidate to run

seed money; penalties. (a) The use of seed money shall be

- 9 for office as a comprehensive publicly funded candidate.
- 10 (b) The amount of seed money retained or expended, or
- 11 both, by a candidate seeking eligibility for comprehensive
- 12 public funding for a county council seat shall not exceed
- 13 \$3,000.

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- 14 (c) A participating candidate shall not accept
- 15 contributions of seed money from any person whose contributions
- 16 are prohibited under subpart B of part XII of chapter 11, Hawaii
- 17 Revised Statutes. All contributors whose seed money has been
- 18 accepted shall be issued a receipt by the participating
- 19 candidate.
- 20 (d) A participating candidate may use personal funds or
- 21 surplus campaign funds for seed money purposes, all of which

- 1 shall be subject to the \$3,000 limit, as applicable, in
- 2 subsection (b).
- 3 (e) Seed money shall only be spent prior to and during the
- 4 qualifying period and shall not be collected after the candidate
- 5 has filed the declaration to run. The candidate may spend seed
- 6 money only until the candidate is certified by the commission as
- 7 a comprehensive publicly funded candidate.
- 8 (f) Any unspent seed money shall be deducted from the
- 9 initial primary election distribution of a participating
- 10 comprehensive publicly funded candidate if the candidate becomes
- 11 a certified comprehensive publicly funded candidate and does not
- 12 donate excess seed money to the Hawaii election campaign fund
- 13 established under section 11-217, Hawaii Revised Statutes.
- 14 SECTION 6. Restriction on use of surplus campaign funds.
- 15 A comprehensive publicly funded candidate who has surplus
- 16 campaign funds from a previous election is prohibited from using
- 17 those funds for anything other than in-office constituent
- 18 communications. The surplus campaign funds shall be frozen and
- 19 maintained in a separate depository account from that
- 20 established for the comprehensive public funds under section 15.
- 21 The comprehensive publicly funded candidate shall continue to
- 22 file reports on the surplus campaign funds in accordance with

- 1 subpart B of part XII of chapter 11, Hawaii Revised Statutes, or
- 2 as otherwise may be required by the commission.
- 3 SECTION 7. Qualifying campaign contributions. (a) Each
- 4 qualifying campaign contribution shall meet the requirements of
- 5 this section. To be counted as a qualifying campaign
- 6 contribution, a contributor to a candidate for a seat on a
- 7 county council shall be a registered voter who resides within
- 8 the county district to which the candidate seeks nomination or
- 9 election at the time the contribution is given. A contribution
- 10 shall be made in an amount and in a form that may be prescribed
- 11 by the commission.
- 12 (b) No qualifying contribution shall be collected prior to
- 13 a candidate filing a declaration of intent to seek comprehensive
- 14 public funding with the commission.
- 15 (c) Any receipt for a qualifying campaign contribution
- 16 shall be made in a form that may be prescribed by the
- 17 commission.
- 18 (d) All qualifying campaign contributions collected by
- 19 candidates, whether or not the candidate is certified, shall be
- 20 deposited into the Hawaii election campaign fund established
- 21 under section 11-217, Hawaii Revised Statutes.

- 1 SECTION 8. Certification of qualification for
- 2 comprehensive public funds. (a) Candidates seeking
- 3 certification as a comprehensive publicly funded candidate shall
- 4 submit to the commission an application for certification that
- 5 contains at least two hundred signatures and qualifying
- 6 contributions for the county of Hawaii from registered voters in
- 7 the district for which the candidate seeks office no later than
- 8 thirty days prior to the primary election, signed by the
- 9 participating candidate and the participating candidate's
- 10 campaign treasurer under penalty of perjury.
- 11 (b) The application shall also include any information
- 12 deemed necessary and appropriate by the commission.
- 13 (c) The commission shall issue a decision to certify or
- 14 deny certification of a candidate as a comprehensive publicly
- 15 funded candidate within ten business days following receipt of
- 16 the candidate's completed application for certification for
- 17 comprehensive public funds.
- (d) After a participating candidate is certified as a
- 19 comprehensive publicly funded candidate, the candidate's
- 20 certification shall apply to both the primary and the general
- 21 election, even if the candidate is unopposed in the primary
- 22 election.

1	SECT	ION 9	. Comprehensive publicly funded candidates;
2	contribut	ions	and expenditures; penalties. (a) Except as
3	authorize	d und	er section 12, a certified candidate shall comply
4	with the	follo	wing restrictions on contributions and
5	expenditu	res:	
6	(1)	Upon	certification for comprehensive public funding
7		and	until the end of the general election period, a
8		comp	rehensive publicly funded candidate shall not
9		acce	pt for use in the campaign:
10		(A)	Contributions from any source; provided that the
11			candidate may accept in-kind contributions
12			aggregating less than \$200 in any single month
13			from any single source;
14		(B)	Loans from any person, including a certified
15			candidate;
16		(C)	Contributions from political parties; and
17		(D)	Any campaign material purchased or held from a
18			date prior to the declaration of intent to run
19			for office as a comprehensive publicly funded
20			candidate;
21		and	

I	(2)	Upon	d certification for comprehensive public funding
2	•	and	until the end of the general election period, a
3		comp	rehensive publicly funded candidate shall not
4		expe	and for campaign purposes:
5		(A)	Any money except public funds issued by the
6			commission;
7		(B)	Public funds for purposes other than those
8			permitted in this Act;
9		(C)	Public funds outside the applicable campaign
10			period for which the funding is allocated, except
11			for proper campaign debts incurred but not paid;
12			and
13		(D)	Public funds in excess of the comprehensive
14			public funds allocated to the candidate,
15			including equalizing funds, or incur an
16			obligation or obligations to spend public funds
17			in excess of this amount.
18	(b)	A ce	rtified candidate who accepts contributions in
19	violation	of t	his section shall be subject to a fine equal to
20	three tim	es th	e public funding received, in addition to any
21	other act	ion,	fines, or prosecution under section 18.

- 1 (c) A certified candidate who spends or incurs an
- 2 obligation to spend more than one hundred per cent of the public
- 3 funds allocated to the candidate under this Act shall repay to
- 4 the Hawaii election campaign fund established under section
- 5 11-217, Hawaii Revised Statutes, an amount equal to three times
- 6 the excess expenditures.
- 7 SECTION 10. Comprehensive publicly funded candidate;
- 8 reporting. (a) A comprehensive publicly funded candidate and
- 9 the certified candidate's committee shall furnish complete
- 10 campaign records, including all records of nonmonetary
- 11 contributions, seed money contributions, qualifying campaign
- 12 contributions to the commission, and expenditures to the
- 13 commissioner. A candidate shall fully cooperate with any audit
- 14 or examination by the commission.
- (b) A comprehensive publicly funded candidate shall comply
- 16 with the reporting requirements of sections 11-194, 11-195,
- 17 11-196, 11-212, 11-213, and 11-224, Hawaii Revised Statutes, in
- 18 addition to those required under this Act or that may be
- 19 required by the commission.
- 20 (c) The commission shall require that all certified
- 21 candidates file the reports required under this Act in a

- 1 digital, electronic format specified by rules adopted by the
- 2 commission under chapter 91, Hawaii Revised Statutes.
- 3 SECTION 11. Comprehensive publicly funded candidate;
- 4 continuing obligation. (a) A certified candidate shall comply
- 5 with all requirements under this Act through the general
- 6 election campaign period regardless of whether the certified
- 7 candidate maintains eligibility for comprehensive public funding
- 8 in the general election campaign period.
- 9 (b) A certified comprehensive publicly funded candidate
- 10 who wins office shall be allowed to fundraise no more then
- 11 \$2,000 per year with individual contributions of no greater then
- 12 \$250.
- 13 (c) Any surplus of funds for a successful certified
- 14 comprehensive publicly funded candidate up to \$4,000 may be
- 15 carried over to cover in-office constituent communications not
- 16 to exceed the \$2,000 annual allotment or \$4,000 for a two-year
- 17 term.
- 18 (d) If the total surplus from a publicly funded campaign
- 19 falls under \$4,000 the certified comprehensive publicly funded
- 20 office holder shall be allowed to raise the difference pursuant
- 21 to subpart B of part XII of chapter 11, Hawaii Revised Statutes,
- 22 while in office.

1 (e) Except for seed money contributions, qualifying 2 contributions, and in-office constituent communications, a 3 certified candidate who is elected to the office sought shall 4 not accept private contributions from any person, political 5 party, or political action committee until either September 1 of 6 the next odd-numbered year following the general election in 7 which the candidate was last elected, or the date when the 8 commission determines there are insufficient funds under 9 section 3, whichever occurs earlier. 10 If a certified candidate withdraws from seeking the 11 nomination for or from the election, or has unspent public funds after an election, all unencumbered funds received by the 12 13. candidate under this Act shall be returned to the Hawaii 14 election campaign fund established under section 11-217, Hawaii 15 Revised Statutes, within ten days after the general election. 16 SECTION 12. Sufficiency of public funding; amount of base 17 public funding; disbursements. (a) The commission shall not 18 distribute comprehensive public funding to certified candidates 19 that exceeds the total amount of \$300,000 for all candidates 20 subject to this Act in any given election year in which this Act 21 is operative.

1	(b) Commencing January 1 of a general election year and
2	ending with the deadline to submit applications for
3	certification, the commission shall post on its website a
4	monthly report stating, by district:
5	(1) The number of declarations of intent to seek
6	comprehensive public funding received;
7	(2) The number of applications for certification received;
8	(3) The number of candidates who have been certified for
9	comprehensive public funding;
10	(4) The base amount of public funding committed to
11	certified candidates; and
12	(5) The amount of public funding available for additional
13	certified candidates.
14	Notwithstanding any other provisions in this Act, if the
15	commission determines that the revenues are insufficient to meet
16	distributions to certified candidates under this section, the
17	commission shall either permit certified candidates to accept
18	and spend contributions, subject to the campaign contribution
19	limitations set forth in section 11-204, Hawaii Revised
20	Statutes, up to the applicable amounts, including equalizing
21	funds the certified candidate would have received from
22	comprehensive public funding.

- 1 (c) For primary elections subject to this Act, the dollar
- 2 amount of the initial allotment of comprehensive public funding
- 3 shall be set at an average of the amount spent by the winning
- 4 candidates in the previous two county council primary elections
- 5 of the same district, reduced by ten per cent.
- 6 (d) For general elections subject to this Act, the dollar
- 7 amount of the initial allotment of comprehensive public funding
- 8 shall be set at an average of the amount spent by the winning
- 9 candidates in the previous two county council general elections
- 10 for the same district, reduced by ten per cent.
- 11 (e) The base amount of public funding for an uncontested
- 12 primary election shall be thirty per cent of the amount provided
- 13 in a contested election as determined under subsection (a). No
- 14 funding shall be allocated in an uncontested general election.
- 15 (f) The commission shall disburse public funds by check or
- 16 electronic transfer.
- 17 (g) If the winning primary candidate has residual funds
- 18 from the primary election, those funds may be carried over to
- 19 the general election. A certified candidate who is not
- 20 successful in the primary election shall return all unspent and
- 21 unencumbered public funds to the Hawaii campaign election fund

- 1 established under section 11-217, Hawaii Revised Statutes,
- 2 within ten days after the primary election.
- 3 SECTION 13. Equalizing funds, sufficiency of funds. (a)
- 4 The commission shall disburse equalizing funds to a certified
- 5 candidate in a contested election whenever that candidate is
- 6 outspent by an opposing nonparticipating candidate. An opposing
- 7 nonparticipating candidate is deemed to have outspent a
- 8 certified candidate when the campaign report filed pursuant to
- 9 subpart B of part XII of chapter 11, Hawaii Revised Statutes,
- 10 shows that the sum of an opposing nonparticipating candidate and
- 11 the nonparticipating candidate's committee's expenditures and
- 12 obligations, or campaign contributions received or borrowed,
- 13 whichever is greater, added to any independent expenditures made
- 14 in support of that nonparticipating candidate or against the
- 15 opposing certified candidate reported by any noncandidate's
- 16 committee, party, or any other person exceeds one hundred per
- 17 cent of the amount of comprehensive public funding previously
- 18 allotted and distributed to the opposing certified candidate in
- 19 a contested election, including any equalizing funds previously
- 20 distributed.

1	(b) In a contested election, equalizing funds shall be
2	limited to an amount equal to the base amount of comprehensive
3	public funding allotted to the certified candidate.
4	(c) The commission shall authorize and monitor all
5	equalizing spending by participating candidates.
6	SECTION 14. Reporting; penalties for failure to report.
7	(a) Reporting obligations under this section for
8	nonparticipating candidates and their candidate's committees,
9	noncandidate committees, parties, or any other persons making
10	independent expenditures shall be in addition to the reporting
11	requirements under this Act and chapter 11, Hawaii Revised
12	Statutes, whenever a certified candidate is opposed in a
13	contested election by a nonparticipating candidate as follows:
14	(1) Commencing forty-five days before the primary election
15	day, nonparticipating candidates and their candidate's
16	committees shall file an initial excess report with
17	the commission within twenty-four hours after
18	cumulative contributions are received, or expenditures
19	are made or committed to be made, including verbal
20	commitments, in an election period that exceeds one
21	hundred one per cent of the base amount of
22	comprehensive public funding allotted to an opposing

1		Certified Candidate in a Contested election.
2		Nonparticipating candidates and the candidate's
3		committees shall file supplemental excess reports
4		within twenty-four hours after any encumbrances or
5		expenditures that exceed \$1,000 in aggregate; and
6 (2	2)	Commencing forty-five days before the general election
7		day, noncandidate committees, parties, and any other
8		persons that incur independent expenditures that
9		expressly advocate the nomination, election, or defeat
10		of a certified candidate shall file an independent
11		expenditure report with the commission within
12		twenty-four hours when expenditures exceed \$1,000 in
13		aggregate in an election period. Thereafter,
14		noncandidate committees, parties, and any other
15		persons that incur independent expenditures, including
16		verbal expenditure commitments, shall file
17		supplemental independent expenditure reports within
18		twenty-four hours whenever the aggregate expenditures
19		exceed \$100. The independent expenditure reports
20		shall identify the nonparticipating candidate or
21		certified candidate for whom the independent

1	expenditure is intended to influence the nomination,
2	election, or defeat.
3	(b) If a nonparticipating candidate and the candidate's
4	committee fails to file or files a false excess report or
5	supplemental excess reports as required in this section, the
6	commission, within twenty-four hours of verifying the failure or
7	falsity, shall automatically disburse equalizing funds to any
8	opposing certified candidate up to the maximum authorized under
9	section 13.
10	(c) Any nonparticipating candidate and the candidate's
11	committee, noncandidate committee, party, or any other person
12	that makes independent expenditures in a contested election
13	involving a certified candidate who fails to file a report as
14	required under this Act or files a false report shall be:
15	(1) Guilty of a misdemeanor;
16	(2) Subject to a fine of up to three times the amount of
17	equalizing funds paid to the certified candidate; and
18	(3) Subject to any other fine or penalty pursuant to
19	sections 11-228 and 11-229, Hawaii Revised Statutes.
20	(d) Upon certification of all comprehensive publicly
21	funded candidates, if the commission determines there are
22	insufficient funds to meet the potential need for equalizing

- 1 funds for all certified candidates, the commission shall permit
- 2 each certified candidate to accept and spend private
- 3 contributions, subject to the campaign contribution limitations
- 4 set forth in section 11-204, Hawaii Revised Statutes, up to the
- 5 equalizing funds the certified candidate would have received
- 6 from comprehensive public funding.
- 7 (e) The commission shall adopt rules under chapter 91,
- 8 Hawaii Revised Statutes, to compute the amount of equalizing
- 9 funds allotted to a certified candidate that takes into
- 10 consideration the contributions and expenditures of the
- 11 nonparticipating candidate and the candidate's committee, and
- 12 any independent expenditures incurred to influence the
- 13 nomination, election, or defeat of the certified candidate. To
- 14 prevent the abuse of equalizing funds, the commission shall not
- 15 base any calculation on independent expenditures that, although
- 16 containing words of express advocacy, also contain other words
- 17 or phrases that have no other reasonable meaning other than to
- 18 contradict the expressed advocacy.
- 19 SECTION 15. Comprehensive public funding; permitted uses.
- 20 (a) Comprehensive public funds shall be used only for the
- 21 purpose of defraying expenses that are directly related to the

- 1 certified candidate's campaign during the election campaign
- 2 period for which the comprehensive public funds are allocated.
- 3 (b) A candidate receiving funds under this Act or the
- 4 candidate's campaign treasurer shall not transfer any portion of
- 5 the funds provided under this Act to any other candidate for
- 6 another campaign.
- 7 SECTION 16. Deposit of, and access to, comprehensive
- 8 public funds. (a) All public funds received by a certified
- 9 candidate shall be deposited directly into a depository
- 10 institution as provided under section 11-199(a), Hawaii Revised
- 11 Statutes, and accessed through use of credit cards, debit cards,
- 12 and bank checks.
- 13 (b) All reports required under subpart B of part XII of
- 14 chapter 11, Hawaii Revised Statutes, and this Act for financial
- 15 disclosure shall include the most recent bank statement from the
- 16 financial depository holding the public funds.
- 17 SECTION 17. Deposit of money into the Hawaii election
- 18 campaign fund. In addition to the funds collected by the
- 19 commission and pursuant to section 11-217, Hawaii Revised
- 20 Statutes, the following moneys shall be deposited into the
- 21 Hawaii election campaign fund established under section 11-217,
- 22 Hawaii Revised Statutes:

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1	(1)	Appropriations from the legislature;
2	(2)	Excess seed money contributions;
3	(3)	Qualifying contributions, including any excess
4		qualifying contributions of certified candidates;
5	(4)	Unspent public funds distributed to any certified
6		candidate;
7	(5)	Fines levied by the commission for violation of this
8		Act; and
9	(6)	Voluntary donations.
10	SECT	ION 18. Violations; penalties. Any candidate who
11	knowingly	seeks or receives public funding to fraudulently
12	qualify f	or or receive public funding shall:
13	(1)	Have the candidate's certification for comprehensive
14		public funding revoked. Upon revocation of
15		certification, the certified candidate shall repay all
16		public funds received within ten business days; and
17	(2)	Be subject to fines and penalties as specifically
18		provided in this Act and other fines or penalties
19		pursuant to sections 11-228 and 11-229, Hawaii Revised
20		Statutes.
21	SECT	ION 19. Rules. The commission shall adopt forms and
22	rules pur	suant to chapter 91, Hawaii Revised Statutes, as may be

- 1 necessary to implement this Act, including the reporting
- 2 requirements of section 13 and any restrictions on petty cash
- 3 expenditures by the certified candidate.
- 4 SECTION 20. This Act shall be a pilot project limited to
- 5 the elections of 2010, 2012, and 2014 for the county of Hawaii
- 6 county council elections only. No candidate who qualifies for
- 7 comprehensive public funding under this Act in any of the
- 8 elections of 2010, 2012, and 2014, shall become eligible for
- 9 partial public funding in the election for which the candidate
- 10 qualifies for funding under this Act; provided that the
- 11 comprehensive financing provided under this Act is declared
- 12 operative pursuant to section 3.
- 13 SECTION 21. There is appropriated out of the Hawaii
- 14 election campaign fund the sum of \$100,000 or so much thereof as
- may be necessary for fiscal years 2008-2009, 2011-2012, and
- 16 2013-2014 for the campaign spending commission to provide
- 17 additional staff positions and other assistance to support
- 18 comprehensive publicly funded elections for the Hawaii county
- 19 council and funding for the office of elections, or its
- 20 designate, to verify the qualifying contributions from
- 21 registered voters in a candidate's district.

1	The sum appropriated shall be expended by the department of
2	accounting and general services for the purposes of this Act.
3	SECTION 22. The campaign spending commission shall create
4	and publish all forms and receipts required as well as a
5	candidates' guide to the comprehensive public funding program
6	that shall include an explanation of rules and procedures
7	applicable to candidates. In addition to the reports required
8	by section 11-210, Hawaii Revised Statutes, the campaign
9	spending commission shall establish and provide administrative
10	and staff support to an independent, nonpartisan review
11	committee to undertake a substantive review of the functioning
12	of the comprehensive public funding program established under
13	this Act following each election in which the comprehensive
14	public funding option is used. The review committee shall
15	report to the legislature no later than twenty days prior to the
16	convening of the next regular session following each election
17	when the comprehensive public funding option is made available.
18	The report shall include:
19	(1) Suggested amendments to this Act that may address the
20	need to improve equalizing public funding to match
21	independent expenditures and any excess expenditures
22	of publicly funded and nonparticipating candidates;

1	(2)	Suggested amendments to this Act that will extend
2		publicly funded campaigns to other state and county
3		elections;
4	(3)	A summary and evaluation of the commission's
5		activities and recommendations to enhance the
6		effective and timely administration and enforcement of
7		this Act; and
8	(4)	An examination of mechanisms for increasing revenues
9		of the Hawaii election campaign fund, including
10		methods used in other states.
11	The	campaign spending commission shall gather data from the
12	county cl	erk of Hawaii to gather data and submit a report to the
13	legislatu	re no later than twenty days prior to the start of the
14	next regu	lar session after each election.
15	The	legislative reference bureau shall assist the campaign
16	spending commission in drafting any proposed amendments to this	
17	Act.	
18	SECT	ION 23. If any provision of this Act, or the
19	applicati	on thereof to any person or circumstance is held
20	invalid,	the invalidity does not affect other provisions or
21	applicati	ons of the Act, which can be given effect without the

- 1 invalid provision or application, and to this end the provisions
- 2 of this Act are severable.
- 3 SECTION 24. If any provisions in this Act conflict with or
- 4 are otherwise inconsistent with any statutory provision of part
- 5 XII of chapter 11, Hawaii Revised Statutes, this Act shall
- 6 supersede any such conflicting or inconsistent statutory
- 7 provisions for the purposes of this Act.
- 8 SECTION 25. This Act shall take effect on January 1, 2010;
- 9 provided that section 21 of this Act shall take effect on
- 10 July 1, 2008.

Report Title:

Campaign Spending; Public Funding

Description:

Creates a pilot comprehensive public funding program for elections to the Hawaii county council in 2010, 2012, and 2014. Establishes qualifications, limitations on funding and use of funds, and reporting requirements. Makes appropriations. (SD1)