# 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

16 "Candidate's committee" means a committee, as defined in17 section 11-191, Hawaii Revised Statutes, which makes an

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expenditure or accepts a contribution on behalf of a candidate
 for nomination for election, or reelection, to the Hawaii county
 council, with the candidate's authorization. A candidate shall
 have only one 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 commission14 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. 19 "County" means the county of Hawaii.

20 "County council" means the county council of the county of 21 Hawaii.

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"Declaration of intent to seek comprehensive public
 funding" means the form completed by a participating candidate
 and the filing of which triggers the participating candidate's
 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.

17 "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.

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"Primary election campaign period" means the period in a
 primary election year beginning with the certification for
 comprehensive public funding under this Act and ending two weeks
 after the primary election.

5 "Public funding" or "public funds" means campaign funds
6 from the Hawaii election campaign fund under section 11-217,
7 Hawaii Revised Statutes, received by an eligible candidate
8 pursuant to this Act.

9 "Qualifying contribution" means a \$5 monetary contribution
10 made in the form of a check or a money order payable to the fund
11 to a participating candidate for purposes of meeting the
12 criteria of section 7.

13 "Qualifying period" means the period in a general election 14 year, beginning January 1 and ending on the deadline for filing 15 candidate nomination papers to run in the primary election of a 16 general election year during which a candidate may collect 17 qualifying campaign contributions to qualify for comprehensive public funding under this Act; provided the commission has 18 19 determined that the Hawaii election campaign fund has sufficient 20 funds to make payments to comprehensive publicly funded 21 candidates during the election period.

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Seed money" means contributions made to a participating
candidate by a person in accordance with section 5 that shall be
expended for the purpose of determining campaign viability.
"Surplus campaign funds" means any campaign contributions
not spent during a prior election period by a participating
candidate who previously sought election as a privately funded
candidate.

8 SECTION 3. Sufficiency of funding for comprehensive public 9 funding. On September 1 of each odd-numbered year before the 10 general election years of 2010, 2012, and 2014, the commission 11 shall determine whether there is a minimum of \$3,500,000 in the 12 Hawaii election campaign fund established under section 11-217, 13 Hawaii Revised Statutes, to certify participating candidates 14 during the next election and provide funding for comprehensive public funding for elections under this Act. 15

16 If the commission determines that there is sufficient 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 21 there is insufficient funding, then this Act shall be

22 inoperative.



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1	If 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 Revised 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;		

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1	(5)	Accepts only the following contributions prior to			
2		applying for certification as a comprehensive publicly			
3		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)	Files an application for certification for			
12		comprehensive public funding with the commission and a			
13		declaration that the candidate has complied and will			
14		comply with all of the requirements of this Act, as			
15		applicable.			
16	(b)	A candidate is qualified to seek comprehensive public			
17	funding f	or the general election campaign period if the			
18	candidate	:			
19	(1)	Was certified as a comprehensive publicly funded			
20		candidate during the primary election campaign period			
21		immediately preceding the general election in which			
22		the funds under this Act are provided; and			
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1 (2) Received a sufficient number of votes to appear on the 2 ballot in the general election or is otherwise 3 certified by the Hawaii county clerk to be placed on 4 the ballot in the general election. 5 SECTION 5. Seed money contributions; limitations on use of 6 seed money; penalties. (a) The use of seed money shall be 7 limited to expenditures necessary to determine whether 8 sufficient support exists for a participating candidate to run 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. 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 Revised Statutes. All contributors whose seed money has been 17 18 accepted shall be issued a receipt by the participating 19 candidate.

20 (d) A participating candidate may use personal funds or21 surplus campaign funds for seed money purposes, all of which

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shall be subject to the \$3,000 limit, as applicable, in
 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 of intent to run. The candidate may
6 spend seed money only until the candidate is certified by the
7 commission as 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 16. 21 The comprehensive publicly funded candidate shall continue to 22 file reports on the surplus campaign funds in accordance with HB661 SD2 LRB 08-2881.doc 10

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 this section. To be counted as a qualifying campaign 5 contribution, a contributor to a candidate for a seat on the 6 7 Hawaii county council shall be a registered voter who resides 8 within the county district to which the candidate seeks 9 nomination or election at the time the contribution is given. A 10 contribution shall be made in an amount and in a form that may 11 be prescribed 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.

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

(d) All qualifying campaign contributions collected by
candidates, whether or not the candidate is certified, shall be
deposited into the Hawaii election campaign fund established
under section 11-217, Hawaii Revised Statutes.

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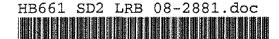
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1	SECTION 8. Certification of qualification for
2	comprehensive public funds. (a) Candidates seeking
3	certification as a comprehensive publicly funded candidate shall
4	submit to the commission an application for certification that
5	contains at least 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. The clerk for the
11	county of Hawaii shall verify that at least two hundred
12	signatures and qualifying contributions were received from
13	registered voters in the district for which the candidate seeks
14	office, that the candidate resides in the district from which
15	election is sought as of the date of the filing of nomination
16	papers, and that the candidate is a registered voter in the
17	district from which election is sought.
18	(b) The application shall also include any information
19	deemed necessary and appropriate by the commission.

20 (c) The commission shall issue a decision to certify or
21 deny certification of a candidate as a comprehensive publicly
22 funded candidate within ten business days following receipt of HB661 SD2 LRB 08-2881.doc

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1 the candidate's completed application for certification for 2 comprehensive public funds. 3 (d) After a participating candidate is certified as a comprehensive publicly funded candidate, the candidate's 4 5 certification shall apply to both the primary and the general 6 election, even if the candidate is unopposed in the primary 7 election. SECTION 9. Comprehensive publicly funded candidates; 8 9 contributions and expenditures; penalties. (a) Except as authorized under section 12, a certified candidate shall comply 10 11 with the following restrictions on contributions and 12 expenditures: Upon certification for comprehensive public funding 13 (1)14 and until the end of the general election period, a comprehensive publicly funded candidate shall not 15 16 accept for use in the campaign: (A) Contributions from any source; provided that the 17 candidate may accept in-kind contributions 18 aggregating less than \$200 in any single month 19 20 from any single source; 21 Loans from any person, including a certified (B) 22 candidate:



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1		(C)	Contributions from political parties; and
2		(D)	Any campaign material purchased or held from a
3			date prior to the declaration of intent to run
4			for office as a comprehensive publicly funded
5			candidate;
6		and	
7	(2)	Upon	certification for comprehensive public funding
8		and	until the end of the general election period, a
9		comp	rehensive publicly funded candidate shall not
10		expe	nd for campaign purposes:
11		(A)	Any money except public funds issued by the
12			commission;
13		(B)	Public funds for purposes other than those
14			permitted in this Act;
15		(C)	Public funds outside the applicable campaign
16			period for which the funding is allocated, except
17			for proper campaign debts incurred but not paid;
18			and
19		(D)	Public funds in excess of the comprehensive
20			public funds allocated to the candidate,
21			including equalizing funds, or incur an

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1	obligation or obligations to spend public funds
2	in excess of this amount.
3	(b) A certified candidate who accepts contributions in
4	violation of this section shall be subject to a fine equal to
5	three times the public funding received, in addition to any
6	other action, fines, or prosecution under section 18.
7	(c) A certified candidate who spends or incurs an
8	obligation to spend more than one hundred per cent of the public
9	funds allocated to the candidate under this Act shall repay to
10	the Hawaii election campaign fund established under section
11	11-217, Hawaii Revised Statutes, an amount equal to three times
12	the excess expenditures.
13	SECTION 10. Comprehensive publicly funded candidate;
14	reporting. (a) A comprehensive publicly funded candidate and
15	the certified candidate's committee shall furnish complete
16	campaign records, including all records of nonmonetary
17	contributions, seed money contributions, qualifying campaign
18	contributions to the commission, and expenditures to the
19	commissioner. A candidate shall fully cooperate with any audit
20	or examination by the commission.

(b) A comprehensive publicly funded candidate shall comply
with the reporting requirements of sections 11-194, 11-195, 11-



195.5, 11-196, 11-212, 11-213, and 11-224, Hawaii Revised
 Statutes, in addition to those required under this Act or that
 may be required by the commission.

4 (c) The commission shall require that all certified
5 candidates file the reports required under this Act in a
6 digital, electronic format specified by rules adopted by the
7 commission under chapter 91, Hawaii Revised Statutes.

8 SECTION 11. Comprehensive publicly funded candidate; 9 continuing obligation. (a) A certified candidate shall comply 10 with all requirements under this Act through the general 11 election campaign period regardless of whether the certified 12 candidate maintains eligibility for comprehensive public funding 13 in the general election campaign period.

(b) A certified comprehensive publicly funded candidate
who wins office shall be allowed to fundraise no more then
\$2,000 per year with individual contributions of no greater then
\$250.

(c) Any surplus of funds for a successful certified
comprehensive publicly funded candidate up to \$4,000 may be
carried over to cover in-office constituent communications not
to exceed the \$2,000 annual allotment or \$4,000 for a two-year
term.

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(d) If the total surplus from a publicly funded campaign
 falls under \$4,000 the certified comprehensive publicly funded
 office holder shall be allowed to raise the difference pursuant
 to subpart B of part XII of chapter 11, Hawaii Revised Statutes,
 while in office.

6 (e) Except for seed money contributions, qualifying 7 contributions, and in-office constituent communications, a 8 certified candidate who is elected to the office sought shall 9 not accept private contributions from any person, political 10 party, or political action committee until either September 1 of the next odd-numbered year following the general election in 11 which the candidate was last elected, or the date when the 12 13 commission determines there are insufficient funds under 14 section 3, whichever occurs earlier.

15 If a certified candidate withdraws from seeking the (f) 16 nomination for or from the election, or has unspent public funds 17 after an election, all unencumbered funds received by the candidate under this Act shall be returned to the Hawaii 18 19 election campaign fund established under section 11-217, Hawaii 20 Revised Statutes, within ten days after the general election. 21 SECTION 12. Sufficiency of public funding; amount of base 22 public funding; disbursements. (a) The commission shall not



distribute comprehensive public funding to certified candidates
 that exceeds the total amount of \$300,000 for all candidates
 subject to this Act in any given election year in which this Act
 is operative.

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5 (b) Commencing January 1 of a general election year and
6 ending with the deadline to submit applications for
7 certification, the commission shall post on its website a
8 monthly report stating, by district:

- 9 (1) The number of declarations of intent to seek10 comprehensive public funding received;
- 11 (2) The number of applications for certification received;
- 12 (3) The number of candidates who have been certified for13 comprehensive public funding;
- 14 (4) The base amount of public funding committed to15 certified candidates; and
- 16 (5) The amount of public funding available for additional17 certified candidates.

18 Notwithstanding any other provisions in this Act, if the 19 commission determines that the revenues are insufficient to meet 20 distributions to certified candidates under this section, the 21 commission shall either permit certified candidates to accept 22 and spend contributions, subject to the campaign contribution 23 UPD 402 402 402 402



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1 limitations set forth in section 11-204, Hawaii Revised Statutes, up to the applicable amounts, including equalizing 2 funds the certified candidate would have received from 3 4 comprehensive public funding.

5 (c) For primary elections subject to this Act, the dollar 6 amount of the initial allotment of comprehensive public funding shall be set at an average of the amount spent by the winning 7 8 candidates in the previous two county council primary elections 9 of the same district, reduced by ten per cent.

10 (d) For general elections subject to this Act, the dollar 11 amount of the initial allotment of comprehensive public funding 12 shall be set at an average of the amount spent by the winning 13 candidates in the previous two county council general elections 14 for the same district, reduced by ten per cent.

The base amount of public funding for an uncontested 15 (e) 16 primary election shall be thirty per cent of the amount provided in a contested election as determined under subsection (a). No 17 18 funding shall be allocated in an uncontested general election. 19 Public funds, including equalizing funds, shall be (f) 20 paid to a certified candidate by the comptroller in the manner prescribed in section 11-222, Hawaii Revised Statutes.

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(g) If the winning primary candidate has residual funds
 from the primary election, those funds may be carried over to
 the general election. A certified candidate who is not
 successful in the primary election shall return all unspent and
 unencumbered public funds to the Hawaii campaign election fund
 established under section 11-217, Hawaii Revised Statutes,
 within ten days after the primary election.

8 SECTION 13. Equalizing funds, sufficiency of funds. (a)9 The commission shall disburse equalizing funds to a certified 10 candidate in a contested election whenever that candidate is 11 outspent by an opposing nonparticipating candidate. An opposing 12 nonparticipating candidate is deemed to have outspent a 13 certified candidate when the campaign report filed pursuant to 14 subpart B of part XII of chapter 11, Hawaii Revised Statutes, shows that the sum of an opposing nonparticipating candidate and 15 16 the nonparticipating candidate's committee's expenditures and 17 obligations, or campaign contributions received or borrowed, 18 whichever is greater, added to any independent expenditures made 19 in support of that nonparticipating candidate or against the 20 opposing certified candidate reported by any noncandidate's 21 committee, party, or any other person exceeds one hundred per 22 cent of the amount of comprehensive public funding previously

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allotted and distributed to the opposing certified candidate in
 a contested election, including any equalizing funds previously
 distributed.

4 (b) In a contested election, equalizing funds shall be
5 limited to an amount equal to the base amount of comprehensive
6 public funding allotted to the certified candidate.

7 (c) The commission shall authorize and monitor all8 equalizing spending by participating candidates.

9 SECTION 14. Reporting; penalties for failure to report. 10 Reporting obligations under this section for (a) 11 nonparticipating candidates and their candidate's committees, noncandidate committees, parties, or any other persons making 12 13 independent expenditures shall be in addition to the reporting 14 requirements under this Act and chapter 11, Hawaii Revised 15 Statutes, whenever a certified candidate is opposed in a 16 contested election by a nonparticipating candidate as follows: 17 Commencing forty-five days before the primary election (1)18 day, nonparticipating candidates and their candidate's 19 committees shall file an initial excess report with ~20 the commission within twenty-four hours after cumulative contributions are received, or expenditures 21 are made or committed to be made, including verbal 22



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1 commitments, in an election period that exceeds one 2 hundred one per cent of the base amount of 3 comprehensive public funding allotted to an opposing 4 certified candidate in a contested election. 5 Nonparticipating candidates and the candidate's committees shall file supplemental excess reports 6 7 within twenty-four hours after any encumbrances or 8 expenditures that exceed \$1,000 in aggregate; and Commencing forty-five days before the general election 9 (2)day, noncandidate committees, parties, and any other 10 persons that incur independent expenditures that 11 expressly advocate the nomination, election, or defeat 12 13 of a certified candidate shall file an independent expenditure report with the commission within 14 twenty-four hours when expenditures exceed \$1,000 in 15 16 aggregate in an election period. Thereafter, 17 noncandidate committees, parties, and any other persons that incur independent expenditures, including 18 19 verbal expenditure commitments, shall file 20 supplemental independent expenditure reports within 21 twenty-four hours whenever the aggregate expenditures 22 exceed \$100. The independent expenditure reports



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shall identify the nonparticipating candidate or
 certified candidate for whom the independent
 expenditure is intended to influence the nomination,
 election, or defeat.

5 If a nonparticipating candidate and the candidate's (b) 6 committee fails to file on or before the due date as required by 7 this section or files a false excess report or supplemental excess reports, the commission, within twenty-four hours of 8 9 verifying the failure or falsity, shall inform the comptroller. 10 Public funds shall be paid to a certified candidate by the 11 comptroller in the manner prescribed in section 11-222, Hawaii 12 Revised Statutes.

(c) Any nonparticipating candidate and the candidate's committee, noncandidate committee, party, or any other person that makes independent expenditures in a contested election involving a certified candidate and that fails to file a report as required under this Act or files a false report shall be:

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(1) Guilty of a misdemeanor;

19 (2) Subject to a fine of up to three times the amount of
20 equalizing funds paid to the certified candidate; and
21 (3) Subject to any other fine or penalty pursuant to
22 sections 11-228 and 11-229, Hawaii Revised Statutes.



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1 SECTION 15. Comprehensive public funding; permitted uses. 2 (a) Comprehensive public funds shall be used only for the 3 purpose of defraying expenses that are directly related to the 4 certified candidate's campaign during the election campaign 5 period for which the comprehensive public funds are allocated. (b) A candidate receiving funds under this Act or the 6 7 candidate's campaign treasurer shall not transfer any portion of 8 the funds provided under this Act to any other candidate for 9 another campaign.

SECTION 16. Deposit of, and access to, comprehensive
public funds. (a) All public funds received by a certified
candidate shall be deposited directly into a depository
institution as provided under section 11-199(a), Hawaii Revised
Statutes, and accessed through use of credit cards, debit cards,
and bank checks.

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

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1	(c) Failure to submit a required report in a timely manner
2	shall result in a fine of \$500, to be assessed against the
3	candidate's committee.
4	SECTION 17. Deposit of money into the Hawaii election
5	campaign fund. In addition to the funds collected by the
6	commission and pursuant to section 11-217, Hawaii Revised
7	Statutes, the following moneys shall be deposited into the
8	Hawaii election campaign fund established under section 11-217,
9	Hawaii Revised Statutes:
10	(1) Appropriations from the legislature;
11	(2) Excess seed money contributions;
12	(3) Qualifying contributions, including any excess
13	qualifying contributions of certified candidates;
14	(4) Unspent public funds distributed to any certified
15	candidate;
16	(5) Fines levied by the commission for violation of this
17	Act; and
18	(6) Voluntary donations.
19	SECTION 18. Violations; penalties. Any candidate who
20	knowingly seeks or receives public funding to fraudulently
21	qualify for or receive public funding shall:

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1 (1) Have the candidate's certification for comprehensive 2 public funding revoked. Upon revocation of 3 certification, the certified candidate shall repay all public funds received within ten business days; and 4 5 (2) Be subject to fines and penalties as specifically provided in this Act and other fines or penalties 6 7 pursuant to sections 11-228 and 11-229, Hawaii Revised 8 Statutes.

9 SECTION 19. This Act shall be a pilot project limited to 10 the elections of 2010, 2012, and 2014 for the county of Hawaii county council elections only. No candidate who qualifies for 11 12 comprehensive public funding under this Act in any of the 13 elections of 2010, 2012, and 2014, shall become eligible for 14 partial public funding in the election for which the candidate 15 qualifies for funding under this Act; provided that the comprehensive financing provided under this Act is declared 16 17 operative pursuant to section 3.

SECTION 20. The campaign spending commission shall create and publish all forms and receipts required as well as a candidates' guide to the comprehensive public funding program that shall include an explanation of rules and procedures applicable to candidates. In addition to the reports required HB661 SD2 LRB 08-2881.doc

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by section 11-210, Hawaii Revised Statutes, the campaign 1 2 spending commission shall establish and provide administrative 3 and staff support to an independent, nonpartisan review 4 committee to undertake a substantive review of the functioning 5 of the comprehensive public funding program established under 6 this Act following each election in which the comprehensive 7 public funding option is used. The review committee shall report to the legislature no later than twenty days prior to the 8 9 convening of the next regular session following each election 10 when the comprehensive public funding option is made available. 11 The report shall include:

12 (1)Suggested amendments to this Act that may address the 13 need to improve equalizing public funding to match 14 independent expenditures and any excess expenditures 15 of publicly funded and nonparticipating candidates; Suggested amendments to this Act that will extend 16 (2)17 publicly funded campaigns to other state and county 18 elections;

19 (3) A summary and evaluation of the commission's
20 activities and recommendations to enhance the
21 effective and timely administration and enforcement of
22 this Act; and



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1 (4) An examination of mechanisms for increasing revenues 2 of the Hawaii election campaign fund, including 3 methods used in other states. 4 The campaign spending commission shall gather data from the 5 county clerk of Hawaii to gather data and submit a report to the legislature no later than twenty days prior to the start of the 6 7 next regular session after each election. 8 The legislative reference bureau shall assist the campaign 9 spending commission in drafting any proposed amendments to this 10 Act. SECTION 21. Section 11-217.5, Hawaii Revised Statutes, is 11 12 amended to read as follows: 13 "§11-217.5 Depletion of fund. (a) The Hawaii election campaign fund shall be under no obligation to provide moneys to 14 [qualified] eligible candidates [in the event that] if, in the 15 partial public funding program or comprehensive public funding 16 for elections to the county councils, moneys in that fund [have 17 been depleted.] are near depletion. 18 19 (b) [In the event that] For purposes of the partial funding program, if the Hawaii election campaign fund is close 20 21 to depletion, as determined by the commission, the commission 22 shall determine the amounts available to [qualified] eligible HB661 SD2 LRB 08-2881.doc

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candidates based on their order of eligibility in qualifying for
 <u>partial</u> public funds, as determined by the date of filing of an
 application for public funds with the commission pursuant to
 section 11-222; provided that the application has been accepted
 by the commission.

6 (c) For the purposes of the comprehensive public funding
7 for elections to the county councils, if the Hawaii election
8 campaign fund is close to depletion, the commission shall
9 determine whether that program shall be operative in accordance
10 with subpart \_\_\_\_\_."

SECTION 22. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act, which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 23. If any provisions in this Act conflict with or are otherwise inconsistent with any statutory provision of part XII of chapter 11, Hawaii Revised Statutes, this Act shall supersede any such conflicting or inconsistent statutory provisions for the purposes of this Act.

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SECTION 24. Statutory material to be repealed is bracketed
 and stricken. New statutory material is underscored.
 SECTION 25. This Act shall take effect on July 1, 2008,
 and shall be applicable beginning with the general election year

5 of 2010.



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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. (HB661 SD2)

