

JAN 19 2007

A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

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

- 1 SECTION 1. The legislature finds and declares that:
- 2 (1) The pervasive and expanding influence of private
- 3 contributions and expenditures on public elections in
- 4 the State of Hawaii undermines democracy and the
- 5 rights of all Hawaii citizens to vote for the
- 6 candidate of their choice and to enjoy equal and
- 7 meaningful participation in the democratic process,
- 8 rights that are guaranteed by the First and Fourteenth
- 9 Amendments to the United States Constitution as well
- 10 as sections 1, 2, 4, and 8 of article I of the state
- 11 constitution;
- 12 (2) Candidates for statewide office who lack access to
- 13 personal wealth or wealthy donors are precluded from
- 14 running a competitive campaign, because their voices
- 15 are drowned out by those who can afford to saturate
- 16 their constituents with television, radio, and other
- 17 expensive mass-media communications, the indispensable



1 instruments of effective political speech in the
2 modern age;

3 (3) In recent years, private contributions to statewide
4 campaigns and independent expenditures made to
5 influence statewide campaigns have increased greatly.
6 This dramatic influx of private money, coupled with
7 recent high-profile law enforcement investigations and
8 prosecutions of campaign finance abuses have
9 undermined the public's confidence in the political
10 process and fueled the public perception of corruption
11 in Hawaii state politics;

12 (4) The dominance of private funding in state elections
13 also burdens candidates and elected officials with the
14 incessant rigors of fundraising and decreases the time
15 available to carry out their public responsibilities.
16 Further, private funding creates a danger of actual
17 corruption by compelling elected officials to accept
18 money from private interests that are directly
19 affected by governmental actions; and

20 (5) The State's existing system of partial public funding
21 for campaigns has not created a viable alternative to
22 private sources of funding. Only nine per cent of



1 candidates statewide participated in the partial
2 public funding system in the 2004 election, in part,
3 because the available partial public funding is
4 insufficient to run a competitive campaign.

5 The State has compelling interests in preserving the
6 integrity of its democratic system, promoting an open and robust
7 debate on public issues, and protecting the constitutional
8 rights of its citizens. To serve these compelling interests,
9 the legislature finds and declares that it is essential to
10 provide comprehensive public funding to candidates seeking
11 election to the state house of representatives who voluntarily
12 agree to abide by campaign contribution and expenditure limits
13 and meet other criteria.

14 It is the purpose of this Act to create a comprehensive
15 public funding system that will offer a viable and competitive
16 alternative to private funding sources, thereby substantially
17 reducing or eliminating the deleterious effects of private
18 financing.

19 SECTION 2. Chapter 11, Hawaii Revised Statutes, is amended
20 by adding a new subpart to part XII to be appropriately inserted
21 and to read as follows:



1 "Contested election" means, in a primary election, the
2 certified candidate is opposed by one or more candidates for the
3 nomination; and, in a general election, the certified candidate
4 is opposed by one or more candidates for election to the office.

5 "Contribution" shall be as defined in section 11-191.

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

10 "District" means a state house of representatives district,
11 as established in accordance with article III, section 3, of the
12 Constitution of the State of Hawaii.

13 "Election period" shall be as defined in section 11-191.

14 "Equalizing funds" means additional public funds released
15 by the commission to a comprehensive publicly funded candidate
16 to allow the publicly funded candidate to stay financially
17 competitive with a nonparticipating candidate in a contested
18 election.

19 "Excess expenditure" means the amount of comprehensive
20 public funds spent or obligated to be spent by a comprehensive
21 publicly funded candidate in excess of one hundred per cent of



1 the allocated funds for a primary election, general election, or
2 both.

3 "Expenditure" shall be as defined in section 11-191.

4 "General election campaign period" means the period
5 beginning the day after the primary election and ending two
6 weeks after a general election.

7 "General election year" means the period commencing
8 January 1 of an even-numbered year in which a general election
9 is held and ending two weeks after the general election.

10 "Hawaii election campaign fund" shall be as defined in
11 section 11-217.

12 "Immediate family" shall be as defined in section 11-191.

13 "Independent expenditure" means an expenditure by a
14 noncandidate committee, party, or any other person for a
15 communication that expressly advocates the nomination, election,
16 or defeat of a clearly identified certified candidate or
17 nonparticipating candidate and that is not made in concert or
18 cooperation with or as part of any coordinated activity or at
19 the request or suggestion of the certified candidate or
20 nonparticipating candidate, a candidate's committee, or their
21 agents. For the purposes of this definition, "clearly
22 identified" means that the name, likeness, photograph, or



1 drawing of the certified candidate or nonparticipating candidate
2 is used, or the identity of the certified candidate or
3 nonparticipating candidate is apparent by unambiguous reference.

4 "Individual" shall be as defined in section 11-191.

5 "Loan" shall be as defined in section 11-191.

6 "Noncandidate committee" shall be as defined in section
7 11-191.

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

10 "Nonparticipating candidate" means a candidate who does not
11 qualify for or receive public funding during an election period
12 and is involved in a contested election with a certified
13 participating candidate.

14 "Participating candidate" means a candidate who is seeking
15 certification for comprehensive public funding under this
16 subpart.

17 "Party" shall be as defined in section 11-191.

18 "Person" shall be as defined in section 11-191.

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



1 "Public funding" or "public funds" means campaign funds
2 from the Hawaii election campaign fund received by an eligible
3 candidate pursuant to subpart B or this subpart.

4 "Qualifying contribution" means a \$ monetary
5 contribution made to a participating candidate for purposes of
6 meeting the criteria of section 11-G.

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

16 "Seed money" means contributions made to a participating
17 candidate by a person in accordance with section 11-D that shall
18 be expended for the purpose of determining campaign viability.

19 "Surplus campaign funds" means any campaign contributions
20 not spent during a prior election period by a participating
21 candidate who previously sought election as a privately funded
22 candidate.



1 Except for terms that are specifically defined in this
2 subpart, terms that are defined under subpart B shall apply to
3 this subpart.

4 **§11-B Sufficiency of funding for comprehensive public**
5 **funding.** On September 1 of each odd-numbered year before a
6 general election year, the commission shall determine whether
7 there is a minimum of \$6,000,000 in the Hawaii election campaign
8 fund to certify participating candidates during the next
9 election and provide funding for comprehensive public funding
10 for elections under this subpart.

11 If the commission determines that there is sufficient
12 funding, then within five business days, the commission shall
13 publish notice statewide, pursuant to section 1-28.5, that the
14 comprehensive public funding program shall become effective on
15 January 1 of the following year. If there is insufficient
16 funding, then this subpart shall be inoperative.

17 If this subpart is inoperative, candidates may seek public
18 funding as provided under subpart B.

19 **§11-C Qualifications for comprehensive public funding.**

20 (a) A candidate may seek comprehensive public funding for the
21 primary election campaign period if the candidate:



- 1 (1) Resides in the district from which election is sought
- 2 as of the date of the filing of nomination papers for
- 3 the primary election in the general election year in
- 4 which the candidate seeks to be nominated or elected;
- 5 (2) Is a registered voter in the district from which
- 6 election is sought;
- 7 (3) Files a declaration of intent to seek comprehensive
- 8 public funding with the commission between January 1
- 9 of the election year and thirty days before the
- 10 closing date to file nomination papers to run for
- 11 office for which the candidate intends to seek
- 12 election;
- 13 (4) Collects a \$ district qualifying
- 14 contribution in accordance with section 11-F;
- 15 (5) Accepts only the following contributions prior to
- 16 applying for certification as a comprehensive publicly
- 17 funded candidate:
- 18 (A) Seed money contributions until the candidate
- 19 files a declaration of intent to seek
- 20 comprehensive public funding; and



1 (B) Qualifying contributions that may be accepted
2 only after filing the declaration of intent to
3 seek comprehensive public funding; and

4 (6) Files an application for certification for
5 comprehensive public funding with the commission and a
6 declaration that the candidate has complied and will
7 comply with all of the requirements of this subpart,
8 as applicable.

9 (b) A candidate is qualified to seek comprehensive public
10 funding for the general election campaign period if the
11 candidate:

12 (1) Was certified as a comprehensive publicly funded
13 candidate during the primary election campaign period
14 immediately preceding the general election in which
15 the funds under this subpart are provided; and

16 (2) Received a sufficient number of votes to appear on the
17 ballot in the general election or is otherwise
18 certified by the office of elections to be placed on
19 the ballot in the general election.

20 **§11-D Seed money contributions; limitations on use of seed**
21 **money; penalties.** (a) The use of seed money shall be limited
22 to expenditures necessary to determine whether sufficient



1 support exists for a participating candidate to run for office
2 as a comprehensive publicly funded candidate.

3 (b) The amount of seed money retained or expended, or
4 both, by a candidate seeking eligibility for comprehensive
5 public funding for the state house of representatives shall not
6 exceed \$3,000.

7 (c) A participating candidate shall not accept
8 contributions of seed money from any person whose contributions
9 are prohibited under subpart B. All contributors whose seed
10 money has been accepted shall be issued a receipt by the
11 participating candidate.

12 (d) A participating candidate may use personal funds or
13 surplus campaign funds for seed money purposes, all of which
14 shall be subject to the \$3,000 limit, as applicable, in
15 subsection (b).

16 (e) Seed money shall only be spent prior to and during the
17 qualifying period and shall not be collected after the candidate
18 has filed the declaration to run. The candidate may spend seed
19 money only until the candidate is certified by the commission as
20 a comprehensive publicly funded candidate.

21 (f) Any unspent seed money shall be deducted from the
22 initial primary election distribution of a participating



1 comprehensive publicly funded candidate if the candidate becomes
2 a certified comprehensive publicly funded candidate and does not
3 donate excess seed money to the Hawaii election campaign fund.

4 **§11-E Restriction on use of surplus campaign funds.** A
5 comprehensive publicly funded candidate who has surplus campaign
6 funds from a previous election is prohibited from using those
7 funds for anything other than in-office constituent
8 communications. The surplus campaign funds shall be frozen and
9 maintained in a separate depository account from that
10 established for the comprehensive public funds under section
11 11-N. The comprehensive publicly funded candidate shall
12 continue to file reports on the surplus campaign funds in
13 accordance with subpart B or as otherwise may be required by the
14 commission.

15 **§11-F Qualifying campaign contributions.** (a) Each
16 qualifying campaign contribution shall meet the requirements of
17 this section. To be counted as a qualifying campaign
18 contribution, a contributor to a candidate for the state house
19 of representatives shall be a registered voter who resides
20 within the state house of representative district to which the
21 candidate seeks nomination or election at the time the



1 contribution is given. A contribution shall be made in an
2 amount and in a form that may be prescribed by the commission.

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

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

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

12 **§11-G Certification of qualification for comprehensive**

13 **public funds.** (a) Candidates seeking certification as a
14 comprehensive publicly funded candidate shall submit to the
15 commission an application for certification that contains at
16 least two hundred fifty signatures and contributions for
17 election to office in the state house of representatives from
18 registered voters in the district for which the candidate seeks
19 office no later than thirty days prior to the primary election,
20 signed by the participating candidate and the participating
21 candidate's campaign treasurer under penalty of perjury.



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

3 (c) The commission shall issue a decision to certify or
4 deny certification of a candidate as a comprehensive publicly
5 funded candidate within five business days following receipt of
6 the candidate's completed application for certification for
7 comprehensive public funds.

8 (d) After a participating candidate is certified as a
9 comprehensive publicly funded candidate, the candidate's
10 certification shall apply to both the primary and the general
11 election, even if the candidate is unopposed in the primary
12 election.

13 (e) A candidate who is not certified for comprehensive
14 public funding under this subpart may seek public funding under
15 the public funding program in subpart B.

16 **§11-H Comprehensive publicly funded candidates;**
17 **contributions and expenditures; penalties.** (a) Except as
18 authorized under section 11-K, a certified candidate shall
19 comply with the following restrictions on contributions and
20 expenditures:

21 (1) Upon certification for comprehensive public funding
22 and until the end of the general election period, a



1 comprehensive publicly funded candidate shall not
2 accept for use in the campaign:

3 (A) Contributions from any source; provided that the
4 candidate may accept in-kind contributions
5 aggregating less than \$ in any single
6 month from any single source;

7 (B) Loans from any person, including a certified
8 candidate;

9 (C) Contributions from political parties; and

10 (D) Any campaign material purchased or held from a
11 date prior to the declaration of intent to run
12 for office as a comprehensive publicly funded
13 candidate; and

14 (2) Upon certification for comprehensive public funding
15 and until the end of the general election period, a
16 comprehensive publicly funded candidate shall not
17 expend for campaign purposes:

18 (A) Any money except public funds issued by the
19 commission;

20 (B) Public funds for purposes other than those
21 permitted in this subpart;



1 (C) Public funds outside the applicable campaign
2 period for which the funding is allocated, except
3 for proper campaign debts incurred but not paid;
4 and

5 (D) Public funds in excess of the comprehensive
6 public funds allocated to the candidate,
7 including equalizing funds, or incur an
8 obligation or obligations to spend public funds
9 in excess of this amount.

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 11-P.

14 (c) A certified candidate who spends or incurs an
15 obligation to spend more than one hundred per cent of the public
16 funds allocated to the candidate under this subpart shall repay
17 to the Hawaii election campaign fund an amount equal to three
18 times the excess expenditures.

19 **§11-I Comprehensive publicly funded candidate; reporting.**

20 (a) A comprehensive publicly funded candidate and the certified
21 candidate's committee shall furnish complete campaign records,
22 including all records of nonmonetary contributions, seed money



1 contributions, qualifying campaign contributions to the
2 commission, and expenditures to the commissioner. A candidate
3 shall fully cooperate with any audit or examination by the
4 commission.

5 (b) A comprehensive publicly funded candidate shall comply
6 with the reporting requirements of sections 11-194, 11-195,
7 11-196, 11-212, 11-213, and 11-224 in addition to those required
8 under this subpart or that may be required by the commission.

9 (c) The commission shall require that all certified
10 candidates file the reports required under this subpart in a
11 digital, electronic format specified by rules adopted by the
12 commission under chapter 91.

13 **§11-J Comprehensive publicly funded candidate; continuing**
14 **obligation.** (a) A certified candidate shall comply with all
15 requirements under this subpart through the general election
16 campaign period regardless of whether the certified candidate
17 maintains eligibility for comprehensive public funding in the
18 general election campaign period.

19 (b) A certified comprehensive publicly funded candidate
20 who wins office will be allowed to fundraise no more than \$6,000
21 per year with individual contributions of no greater than \$500.



1 (c) Any surplus of funds for a successful certified
2 comprehensive publicly funded candidate up to \$12,000 may be
3 carried over to cover in-office constituent communications not
4 to exceed \$6,000 annual allotment or \$12,000 for a two-year
5 term.

6 (d) If the total surplus from a publicly funded campaign
7 falls under \$12,000 the certified comprehensive publicly funded
8 office holder will be allowed to raise the difference pursuant
9 to subpart (b) while in office.

10 (e) Except for seed money contributions, qualifying
11 contributions, and in-office constituent communications, a
12 certified candidate who is elected to the office sought shall
13 not accept private contributions from any person, political
14 party, or political action committee until either September 1 of
15 the next odd-numbered year following the general election in
16 which the candidate was last elected, or the date when the
17 commission determines there are insufficient funds under section
18 11-B, whichever occurs earlier.

19 (f) If a certified candidate withdraws from seeking the
20 nomination for or from the election, or has unspent public funds
21 after an election, all unencumbered funds received by the
22 candidate under this subpart shall be returned to the Hawaii



1 election campaign fund within ten days after the general
2 election.

3 **§11-K Amount of base public funding; disbursements;**
4 **sufficiency of public funding.** (a) For primary elections
5 subject to this subpart, the base amount of comprehensive public
6 funding shall be set at an average of the amount spent by the
7 winning candidates in the previous two state house of
8 representatives primary elections, statewide, reduced by ten per
9 cent.

10 (b) For general elections subject to this subpart, the
11 base amount of comprehensive public funding shall be set at an
12 average of the amount spent by the winning candidates in the
13 previous two state house of representatives general elections,
14 statewide, reduced by ten per cent.

15 (c) The base amount of public funding for an uncontested
16 primary election shall be thirty per cent of the amount provided
17 in a contested election as determined under subsection (a). No
18 funding shall be allocated in an uncontested general election.

19 (d) The commission shall disburse public funds by check or
20 electronic transfer.

21 (e) If the winning primary candidate has residual funds
22 from the primary election, those funds may be carried over to



1 the general election. A certified candidate who is not
2 successful in the primary election shall return all unspent and
3 unencumbered public funds to the Hawaii campaign election fund
4 within ten days after the primary election.

5 (f) The commission shall not distribute comprehensive
6 public funding to certified candidates that exceeds the total
7 amount of \$ for all candidates subject to this subpart
8 in any given election year in which this subpart is operative.

9 (g) Commencing January 1 of a general election year and
10 ending with the deadline to submit applications for
11 certification, the commission shall post on its website a
12 monthly report stating, by district, the number of declarations
13 of intent to seek comprehensive public funding received, the
14 number of applications for certification received, the number of
15 candidates who have been certified for comprehensive public
16 funding, the base amount committed to certified candidates, and
17 the amount available for additional certified candidates.

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



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

4 **§11-L Equalizing funds, sufficiency of funds.** (a) The
5 commission shall disburse equalizing funds to a certified
6 candidate in a contested election whenever any campaign report
7 filed pursuant to subpart B shows that the sum of an opposing
8 nonparticipating candidate and the nonparticipating candidate's
9 committee's expenditures and obligations, or campaign
10 contributions received or borrowed, whichever is greater, added
11 to any independent expenditures made in support of that
12 nonparticipating candidate or against the opposing certified
13 candidate reported by any noncandidate's committee, party, or
14 any other person exceeds one hundred per cent of the amount of
15 comprehensive public funding previously allotted and distributed
16 to the opposing certified candidate in a contested election,
17 including any equalizing funds previously distributed.

18 (b) Equalizing funds shall be limited to two hundred per
19 cent of the base amount of comprehensive public funding allotted
20 to the certified candidate in a contested election.

21 (c) In an uncontested primary election where a
22 comprehensive publicly funded candidate has a private funding



1 opponent from another party or an independent who spends above
2 the base allotment, the certified candidate shall receive
3 equalizing funds limited to two hundred per cent of the base
4 amount allotted.

5 (d) If the election will be decided in the primary
6 election, equalizing funds shall be limited to a maximum of two
7 hundred per cent of the base amount of comprehensive public
8 funding allotted to a certified candidate in a contested
9 election.

10 (e) The commission shall electronically transfer
11 equalizing funds to a certified candidate within twenty-four
12 hours of the filing with the commission of the report indicating
13 the certified candidate's entitlement to equalizing funds.

14 (f) At any reporting period, if the privately funded
15 candidate spends more than the entire comprehensive public fund
16 original allotment, the comprehensive publicly funded candidate
17 shall receive an amount equal to but not to exceed two times the
18 original allotment.

19 (g) Reporting obligations under this section for
20 nonparticipating candidates and their candidate's committees,
21 noncandidate committees, parties, or any other persons making
22 independent expenditures shall be in addition to the reporting



1 requirements under this chapter whenever a certified candidate
2 is opposed in a contested election by a nonparticipating
3 candidate as follows:

4 (1) Commencing forty-five days before the primary election
5 day, nonparticipating candidates and their candidate's
6 committees shall file an initial excess report with
7 the commission within twenty-four hours after
8 cumulative contributions are received, or expenditures
9 are made or committed to be made, including verbal
10 commitments, in an election period that exceeds one
11 hundred one per cent of the base amount of
12 comprehensive public funding allotted to an opposing
13 certified candidate in a contested election.

14 Nonparticipating candidates and the candidate's
15 committees shall file supplemental excess reports
16 within twenty-four hours after any encumbrances or
17 expenditures that exceed \$ in aggregate; and

18 (2) Commencing forty-five days before the general election
19 day, noncandidate committees, parties, and any other
20 persons that incur independent expenditures that
21 expressly advocate the nomination, election, or defeat
22 of a certified candidate shall file an independent



1 expenditure report with the commission within
2 twenty-four hours when expenditures exceed \$
3 in aggregate in an election period. Thereafter,
4 noncandidate committees, parties, and any other
5 persons that incur independent expenditures, including
6 verbal expenditure commitments, shall file
7 supplemental independent expenditure reports within
8 twenty-four hours whenever the aggregate expenditures
9 exceed \$100. The independent expenditure reports
10 shall identify the nonparticipating candidate or
11 certified candidate for whom the independent
12 expenditure is intended to influence the nomination,
13 election, or defeat.

14 (h) If a nonparticipating candidate and the candidate's
15 committee fails to file or files a false excess report or
16 supplemental excess reports as required under subsection (g),
17 the commission, within twenty-four hours of verifying the
18 failure or falsity, shall automatically disburse equalizing
19 funds to any opposing certified candidate up to the maximum
20 authorized under subsections (b) and (c).

21 (i) Any nonparticipating candidate and the candidate's
22 committee, noncandidate committee, party, or any other person



1 that makes independent expenditures in a contested election
2 involving a certified candidate who fails to file a report as
3 required under this subpart or files a false report shall be:

- 4 (1) Guilty of a misdemeanor;
- 5 (2) Subject to a fine of up to three times the amount of
6 equalizing funds paid to the certified candidate; and
- 7 (3) Subject to any other fine or penalty pursuant to
8 sections 11-228 and 11-229.

9 (j) Upon certification of all comprehensive publicly
10 funded candidates, if the commission determines there are
11 insufficient funds to meet the potential need for equalizing
12 funds for all certified candidates, the commission shall permit
13 each certified candidate to accept and spend private
14 contributions, subject to the campaign contribution limitations
15 set forth in section 11-204, up to the equalizing funds the
16 certified candidate would have received from comprehensive
17 public funding.

18 (k) The commission shall adopt rules under chapter 91 to
19 compute the amount of equalizing funds allotted to a certified
20 candidate that takes into consideration the contributions and
21 expenditures of the nonparticipating candidate and the
22 candidate's committee, and any independent expenditures incurred



1 to influence the nomination, election, or defeat of the
2 certified candidate. To prevent the abuse of equalizing funds,
3 the commission shall not base any calculation on independent
4 expenditures that, although containing words of express
5 advocacy, also contain other words or phrases that have no other
6 reasonable meaning other than to contradict the expressed
7 advocacy.

8 **§11-M Comprehensive public funding; permitted uses. (a)**

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

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

17 **§11-N Deposit of, and access to, comprehensive public**

18 **funds. (a)** All public funds received by a certified candidate
19 shall be deposited directly into a depository institution as
20 provided under section 11-199(a) and accessed through use of
21 credit cards, debit cards, and bank checks.



1 (b) All reports required under subpart B and this subpart
2 for financial disclosure shall include the most recent bank
3 statement from the financial depository holding the public
4 funds.

5 **§11-0 Deposit of money into the Hawaii election campaign**
6 **fund.** In addition to the funds collected by the commission and
7 pursuant to section 11-217, the following moneys shall be
8 deposited into the Hawaii election campaign fund:

- 9 (1) Appropriations from the legislature;
- 10 (2) Moneys from tax remittances under section 237-31(3);
- 11 (3) Excess seed money contributions;
- 12 (4) Qualifying contributions, including any excess
13 qualifying contributions of certified candidates;
- 14 (5) Unspent public funds distributed to any certified
15 candidate;
- 16 (6) Fines levied by the commission for violation of this
17 subpart;
- 18 (7) Voluntary donations; and
- 19 (8) An appropriation from the unclaimed property trust
20 fund of no less than \$2,500,000 annually.



1 **§11-P Violations; penalties.** Any candidate who knowingly
2 seeks or receives public funding in order 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; and
8 (2) Be subject to fines and penalties as specifically
9 provided in this subpart and other fines or penalties
10 pursuant to sections 11-228 and 11-229.

11 **§11-Q Rules.** The commission shall adopt forms and rules
12 pursuant to chapter 91 as may be necessary to implement this
13 subpart, including reporting requirements of section 11-L and
14 any restrictions on petty cash expenditures by the certified
15 candidate."

16 SECTION 3. Section 11-191, Hawaii Revised Statutes, is
17 amended by amending the definition of "qualifying campaign
18 contribution" to read as follows:

19 "Qualifying campaign contribution" means an aggregate
20 monetary contribution of \$100 or less, by any person during any
21 matching payment period[-] for purposes of entitlement to
22 payments under the partial public funding program pursuant to



1 section 11-221. Qualifying campaign contributions do not
2 include loans or in-kind contributions."

3 SECTION 4. Section 11-217, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§11-217 Hawaii election campaign fund; creation.** (a)

6 The Hawaii election campaign fund is created as a trust fund
7 within the state treasury. The fund shall consist of ~~[all]~~:

8 (1) All moneys collected from persons who have designated
9 a portion of their income tax liability to the fund as
10 provided in section 235-102.5~~[, any]~~;

11 (2) Any general fund revenues appropriated~~[, as well as~~
12 ~~all]~~;

13 (3) A \$2,500,000 annual appropriation from the unclaimed
14 property trust fund;

15 (4) Moneys from tax remittances under section 237-31(3);
16 and

17 (5) All other moneys collected pursuant to this subpart.

18 (b) Payment to each candidate from the fund shall be by
19 the comptroller in the manner prescribed in section 11-222~~[,]~~ or
20 section 11-K, as appropriate.



1 (c) Moneys from this fund may also be used for the
2 operating expenses of the commission, including staff salaries
3 and fringe benefits."

4 SECTION 5. Section 11-217.5, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§11-217.5 Depletion of fund.** (a) The Hawaii election
7 campaign fund shall be under no obligation to provide moneys to
8 ~~[qualified]~~ eligible candidates ~~[in the event that]~~ if in the
9 partial public funding program or comprehensive public funding
10 for elections to the state house of representatives moneys in
11 that fund have been depleted.

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

21 (c) For the purposes of the comprehensive public funding
22 for elections to the state house of representatives, if the



1 Hawaii election campaign fund is close to depletion, the
2 commission shall determine whether that program shall be
3 operative in accordance with subpart _____."

4 SECTION 6. Section 11-218, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "~~§11-218 [Candidate funding, amounts available.]~~ Partial
7 public funding program: maximum allowed. (a) Public funds from
8 the Hawaii election campaign fund are available to fund eligible
9 candidates who qualify for the partial public funding program in
10 the amounts set forth in this section.

11 [~~(a)~~] (b) For the office of governor, lieutenant governor,
12 or mayor, the maximum amount of partial public funds available
13 to a candidate in any election shall not exceed ten per cent of
14 the total expenditure limit as determined under section 11-209
15 for each election for each office listed in this subsection.

16 [~~(b)~~] (c) For the office of state senator, state
17 representative, county council member, and prosecuting attorney,
18 the maximum amount of partial public funds available to a
19 candidate in any election shall be fifteen per cent of the total
20 expenditure limit as determined under section 11-209 for each
21 election for each office listed in this subsection.



1 [~~e~~] (d) For the office of Hawaiian affairs, the maximum
2 amount of partial public funds available to a candidate shall
3 not exceed \$1,500 in any election year.

4 [~~d~~] (e) For the board of education and all other
5 offices, the maximum amount of partial public funds available to
6 a candidate shall not exceed \$100 in any election year.

7 [~~e~~] (f) Each candidate who qualified for the maximum
8 amount of partial public funding in any primary election and who
9 is a candidate for a subsequent general election shall apply
10 with the commission to be qualified to receive the maximum
11 amount of public funds as provided in this section for the
12 respective election. For purposes of this section, "qualified"
13 means meeting the qualifying campaign contribution requirements
14 of section 11-219."

15 SECTION 7. Section 11-219, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "**§11-219 Qualifying campaign contributions[+] for partial**
18 **public funding program; amounts.** As a condition of receiving
19 public funds for a primary or general election, a candidate
20 shall not be unopposed in any election for which partial public
21 funds are sought, shall have filed an affidavit with the
22 commission pursuant to section 11-208 to voluntarily limit the



1 candidate's campaign expenditures, and shall be in receipt of
2 the following sum of qualifying campaign contributions from
3 individual residents of Hawaii:

4 (1) For the office of governor--qualifying campaign
5 contributions that in the aggregate, exceed \$100,000;

6 (2) For the office of lieutenant governor--qualifying
7 campaign contributions that in the aggregate, exceed
8 \$50,000;

9 (3) For the office of mayor for each respective county:

10 (A) County of Honolulu--qualifying campaign
11 contributions that in the aggregate, exceed
12 \$50,000;

13 (B) County of Hawaii--qualifying campaign
14 contributions that in the aggregate, exceed
15 \$15,000;

16 (C) County of Maui--qualifying campaign contributions
17 that in the aggregate, exceed \$10,000; and

18 (D) County of Kauai--qualifying campaign
19 contributions that in the aggregate, exceed
20 \$5,000; and

21 (4) For the office of prosecuting attorney for each
22 respective county:



- 1 (A) County of Honolulu--qualifying campaign
- 2 contributions that in the aggregate, exceed
- 3 \$30,000;
- 4 (B) County of Hawaii--qualifying campaign
- 5 contributions that in the aggregate, exceed
- 6 \$10,000; and
- 7 (C) County of Kauai--qualifying campaign
- 8 contributions that in the aggregate, exceed
- 9 \$5,000;
- 10 (5) For the office of county council--for each respective
- 11 county:
- 12 (A) County of Honolulu--qualifying campaign
- 13 contributions that in the aggregate, exceed
- 14 \$5,000;
- 15 (B) County of Hawaii--qualifying campaign
- 16 contributions that in the aggregate, exceed
- 17 \$1,500;
- 18 (C) County of Maui--qualifying campaign contributions
- 19 that in the aggregate, exceed \$5,000; and
- 20 (D) County of Kauai--qualifying campaign
- 21 contributions that in the aggregate, exceed
- 22 \$3,000;



1 (6) For the office of state senator--qualifying campaign
2 contributions that, in the aggregate, exceed \$2,500;

3 (7) For the office of state representative--qualifying
4 campaign contributions that, in the aggregate, exceed
5 \$1,500;

6 (8) For the office of Hawaiian affairs--qualifying
7 campaign contributions that, in the aggregate, exceed
8 \$1,500; and

9 (9) For all other offices, qualifying campaign
10 contributions that, in the aggregate, exceed \$500."

11 SECTION 8. Section 11-220, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "**§11-220 Eligibility for payments[-] under the partial**
14 **public funding program.** (a) To be eligible to receive
15 [~~payments under section 11-217,~~] partial public funding from the
16 Hawaii election campaign fund under section 11-221, a candidate
17 shall in writing:

18 (1) Agree to obtain and furnish to the commission any
19 evidence of the campaign expenses of [~~such~~] the
20 candidate [~~which~~] that the commission may request;



1 (2) Agree to keep and furnish records, books, and other
2 information [~~which~~] that the commission may request;
3 and

4 (3) Agree to an audit and examination by the commission
5 under section 11-225 and to pay any amounts required
6 to be paid pursuant to that section.

7 (b) To be eligible to receive [~~payments pursuant to~~
8 ~~section 11-217,~~] partial public funding from the Hawaii election
9 campaign fund under section 11-221, a candidate shall certify to
10 the commission that:

11 (1) The candidate and all committees authorized by the
12 candidate shall not incur campaign expenses in excess
13 of the expenditure limitations imposed by section
14 11-209;

15 (2) The candidate has qualified to be on the election
16 ballot in a primary or general election;

17 (3) The candidate has filed a statement of intent to seek
18 qualifying campaign contributions. A contribution
19 received before the filing of a statement of intent to
20 seek partial public funds shall not be considered a
21 qualifying campaign contribution;



1 (4) The candidate or committee authorized by the candidate
2 has received the qualifying sum of private
3 contributions for the office sought by the candidate
4 as set forth in section 11-219; and

5 (5) The aggregate of contributions certified with respect
6 to any person under paragraph (4) does not exceed
7 \$100.

8 (c) Each candidate and candidate's committee in receipt of
9 qualifying campaign contributions [~~which~~] that may be taken into
10 account for purposes of partial public funding shall maintain,
11 on a form prescribed by the commission, records [~~which~~] that
12 show the date and amount of each qualifying campaign
13 contribution and the full name and mailing address of the person
14 making the contribution. The candidate and all committees
15 authorized by the candidate shall transmit to the commission all
16 reports with respect to these contributions that the commission
17 may require.

18 (d) No candidate certified for comprehensive public
19 funding under subpart shall be eligible for partial public
20 funding under this subpart in a given election period."

21 SECTION 9. Section 11-221, Hawaii Revised Statutes, is
22 amended to read as follows:



1 "§11-221 Entitlement to payments[-] partial payment
2 funding. (a) A candidate shall obtain the minimum amount of
3 qualifying campaign contributions set forth in section 11-219,
4 once for the election period. After the candidate obtains the
5 minimum amount of qualifying campaign contributions, the
6 candidate shall be entitled to receive for each election that
7 the candidate's name appears on the ballot:

8 (1) The minimum payment in an amount equal to the
9 qualifying campaign contributions; and

10 (2) Payments of \$1 for each \$1 of qualifying contributions
11 in excess of the minimum amount of qualifying
12 contributions;

13 provided that the candidate shall not receive more than the
14 maximum amount of partial public funds available to a candidate
15 pursuant to section 11-218; provided further that the candidate
16 shall not receive partial public funds for a primary election if
17 the candidate does not obtain the minimum amount of qualifying
18 contributions before the date of the primary election.

19 (b) A candidate shall have at least one other qualified
20 candidate as an opponent for the primary or general election to
21 receive partial public funds for that election."



1 SECTION 10. Section 11-222, Hawaii Revised Statutes, is
2 amended by amending the title and subsections (a) to (c) to read
3 as follows:

4 "§11-222 Candidate funding; application[-] for partial
5 public funds. (a) Application forms for partial public funds
6 shall be adopted by the commission and shall provide for a sworn
7 statement by the candidate that the candidate has established
8 eligibility under section 11-220 to receive payments under
9 section 11-217. Each application shall be accompanied by a
10 qualifying campaign contribution statement or statements, and
11 shall be filed with the commission no later than thirty days
12 after the general election. Upon approval by the commission of
13 the application and qualifying contribution statement, the
14 commission shall direct the comptroller to distribute [~~matching~~]
15 partial public funds up to the maximum of the amount of partial
16 public funds to which the candidate is entitled.

17 [~~Public~~] partial public funds shall be distributed by the
18 comptroller to each eligible candidate within twenty days from
19 the date of the candidate's initial application with the
20 commission.

21 (b) Each candidate in receipt of the qualifying sum of
22 campaign contributions established for the candidate's office



1 may apply to the commission for partial public funding after the
2 candidate has become a candidate in a primary or general
3 election.

4 (c) The commission shall make additional certifications
5 within two weeks after receiving an application and supplemental
6 contribution statement from an eligible candidate who requests
7 additional partial public funding pursuant to section 11-221."

8 SECTION 11. Section 11-223, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "**§11-223 Candidate funding; restrictions.** (a) Each
11 candidate who accepts partial public campaign funds under this
12 subpart shall be required to abide by the campaign spending
13 limits for the candidate's respective office as set forth in
14 section 11-209. Any candidate who exceeds the spending limits
15 for the candidate's respective office as set forth in section
16 11-209 shall immediately return all of the partial public
17 campaign funds the candidate has received to the Hawaii election
18 campaign fund.

19 (b) [~~Public~~] Partial public campaign funds provided under
20 this subpart shall only be used to:



1 (1) Defray campaign expenses incurred by and paid for an
2 eligible candidate or all committees authorized by
3 [~~such~~] the candidate; and

4 (2) Repay loans, the proceeds of which were used to defray
5 campaign expenses.

6 (c) No candidate or committee authorized by a candidate
7 shall be entitled to receive any partial public funds under this
8 subpart unless the candidate has qualified to have the
9 candidate's name on the election ballot in the election for
10 which funds are sought.

11 (d) In no event shall any candidate or campaign treasurer
12 in receipt of partial public campaign funds transfer any portion
13 of [~~such~~] those funds to another candidate for any primary,
14 special primary, special, or general election campaign.

15 (e) All partial public funds received under this subpart
16 shall be deposited in a financial institution designated to do
17 business in the State. No expenditures of any partial public
18 funds received under this subpart shall be made except by checks
19 drawn on [~~such~~] a checking account. The commission may require
20 [~~such~~] reports relating to the expenditure of [~~such~~] partial
21 public funds as it considers appropriate.



1 (f) Each candidate, on the deadline for filing of a final
2 report for any primary or general election, shall return all
3 unexpended partial public funds to the Hawaii election campaign
4 fund."

5 SECTION 12. Section 11-224, Hawaii Revised Statutes, is
6 amended to read as follows:

7 **"§11-224 Public funds; report required; return of funds.**

8 The campaign treasurer of [~~the~~] any candidate who receives
9 public funds under either the partial public funding program or
10 the comprehensive public funding for elections to the state
11 house of representatives shall produce evidence to the
12 commission no later than twenty days after a primary election
13 and no later than thirty days after a general election that all
14 public funds paid to the candidate have been used as required by
15 this subpart.

16 Should the commission determine that any part of the
17 partial public funds have been used for noncampaign or improper
18 expenses, it shall report [~~such~~] its finding to the attorney
19 general and shall order the candidate to return all or part of
20 the funds paid to that candidate for a primary or general
21 election. When partial public funds are returned, [~~they~~] the
22 funds shall be deposited in the Hawaii election campaign fund."



1 SECTION 13. Section 11-225, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending the title and subsection (a) to read:

4 "~~§11-225 Public funds; examination and audit; payments[+];~~
5 penalties. (a) Within sixty days after each general election,
6 the commission shall conduct an examination and audit of all
7 public funds received by [~~the~~] any candidate [~~and of~~] who
8 received public funds under either the partial public funding
9 program or the comprehensive public funding for elections to the
10 state house of representatives, including the campaign
11 contributions used for purposes of qualifying for public funding
12 under [~~this subpart~~] subparts B and _____, and the campaign
13 expenses incurred by all candidates who received [~~payments~~]
14 public funding pursuant to [~~section 11-217.~~] subparts B and
15 _____."

16 2. By amending subsections (c), (d), (e), and (f) to read:

17 "(c) Should the commission determine that any partial
18 payment of public funds made to an eligible candidate pursuant
19 to section 11-221 was in excess of the aggregate amount of
20 payments to which [~~such~~] the candidate was entitled, the
21 commission shall notify [~~such~~] the candidate and [~~such~~] the



1 candidate shall pay to the Hawaii election campaign fund a sum
2 equal to the amount of excess payment.

3 (d) If the commission determines that any amount of any
4 partial public funds made to a candidate under section 11-217
5 was used for any improper purpose, the commission shall so
6 notify the candidate, and the candidate shall pay to the fund an
7 amount equal to three hundred per cent of such amount.

8 (e) Any candidate who has received partial public funds
9 under section 11-217 and who is convicted of violating any
10 provision of this subpart shall, upon notification by the
11 commission, pay to the Hawaii election campaign fund the full
12 amount of public funds received by ~~sueh~~ the candidate.

13 (f) No notification shall be made by the commission under
14 subsection (c) with respect to the payment of excess partial
15 public funds more than two years after the payment of ~~sueh~~ the
16 funds."

17 SECTION 14. Section 11-228, Hawaii Revised Statutes, is
18 amended as follows:

19 1. By amending subsection (a) to read:

20 "(a) In the performance of its required duties, the
21 commission may render a decision or issue an order affecting any
22 person violating ~~[any provision of this]~~ subpart B or _____ or



1 section 281-22 that shall provide for the assessment of an
2 administrative fine in the manner prescribed as follows:

3 (1) If a natural person, an amount not to exceed \$1,000
4 for each occurrence or an amount equivalent to three
5 times the amount of an unlawful contribution or
6 expenditure, whichever is greater; or

7 (2) If a corporation, organization, association, or labor
8 union, it shall be punished by a fine not exceeding
9 \$1,000 for each occurrence; and

10 (3) Whenever a corporation, organization, association, or
11 labor union violates [~~this subpart,~~] subpart B or _____,
12 the violation shall be deemed to be also that of the
13 individual directors, officers, or agents of the
14 corporation, organization, association, or labor
15 union, who have knowingly authorized, ordered, or done
16 any of the acts constituting the violation."

17 2. By amending subsection (e) to read:

18 "(e) Any person or the commission may sue for injunctive
19 relief to compel compliance with [~~this subpart,~~] subparts B and
20 _____."

21 SECTION 15. Section 11-229, Hawaii Revised Statutes, is
22 amended as follows:



1 1. By amending subsections (a) and (b) to read:
2 "(a) Any person who knowingly, intentionally, or
3 recklessly violates [~~any provision of this subpart~~] subpart B or
4 _____ shall be guilty of a misdemeanor. Any person who
5 knowingly or intentionally falsifies any report required by this
6 subpart with the intent to circumvent the law or deceive the
7 commission or who violates section 11-201 or 11-202 shall be
8 guilty of a class C felony. A person charged with a class C
9 felony shall not be eligible for a deferred acceptance of guilty
10 plea or nolo contendere plea under chapter 853. A person who is
11 convicted under this section shall be disqualified from holding
12 elective public office for a period of four years from the date
13 of conviction.

14 (b) For the purposes of prosecution for violation of [~~this~~
15 ~~subpart,~~] subpart B or _____, the offices of the attorney general
16 and the prosecuting attorney of the respective counties shall be
17 deemed to have concurrent jurisdiction to be exercised as
18 follows:

19 (1) Prosecution shall commence with a written request from
20 the commission or upon the issuance of an order of the
21 court; provided that prosecution may commence prior to



1 any proceeding initiated by the commission or final
2 determination;

3 (2) In the case of state offices, parties, or issues, the
4 attorney general or the prosecuting attorney for the
5 city and county of Honolulu shall prosecute any
6 violation; and

7 (3) In the case of all other offices, parties, or issues,
8 the attorney general or the prosecuting attorney for
9 the respective county shall prosecute any violation.

10 In the commission's choice of prosecuting agency, it shall
11 be guided by whether there will be any conflicting interest
12 between the agency and its appointive authority."

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

14 "(d) Prosecution for violation of [~~any provision of this~~]
15 subpart B or shall not be commenced after five years have
16 elapsed from the date of the violation or date of filing of the
17 report covering the period in which the violation occurred,
18 whichever is later."

19 SECTION 16. Section 237-31, Hawaii Revised Statutes, is
20 amended to read as follows:

21 "**§237-31 Remittances.** All remittances of taxes imposed by
22 this chapter shall be made by money, bank draft, check,



1 cashier's check, money order, or certificate of deposit to the
2 office of the department of taxation to which the return was
3 transmitted. The department shall issue its receipts therefore
4 to the taxpayer and shall pay the moneys into the state treasury
5 as a state realization, to be kept and accounted for as provided
6 by law; provided that:

7 (1) The sum from all general excise tax revenues realized
8 by the State that represents the difference between
9 \$90,000,000 and the proceeds from the sale of any
10 general obligation bonds authorized for that fiscal
11 year for the purposes of the state educational
12 facilities improvement special fund shall be deposited
13 in the state treasury in each fiscal year to the
14 credit of the state educational facilities improvement
15 special fund for public school capital improvement
16 program needs; ~~and~~

17 (2) A sum, not to exceed \$5,000,000, from all general
18 excise tax revenues realized by the State shall be
19 deposited in the state treasury in each fiscal year to
20 the credit of the compound interest bond reserve
21 fund[-]; and



1 (3) A sum, not to exceed \$2,000,000, from all general
 2 excise tax revenues realized by the State shall be
 3 deposited in the state treasury in each fiscal year to
 4 the credit of the Hawaii election campaign fund."

5 SECTION 17. Section 523A-23.5, Hawaii Revised Statutes, is
 6 amended by amending subsection (b) to read as follows:

7 "(b) Moneys in the unclaimed property trust fund shall be
 8 used for the payment of the following:

- 9 (1) Claims for the return of abandoned property to their
 10 rightful owners;
- 11 (2) Payment to other states' unclaimed property programs
 12 for owners whose last known address was in that other
 13 state;
- 14 (3) Any costs incurred in connection with the sale of
 15 abandoned property;
- 16 (4) Costs of mailing and publication in connection with
 17 any abandoned property;
- 18 (5) Reasonable service charges;
- 19 (6) Costs incurred in examining the records of holders of
 20 property and in collecting such property from those
 21 holders; [~~and~~]



1 (7) An annual appropriation of \$2,500,000 to the Hawaii
 2 election campaign fund under section 11-217; and
 3 [~~7~~] (8) Any other charges, costs, or expenses incurred in
 4 the operation, administration, and enforcement of this
 5 chapter."

6 SECTION 18. Act 304, Session Laws of Hawaii 2006, is
 7 amended by amending section 4 to read as follows:

8 "SECTION 4. This Act shall take effect on July 1, 2006;
 9 provided that on June 30, 2008, section 2 of this Act shall be
 10 repealed and section 237-31, Hawaii Revised Statutes, is
 11 reenacted in the form in which it read on the day before the
 12 effective date of this Act~~[-]~~; provided that the repeal shall
 13 not apply to any amendments made to section 237-31, Hawaii
 14 Revised Statutes, pursuant to Act , Session Laws of Hawaii
 15 2007."

16 SECTION 19. There is appropriated out of the unclaimed
 17 property trust fund established under section 523-A-23.5, Hawaii
 18 Revised Statutes, the sum of \$2,500,000, or so much thereof as
 19 maybe necessary for fiscal year 2007-2008, for deposit into the
 20 Hawaii election campaign fund established under section 11-217,
 21 Hawaii Revised Statutes.



1 SECTION 20. There is appropriated out of the Hawaii
2 election campaign fund the sum of \$200,000, or so much thereof
3 as may be necessary for fiscal year 2006-2007, for the campaign
4 spending commission to provide three additional staff positions
5 and other assistance to support comprehensive publicly funded
6 elections for the state house of representatives as follows:

- 7 (1) Two staff positions for computer analysis of campaign
8 contributions for auditing and monitoring and the
9 creation of an online digital filing system for
10 campaign spending reports for all candidates running
11 for state house of representatives;
- 12 (2) One staff position to administer the comprehensive
13 public funding program; and
- 14 (3) Funding for the office of elections, or its designate,
15 to verify the qualifying contributions from registered
16 voters in a candidate's district.

17 The sum appropriated shall be expended by the department of
18 accounting and general services for the purposes of this Act.

19 SECTION 21. The campaign spending commission shall create
20 and publish all forms and receipts required as well as a
21 candidates' guide to the comprehensive public funding program
22 that shall include an explanation of rules and procedures



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

12 (1) Suggesting 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;

16 (2) Suggesting amendments to this Act that will extend
17 publicly funded campaigns to other state and county
18 elections;

19 (3) Providing 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



1 (4) Providing an examination of mechanisms for increasing
 2 revenues of the Hawaii election campaign fund,
 3 including methods used in other states.

4 The legislative reference bureau shall assist the campaign
 5 spending commission in drafting any proposed amendments to this
 6 Act.

7 SECTION 22. In codifying the new sections added by
 8 section 2 of this Act, the revisor of statutes shall substitute
 9 appropriate section numbers for the letters used in designating
 10 the new sections, and shall insert the appropriate number of
 11 this Act in section 18 in this Act.

12 SECTION 23. If any provision of this Act, or the
 13 application thereof to any person or circumstance is held
 14 invalid, the invalidity does not affect other provisions or
 15 applications of the Act, which can be given effect without the
 16 invalid provision or application, and to this end the provisions
 17 of this Act are severable.

18 SECTION 24. Statutory material to be repealed is bracketed
 19 and stricken. New statutory material is underscored.

20 SECTION 25. This Act shall take effect on July 1, 2007.

21

INTRODUCED BY:

Roy J. Acem
Spencer
Cherise A. Dickson
Elizabeth Chum *Abelardo*



Report Title:

Campaign Spending; Public Funding; House of Representatives

Description:

Creates comprehensive public funding for elections to the state house of representatives; establishes qualifications, limitations on funding and use of funds, reporting requirements, amends chapter 11, part XII, Hawaii Revised Statutes, to reflect changes.

