
A BILL FOR AN ACT

RELATING TO CAMPAIGN FINANCING.

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

1 PART I

2 SECTION 1. This Act updates, organizes, and clarifies the
3 current campaign finance laws.

4 The laws have their genesis in Act 185, Session Laws of
5 Hawaii 1973. Over the past thirty-five years, numerous
6 amendments have been made to the campaign finance laws in a
7 piecemeal fashion and, apparently, with little regard to the
8 laws as a whole. The result is laws that are unorganized,
9 difficult to read, and inconsistent in some areas. The current
10 laws are codified in part XII, subpart B of chapter 11, Hawaii
11 Revised Statutes.

12 This Act organizes the campaign finance laws into a new
13 part of chapter 11, with ten subparts. Long and involved
14 sections are divided into shorter sections with clear titles for
15 quick reference. All the laws on one subject are grouped
16 together, in contrast to the current laws that require a reader
17 to search through the whole subpart for laws that may apply to
18 that subject.



1 This Act is drawn from a draft prepared by the campaign
2 spending commission's blue ribbon recodification committee
3 (committee). The committee completed its work in 2008 after
4 meeting regularly for nine months. The committee was comprised
5 of the commission's staff and seventeen attorneys experienced in
6 campaign finance law who represented various interests.

7 The purpose of this Act is to update, organize, and clarify
8 the current campaign finance laws and make minor substantive
9 changes to the current laws.

10 PART II

11 SECTION 2. Chapter 11, Hawaii Revised Statutes, is amended
12 by adding a new part with nine new subparts to be appropriately
13 designated and to read as follows:

14 "PART . ELECTION CAMPAIGN FINANCE

15 . DECLARATION OF POLICY; DEFINITIONS

16 **§11-A Declaration of policy.** The purpose of this part is
17 to ensure the integrity and transparency of the campaign finance
18 process. Integrity is essential to promote the public's
19 confidence in government. Transparency provides disclosure of
20 contributions and expenditures to ensure the public is fully
21 informed.



1 **§11-B Construction of laws.** Any ambiguity in the
2 provisions of this part shall be construed in favor of
3 transparency.

4 **§11-C Definitions.** As used in this part:

5 "Advertisement" means:

6 (1) Any communication, exclusive of bumper stickers or
7 other sundry items, that:

8 (A) Identifies a candidate either directly or by
9 direct implication;

10 (B) Advocates or supports the nomination for election
11 of the candidate;

12 (C) Advocates or supports the election of the
13 candidate; or

14 (D) Advocates or supports the candidate's defeat;

15 or

16 (2) Any communication, exclusive of bumper stickers or
17 other sundry items, that:

18 (A) Identifies an issue or question that will appear
19 on the ballot at the next applicable election; or

20 (B) Advocates or supports the passage or defeat of
21 the question or issue.

22 "Advertisement" shall not include:



- 1 (1) A house bulletin; or
- 2 (2) An editorial or letter to the editor distributed
- 3 through the facilities of any broadcasting station,
- 4 newspaper, magazine, or other periodical publication,
- 5 unless such facilities are owned or controlled by any
- 6 committee.

7 "Ballot issue committee" means a noncandidate committee as

8 defined in this section that has the exclusive purpose of

9 receiving contributions, making expenditures, or incurring

10 financial obligations for or against any question or issue

11 appearing on the ballot at the next applicable election.

12 "Campaign funds" means contributions, the candidate's own

13 funds, interest, rebates, refunds, loans, or advances, and any

14 other funds or anything of value, including nonmonetary

15 contributions, received by a committee.

16 "Candidate" means an individual who seeks nomination for

17 election or seeks election to office. An individual is a

18 candidate if the individual does any of the following:

- 19 (1) Files nomination papers for an office for oneself with
- 20 the county clerk's office or with the chief election
- 21 officer's office, whichever is applicable;



1 (2) Receives contributions, makes expenditures, or incurs
2 financial obligations of more than \$100 to bring about
3 the individual's nomination for election, or to bring
4 about the individual's election to office; or

5 (3) Gives consent for any other person to receive
6 contributions, make expenditures, or incur financial
7 obligations to aid the individual's nomination for
8 election, or the individual's election, to office.

9 An individual remains a candidate until the individual's
10 candidate committee terminates registration with the commission.

11 "Candidate committee" means an organization, association,
12 or individual that receives campaign funds, makes expenditures,
13 or incurs financial obligations on behalf of a candidate with
14 the candidate's authorization.

15 "Clearly identified" means the name, photograph or other
16 similar image, or other unambiguous identification of a
17 candidate.

18 "Commission" means the campaign spending commission.

19 "Commissioner" means any person appointed to the
20 commission.

21 "Committee" means any candidate committee or noncandidate
22 committee.



1 "Contribution" means:

2 (1) A gift, subscription, deposit of money or anything of
3 value, or cancellation of a debt or legal obligation
4 and includes the purchase of tickets to fundraisers
5 for the purpose of:

6 (A) Influencing the nomination for election, or
7 election, of any person to office;

8 (B) Influencing the outcome of any question or issue
9 that has been certified to appear on the ballot
10 at the next applicable election described in
11 subparagraph (A); or

12 (C) Use by any committee for the purposes set out in
13 subparagraph (A) or (B);

14 (2) The payment, by any person other than a candidate or
15 committee, of compensation for the services of another
16 person that are rendered to the candidate or committee
17 without charge or at an unreasonably low charge for
18 the purposes set out in paragraph (1);

19 (3) A contract, promise, or agreement to make a
20 contribution; or



1 (4) Any loans or advances that are not documented or
2 disclosed to the commission as provided in section 11-
3 SS.

4 "Contribution" shall not include:

5 (1) Services voluntarily provided without compensation by
6 individuals to or on behalf of a candidate or
7 committee;

8 (2) A candidate's expenditure of the candidate's own
9 funds; provided that this expenditure shall be
10 reportable as an other receipt;

11 (3) Any loans or advances to the candidate committee;
12 provided that these loans or advances shall be
13 reportable as an other receipt; or

14 (4) An individual or committee engaging in internet
15 activities for the purpose of influencing an election
16 if:

17 (A) The individual or committee is uncompensated for
18 the internet activities; or

19 (B) The individual or committee uses equipment or
20 services for uncompensated internet activities,
21 regardless of who owns the equipment and
22 services.



1 For purposes of this exclusion, "internet activities"
2 includes sending or forwarding electronic messages; providing a
3 hyperlink or other direct access to another person's website;
4 blogging; creating, maintaining, or hosting a website; paying a
5 nominal fee for the use of another person's website; and any
6 other form of communication distributed over the Internet.

7 "Earmarked funds" means contributions received by a
8 committee on the condition that the funds be contributed to or
9 expended on certain candidates, issues, or questions.

10 "Election" means any election for office or for determining
11 a question or issue provided by law or ordinance.

12 "Election period" means:

13 (1) The two-year time period between the day after the
14 general election through the day of the next general
15 election if a candidate is seeking nomination or
16 election to a two-year office; and

17 (2) The four-year time period between the day after the
18 general election through the day of the next general
19 election if a candidate is seeking nomination or
20 election to a four-year office.

21 "Expenditure" means:



- 1 (1) Any purchase or transfer of money or anything of
2 value, promise or agreement to purchase or transfer
3 money or anything of value, payment incurred or made,
4 or the use or consumption of a nonmonetary
5 contribution for the purpose of:
- 6 (A) Influencing the nomination for election, or
7 election, of any person seeking nomination for
8 election, or election, to office whether or not
9 the person has filed the person's nomination
10 paper;
- 11 (B) Influencing the outcome of any question or issue
12 that has been certified to appear on the ballot
13 at the next applicable election; or
- 14 (C) Use by any party for the purposes set out in
15 subparagraph (A) or (B);
- 16 (2) The payment, by any person other than a candidate or
17 committee, of compensation for the services of another
18 person that are rendered to the candidate or committee
19 without charge or at an unreasonably low rate for any
20 of the purposes mentioned in paragraph (1) (A); or
- 21 (3) The expenditure by a candidate of the candidate's own
22 funds for the purposes set out in paragraph (1).



1 "Expenditure" shall not include:

2 (1) Services voluntarily provided without compensation by
3 individuals to or on behalf of a candidate or
4 committee;

5 (2) Voter registration efforts that are not partisan; or

6 (3) An individual or committee engaging in internet
7 activities for the purpose of influencing an election
8 if:

9 (A) The individual or committee is uncompensated for
10 Internet activities; or

11 (B) The individual or committee uses equipment or
12 services for uncompensated Internet activities,
13 regardless of who owns the equipment and
14 services.

15 For purposes of this paragraph, "Internet activities"
16 includes sending or forwarding electronic messages; providing a
17 hyperlink or other direct access to another person's website;
18 blogging; creating, maintaining, or hosting a website; paying a
19 nominal fee for the use of another person's website; and any
20 other form of communication distributed over the Internet.

21 For purposes of this paragraph, "equipment and services"
22 includes computers, software, Internet domain names, Internet



1 service providers, and any other technology that is used to
2 provide access to or use of the Internet.

3 This exemption for internet services shall not apply to any
4 payment for an advertisement other than a nominal fee, the
5 purchase or rental of an e-mail address list made at the
6 direction of a committee, or an e-mail address list that is
7 transferred to a committee.

8 "House bulletin" means a communication sponsored by any
9 person in the regular course of publication for limited
10 distribution primarily to its employees or members.

11 "Immediate family" means a candidate's spouse or reciprocal
12 beneficiary, and any child, parent, grandparent, brother, or
13 sister of the candidate, and the spouses or reciprocal
14 beneficiaries of such persons.

15 "Independent expenditure" means:

- 16 (1) An expenditure;
- 17 (2) By a person expressly advocating the election or
18 defeat of a clearly identified candidate; and
- 19 (3) That is not made in concert or cooperation with or at
20 the request or suggestion of the candidate, the
21 candidate committee, a party, or their agents.

22 "Individual" means a natural person.



1 "Limited liability company" means a business entity that is
2 recognized as a limited liability company under the laws of the
3 state in which it is established.

4 "Loan" means an advance of money, goods, or services, with
5 a promise to repay in full or in part within a specified period
6 of time. A "loan" shall not include expenditures made on behalf
7 of a committee by a candidate, volunteer, or employee if:

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

11 (2) A dated receipt and a written description of the name
12 and address of each payee and the amount, date, and
13 purpose of each expenditure is provided to the
14 committee before the committee reimburses the
15 candidate, volunteer, or employee; and

16 (3) The committee reimburses the candidate, volunteer, or
17 employee within forty-five days of the expenditure
18 being made.

19 "Newspaper" means a publication of general distribution in
20 the State issued once or more per month which is written and
21 published in the State.

22 "Noncandidate committee" means:



- 1 (1) An organization, association, or individual;
- 2 (2) That has the purpose of receiving contributions,
- 3 making expenditures, or incurring financial
- 4 obligations to influence the nomination for election,
- 5 the election of any candidate to office, or for or
- 6 against any question or issue on the ballot.

7 A "noncandidate committee" shall not include:

- 8 (1) A candidate committee;
- 9 (2) Any individual making a contribution or making an
- 10 expenditure of the individual's own funds or anything
- 11 of value that the individual originally acquired for
- 12 the individual's own use and not for the purpose of
- 13 evading any provision of this part; or
- 14 (3) Any organization, which raises or expends funds for
- 15 the sole purpose of the production and dissemination
- 16 of informational or educational communications.

17 "Office" means any Hawaii elective public or constitutional
18 office excluding county neighborhood board and federal elective
19 offices.

20 "Other receipts" means the candidate's own funds, interest,
21 rebates, refunds, loans, or advances, and any other funds



1 received by a committee, and shall not include contributions
2 received from other persons.

3 "Party" means any political party that satisfies the
4 requirements of section 11-61.

5 "Person" means an individual, limited liability company,
6 partnership, committee, association, corporation, business
7 entity, organization, or labor union and its auxiliary
8 committees.

9 "Political committees established and maintained by a
10 national political party" means:

- 11 (1) The National Committee;
- 12 (2) The House Campaign Committee; and
- 13 (3) The Senate Committee.

14 "Qualifying contribution" means:

- 15 (1) An aggregate monetary contribution of \$100 or less;
- 16 (2) By an individual Hawaii resident during any matching
17 payment period; and
- 18 (3) Received after a candidate files a statement of intent
19 to seek public funds.

20 A qualifying contribution shall not include a loan, in-kind
21 contribution, or the candidate's own funds.



1 "Special election" means any election other than a primary
2 or general election.

3 "Treasurer" means a person appointed under section 11-N and
4 unless expressly indicated otherwise, includes deputy
5 treasurers.

6 . CAMPAIGN SPENDING COMMISSION

7 **§11-D Campaign spending commission established;**

8 **composition.** (a) There is established a campaign spending
9 commission which shall be placed within the department of
10 accounting and general services for administrative purposes.

11 (b) The commission shall consist of five members of the
12 general public, appointed by the governor from a list of ten
13 nominees submitted by the judicial council. A vacancy on the
14 commission shall be filled from the list of nominees or by
15 reappointment of a commissioner whose term has expired, subject
16 to the limit on length of service imposed by section 26-34.

17 (c) Notwithstanding section 26-34, an appointment to the
18 commission shall not be subject to senatorial confirmation.

19 (d) The judicial council may solicit applications for the
20 list of nominees through community organizations and
21 advertisements in any newspaper. The judicial council shall
22 meet and expeditiously select additional persons for the list of



1 nominees whenever the number of the eligible nominees falls
2 below five.

3 **§11-E Terms of office.** The term of each commissioner
4 shall be four years.

5 **§11-F No compensation.** The commissioners shall serve
6 without compensation but they shall be reimbursed for reasonable
7 expenses, including travel expenses, incurred in the discharge
8 of their duties.

9 **§11-G Duties of the commission.** The duties of the
10 commission under this part are:

- 11 (1) To develop and adopt forms required by this part;
- 12 (2) To adopt and publish a manual for all candidates and
13 committees, describing the requirements of this part,
14 including uniform and simple methods of recordkeeping;
- 15 (3) To preserve all reports required by this part for at
16 least ten years from the date of receipt;
- 17 (4) To permit the inspection, copying, or duplication of
18 any report required by this part pursuant to rules
19 adopted under chapter 91 by the commission;
- 20 (5) To ascertain whether any candidate, committee, or
21 party has failed to file a report required by this
22 part or has filed a substantially defective or



1 deficient report, and to notify these persons by first
2 class mail that the failure to file or filing of a
3 substantially defective or deficient report shall be
4 corrected and explained, and that a fine may be
5 assessed. All fines collected under this section
6 shall be deposited in the general fund of the State;

7 (6) To hold public hearings;

8 (7) To investigate and hold hearings for receiving
9 evidence of any violations;

10 (8) To adopt rules pursuant to chapter 91;

11 (9) To request the initiation of prosecution for the
12 violation of this part pursuant to section 11-KKK;

13 (10) To administer and monitor the distribution of public
14 funds under this part;

15 (11) To suggest accounting methods for candidates and
16 committees in connection with reports and records
17 required by this part;

18 (12) To employ or contract, without regard to chapters 76,
19 78, and 89, persons it finds necessary for the
20 performance of its functions, including a full-time
21 executive director, and to fix their compensation and,
22 at pleasure, to dismiss such persons;



1 (13) To do random audits, and field investigations, as
2 necessary; and

3 (14) To file for injunctive relief when indicated.

4 **§11-H Advisory opinions.** (a) The commission may render
5 written advisory opinions upon the request of any candidate,
6 candidate committee, noncandidate committee, or other person or
7 entity subject to this part, as to whether the facts and
8 circumstances of a particular case constitute or will constitute
9 a violation of the campaign spending laws.

10 (b) If no advisory opinion is rendered within ninety days
11 after all information necessary to issue an opinion has been
12 obtained, it shall be deemed that an advisory opinion was
13 rendered and that the facts and circumstances of that particular
14 case do not constitute a violation of the campaign spending
15 laws.

16 (c) The opinion rendered or deemed rendered, until amended
17 or revoked, shall be binding on the commission in any subsequent
18 charges concerning the candidate, candidate committee,
19 noncandidate committee, or other person or entity subject to
20 this part, who sought the opinion and acted in reliance on it in
21 good faith, unless material facts were omitted or misstated by
22 the persons in the request for an advisory opinion.



1 (d) Nothing in this section shall be construed to allow
2 the commission to issue rules through an advisory opinion.

3 **§11-I Political activities prohibited.** (a) Each
4 commissioner and the commission's staff shall not participate in
5 any political campaign, including making a contribution to a
6 candidate or committee, during the commissioner's term of office
7 or employee's term of employment.

8 (b) Each commissioner shall retain the right to:

- 9 (1) Register and vote in any election;
- 10 (2) Participate in the nonpolitical activities of a civic,
11 community, social, labor, or professional
12 organization, or of a similar organization;
- 13 (3) Be a member of a political party or other noncandidate
14 political organization and participate in its
15 activities to the extent consistent with law; and
- 16 (4) Otherwise participate fully in public affairs, except
17 as prohibited by law, in a manner that does not
18 materially compromise the commissioner's efficiency or
19 integrity as a commissioner or the neutrality,
20 efficiency, or integrity of the commission.

21 (c) A commissioner and the commission's staff may request
22 an advisory opinion from the state ethics commission to



1 determine whether a particular activity constitutes or would
2 constitute a violation of this section.

3 **§11-J Exemptions.** (a) The commission shall be exempt
4 from section 26-35(a) (1), (4), and (5) and shall:

5 (1) Make direct communications with the governor and
6 legislature;

7 (2) Make all decisions regarding employment, appointment,
8 promotion, transfer, demotion, discharge, and job
9 descriptions of all officers and employees of or under
10 the jurisdiction of the commission without the
11 approval of the comptroller; and

12 (3) Purchase all supplies, equipment, or furniture without
13 the approval of the comptroller.

14 (b) The commission shall follow all applicable personnel
15 laws.

16 . REGISTRATION WITH THE COMMISSION

17 **§11-K Registration of candidate committee or noncandidate**
18 **committee.** (a) Each candidate committee or noncandidate
19 committee shall register with the commission by filing an
20 organizational report as set forth in section 11-L or 11-M, as
21 applicable.



1 (b) Before filing the organizational report each committee
2 shall mail or deliver an electronic filing form to the
3 commission.

4 (c) The form shall include a written acceptance of
5 appointment and certification of each report as follows:

6 (1) A candidate committee shall file a written acceptance
7 of appointment by the chairperson and treasurer and a
8 certification by the candidate and treasurer of each
9 filed report; and

10 (2) A noncandidate committee shall file a written
11 acceptance of appointment by the chairperson and
12 treasurer and a certification by the chairperson and
13 treasurer of each filed report.

14 (d) The organizational report for a candidate committee
15 shall be filed within ten days of:

16 (1) The date the candidate files nomination papers for
17 office; or

18 (2) The date the candidate or candidate committee receives
19 contributions or makes or incurs expenditures of more
20 than \$100 in the aggregate during the applicable
21 election period,

22 whichever occurs first.



1 (e) An organizational report does not have to be filed
2 under this section by an elected official who is a candidate for
3 reelection to the same office in successive elections and has
4 not sought election to any other office during the period
5 between elections, unless the candidate is required to report a
6 change in information pursuant to section 11-L.

7 (f) A candidate shall have only one candidate committee.

8 (g) The organizational report for a noncandidate committee
9 shall be filed within ten days of receiving contributions or
10 making or incurring expenditures of more than \$1,000, in the
11 aggregate, in a two-year election period; except that within the
12 thirty day period prior to an election, a noncandidate committee
13 shall register by filing an organizational report within two
14 days of receiving contributions or making or incurring
15 expenditures of more than \$1,000, in the aggregate, in a two-
16 year election period.

17 **§11-L Organizational report, candidate committee.** (a)

18 The candidate committee organizational report shall include:

- 19 (1) The committee's name and address, including web page
20 address, if any;
- 21 (2) The candidate's name, address, and telephone number;



- 1 (3) The office being sought by the candidate, district,
2 and party affiliation;
- 3 (4) The chairperson's name, address, and telephone number,
4 and, if appointed, the deputy chairperson's name,
5 address, and telephone number;
- 6 (5) The treasurer's name, address, and telephone number,
7 and, if appointed, all deputy treasurers' names,
8 addresses, and telephone numbers;
- 9 (6) The name and address of each depository institution in
10 which the committee will maintain its account(s) and
11 applicable account number(s);
- 12 (7) A certification of statements in the report by the
13 candidate and treasurer; and
- 14 (8) The name and address of each contributor who
15 contributed an aggregate amount of more than \$100
16 since the last election applicable to the office being
17 sought and the amount and date of deposit of each such
18 contribution.
- 19 (b) Any change in information previously reported in the
20 organizational report with the exception of subsection (a)(8)
21 shall be electronically filed with the commission within ten



1 days of the change being brought to the attention of the
2 committee chairperson or treasurer.

3 **§11-M Organizational report, noncandidate committee.** (a)

4 The noncandidate committee organizational report shall include:

- 5 (1) The committee's name, which shall incorporate the full
6 name of the sponsoring entity, if any. An acronym or
7 abbreviation may be used in other communications if
8 the acronym or abbreviation is commonly known or
9 clearly recognized by the general public. The
10 committee's name shall not include the name of a
11 candidate;
- 12 (2) The committee's address, including web page address,
13 if any;
- 14 (3) The area, scope, or jurisdiction of the committee;
- 15 (4) The name and address of the committee's sponsoring
16 entity. If the committee does not have a sponsoring
17 entity, the committee shall specify the trade,
18 profession, or primary interest of contributors to the
19 committee;
- 20 (5) The name, address, telephone number, occupation, and
21 principal place of business of the chairperson;



- 1 (6) The name, address, telephone number, occupation, and
2 principal place of business of the treasurer and any
3 other officers;
- 4 (7) An indication as to whether the committee was formed
5 to support or oppose a specific ballot question or
6 candidate and if so, a brief description of the
7 question or the name of the candidate;
- 8 (8) An indication as to whether the committee is a
9 political party committee;
- 10 (9) The name, address, telephone number, occupation, and
11 principal place of business of the custodian of the
12 books and accounts;
- 13 (10) The name and address of the depository institution in
14 which the committee will maintain its campaign account
15 and each applicable account number;
- 16 (11) A certification of statements in the report by the
17 chairperson and treasurer; and
- 18 (12) The name, address, employer and occupation of each
19 contributor who contributed an aggregate amount of
20 more than \$100 since the last election and the amount
21 and date of deposit of each such contribution.



1 (b) Any change in information previously reported in the
2 organizational report with the exception of subsection (a)(12)
3 shall be electronically filed with commission within ten days of
4 the change being brought to the attention of the committee
5 chairperson or treasurer.

6 **§11-N Treasurer.** (a) Every committee shall appoint a
7 treasurer on or before the day it files an organizational
8 report; provided that:

- 9 (1) Up to five deputy treasurers may be appointed;
- 10 (2) A candidate may be appointed as the treasurer or
11 deputy treasurer; and
- 12 (3) An individual who is not an officer or treasurer may
13 be appointed, on a fee or voluntary basis, to
14 specifically prepare and file reports with the
15 commission.

16 (b) A treasurer may be removed at any time.

17 (c) In case of death, resignation, or removal of the
18 treasurer, the candidate or committee shall promptly appoint a
19 successor. During the period the office of treasurer is vacant,
20 the candidate, committee chairperson, or party chairperson,
21 whichever is applicable, shall serve as treasurer.



1 (d) Only the treasurer and deputy treasurers shall be
2 authorized to receive contributions or make or incur
3 expenditures on behalf of the committee.

4 (e) The treasurer shall establish and maintain itemized
5 records showing:

6 (1) The amount of each monetary contribution;

7 (2) The description and value of each nonmonetary
8 contribution; and

9 (3) The name and address of each contributor making a
10 contribution of more than \$25 in value.

11 (f) The treasurer shall maintain detailed accounts, bills,
12 receipts, and other records to establish that reports were
13 properly prepared and filed.

14 (g) The records shall be retained for at least five years
15 after the report is filed.

16 **§11-0 Individual shall not serve as a committee officer in**
17 **certain circumstances; committee prohibited from acting in**
18 **concert, or soliciting or making contributions.** (a) No
19 committee that supports or opposes a candidate shall have an
20 officer who serves as an officer on any other committee which
21 supports or opposes the same candidate.



1 (b) If a committee has an officer who serves as an officer
2 on another committee which supports or opposes the same
3 candidate, the committees shall not act in concert with, or
4 solicit or make contributions on behalf of, any other committee.

5 **§11-P Termination of committee's registration.** A
6 committee may terminate its registration if:

7 (1) The committee:

8 (A) Files a request for registration termination
9 form;

10 (B) Files a report disclosing contributions and
11 expenditures not previously reported by the
12 committee and the committee has no surplus or
13 deficit; and

14 (C) Mails or delivers to the commission a copy of the
15 committee's closing bank statement;

16 and

17 (2) The request is approved by the commission.

18 . REPORTING AND FILING WITH THE COMMISSION

19 **§11-Q Filing of reports, generally.** (a) Every report
20 required to be filed by a candidate or candidate committee shall
21 be certified to be a true and accurate statement of the
22 committee's activity by the candidate and treasurer.



1 (b) Every report required to be filed by a noncandidate
2 committee shall be certified to be a true and accurate statement
3 of the committee's activity by the chairperson and treasurer.

4 (c) The persons signing and submitting the electronic
5 filing form shall certify that the electronically filed reports
6 are true and accurate.

7 (d) For purposes of this part, whenever a report is
8 required to be filed with the commission, "filed" means that a
9 report shall be filed with the commission's electronic filing
10 system by the date and time specified for the filing of the
11 report by:

12 (1) The candidate or candidate committee of a candidate
13 who is seeking election to the:

- 14 (A) Office of governor;
15 (B) Office of lieutenant governor;
16 (C) Office of mayor;
17 (D) Office of prosecuting attorney;
18 (E) County council;
19 (G) Senate;
20 (H) House of representatives;
21 (I) Office of Hawaiian affairs; or
22 (J) Board of education;



1 or

2 (2) A noncandidate committee required to be registered
3 with the commission pursuant to section 11-M.

4 (e) To be timely filed, a committee's reports shall be
5 filed with the commission's electronic filing system on or
6 before 11:59 p.m. Hawaii-Aleutian Standard Time on the filing
7 date specified.

8 (f) All reports filed under this part are public records.

9 **§11-R Candidate committee reports.** (a) The candidate and
10 campaign treasurer shall file preliminary, final, and
11 supplemental reports that shall disclose the following
12 information:

13 (1) The committee's name and address;

14 (2) The cash on hand at the beginning of the reporting
15 period and election period;

16 (3) The reporting period and election period aggregate
17 total for each of the following categories:

18 (A) Contributions;

19 (B) Expenditures;

20 (C) Other receipts; and

21 (D) Loans;



1 (4) The cash on hand at the end of the reporting period;
2 and

3 (5) The surplus or deficit at the end of the reporting
4 period.

5 (b) Schedules filed with the reports shall include the
6 following additional information:

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

13 (2) The amount and date of deposit of each contribution
14 and the name, address, employer, and occupation of
15 each contributor who makes contributions aggregating
16 \$1,000 or more during an election period; provided
17 that if all the information is not on file, the
18 contribution shall be returned to the contributor
19 within thirty days of deposit;

20 (3) All expenditures including the name and address of
21 each payee and the amount, date, and purpose of each
22 expenditure. Expenditures for consultants,



1 advertising agencies and similar firms, credit card
2 payments, salaries, and candidate reimbursements shall
3 be itemized to permit a reasonable person to determine
4 the ultimate intended recipient of the expenditure and
5 its purpose;

6 (4) The amount, date of deposit, and description of other
7 receipts and the name and address of the source of
8 each of the other receipts;

9 (5) Information about each loan received by the committee,
10 together with the names and addresses of the lender
11 and each person liable directly, and amount of each
12 loan. A copy of the executed loan document shall be
13 received by the commission by mail or delivery on or
14 before the filing date for the report covering the
15 reporting period when the loan was received. The
16 document shall contain the terms of the loan,
17 including the interest and repayment schedule.

18 Failure to disclose the loan or to provide
19 documentation of the loan to the commission shall
20 cause the loan to be treated as a contribution,
21 subject to all relevant provisions of this chapter;



1 (6) A description of each durable asset, the date of
 2 acquisition, value at the time of acquisition; and the
 3 name and address of the vendor or contributor of the
 4 asset; and

5 (7) The date of disposition of each durable asset, value
 6 at the time of disposition, method of disposition, and
 7 name and address of the person receiving the asset.

8 (c) The candidate committee shall file a late contribution
 9 report as provided in section 11-W if the committee receives
 10 late contributions from any person aggregating more than \$500.

11 **§11-S Time for candidate committee to file preliminary,**

12 **final, and supplemental reports.** (a) The candidate and
 13 campaign treasurer of each candidate whose name will appear on
 14 the ballot in the immediately succeeding election shall file
 15 preliminary, final, and supplemental reports as follows:

- 16 (1) The filing dates for preliminary reports are:
- 17 (A) July 31 of the election year;
 - 18 (B) Ten calendar days prior to a primary, first
 19 special, or first nonpartisan election; and
 - 20 (C) Ten calendar days prior to a general, second
 21 special, or second nonpartisan election; provided
 22 that the preliminary report shall not be required



1 to be filed by a candidate who is unsuccessful in
2 a primary, first special, or first nonpartisan
3 election or a candidate who is elected to office
4 in the primary, first special, or first
5 nonpartisan election.

6 Each preliminary report shall be current through June
7 30 for the report filed on July 31 and current through
8 the fifth calendar day before the filing deadline of
9 other preliminary reports;

10 (2) The filing date for the final primary report is twenty
11 calendar days after a primary, first special, or first
12 nonpartisan election. The report shall be current
13 through the day of the applicable election;

14 (3) The filing date for the final election period report
15 is thirty calendar days after a general, second
16 special, or second nonpartisan election. The report
17 shall be current through the day of the applicable
18 election. The final election period report shall be
19 filed by a candidate who is unsuccessful in a primary
20 first special, or first nonpartisan election or a
21 candidate who is elected to office in the primary,
22 first special, or first nonpartisan election; and



1 (4) The filing dates for supplemental reports are:

2 (A) January 31 after an election year; and

3 (B) July 31 after an election year.

4 The report shall be current through December 31 for the
5 report filed on January 31 and current through June 30 for the
6 report filed on July 31.

7 (b) The candidate and campaign treasurer of each candidate
8 with a deficit or surplus whose name will not appear on the
9 ballot in the immediately succeeding election shall file a
10 supplemental report every six months on January 31 and July 31
11 until:

12 (1) The candidate's name appears on the ballot and then is
13 subject to the reporting requirements in subsection

14 (a); or

15 (2) The committee's registration is terminated as provided
16 in section 11-P.

17 The report shall be current through December 31 for the
18 report filed on January 31 and current through June 30 for the
19 report filed on July 31.

20 (c) A candidate and treasurer shall continue to file all
21 reports until the committee's registration is terminated as
22 provided in section 11-P.



1 **§11-T Noncandidate committee reports.** (a) The authorized
2 person in the case of a party, or campaign treasurer in the case
3 of a committee, shall file preliminary, final, and supplemental
4 reports that disclose the following information:

5 (1) The committee's name and address;

6 (2) The cash on hand at the beginning of the reporting
7 period and election period;

8 (3) The reporting period and election period aggregate
9 total for each of the following categories:

10 (A) Contributions;

11 (B) Expenditures; and

12 (C) Other receipts;

13 (4) The cash on hand at the end of the reporting period;
14 and

15 (5) The surplus or deficit at the end of the reporting
16 period.

17 (b) Schedules filed with the reports shall include the
18 following additional information:

19 (1) The amount and date of deposit of each contribution
20 and the name, address, employer, and occupation of
21 each contributor making a contribution aggregating
22 more than \$100 during an election period, that was not



1 previously reported; provided that if all the
2 information is not on file, the contribution shall be
3 returned to the contributor within thirty days of
4 deposit;

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

13 (3) The amount, date of deposit, and description of other
14 receipts and the name and address of the source of
15 each of the other receipts;

16 (4) A description of each durable asset, the date of
17 acquisition, value at the time of acquisition; and the
18 name and address of the vendor or contributor of the
19 asset; and

20 (5) The date of disposition of a durable asset, value at
21 the time of disposition, method of disposition; and
22 name and address of the person receiving the asset.



1 (c) No loan may be made or received by a noncandidate
2 committee.

3 (d) The authorized person in the case of a party, or
4 campaign treasurer in the case of a committee shall file a late
5 contribution report as provided in section 11-WW if the
6 committee receives late contributions from any person
7 aggregating more than \$500 or makes late contributions
8 aggregating more than \$500.

9 **§11-U Time for noncandidate committee to file preliminary,**
10 **final, and supplemental reports.** (a) The filing dates for
11 preliminary reports are:

12 (1) Ten calendar days prior to a primary, first special,
13 or first nonpartisan election; and

14 (2) Ten calendar days prior to a general, second special,
15 or second nonpartisan election.

16 Each preliminary report shall be current through the fifth
17 calendar day prior to the filing of the report.

18 (b) The filing date for the final primary report is twenty
19 calendar days after the primary, first special, or first
20 nonpartisan election. The report shall be current through the
21 day of the applicable election.



1 (c) The filing date for the final election period report
2 is thirty calendar days after a general, second special, or
3 second nonpartisan election. The report shall be current
4 through the day of the applicable election.

5 (d) The filing dates for supplemental reports are:

6 (1) January 31 after an election year; and

7 (2) July 31 after an election year.

8 The report shall be current through December 31 for the report
9 filed on January 31 and current through June 30 for the report
10 filed on July 31.

11 (e) The authorized person in the case of a party, or
12 campaign treasurer in the case of a committee, shall continue to
13 file all reports until the committee's registration is
14 terminated as provided in section 11-P.

15 **§11-V Reporting expenditures.** For the purposes of this
16 part, an expenditure is deemed to be made or incurred when the
17 services are rendered or the product is delivered. Services
18 rendered or products delivered for use during a reporting period
19 are deemed delivered or rendered during the period or periods of
20 use; provided that these expenditures shall be reasonably
21 allocated between periods in accordance with the time the
22 services or products are actually used.



1 **§11-W Late contributions; report.** (a) The candidate,
2 authorized person in the case of a party, or campaign treasurer
3 in the case of a committee, that within the period of fourteen
4 calendar days through four calendar days prior to any election,
5 makes contributions aggregating more than \$500, or receives
6 contributions from any person aggregating more than \$500, shall
7 file a late contribution report with the commission's electronic
8 filing system on or before the third calendar day prior to the
9 election.

10 (b) The late contribution report shall include the
11 following information:

- 12 (1) Name, address, occupation, and employer of the
13 contributor;
- 14 (2) Name of the candidate or committee making or receiving
15 the contribution;
- 16 (3) The amount of the contribution;
- 17 (4) The contributor's aggregate contributions to the
18 candidate or committee; and
- 19 (5) The purpose, if any, to which the contribution will be
20 applied.



1 (c) A late contribution report filed pursuant to this
2 section shall be in addition to any other report required to be
3 filed by this part.

4 **§11-X Final election period report for committee receiving**
5 **and expending \$1,000 or less during the election period.** (a)
6 Any provision of law to the contrary notwithstanding, a
7 committee whose aggregate contributions and aggregate
8 expenditures for the election period total \$1,000 or less, may
9 electronically file only a final election period report, but
10 shall not be required to file a preliminary and final primary
11 report, a preliminary and final general report, or a special
12 election report.

13 (b) Until the committee's registration is terminated as
14 provided in section 11-P, supplemental reports and other reports
15 required by this part shall be filed.

16 **§11-Y Failure to file report; filing a substantially**
17 **defective or deficient report.** (a) True and accurate reports
18 shall be filed with the commission on or before the due date
19 specified in this part. Any committee that is required to file
20 reports under this part may be subject to the fines in this
21 section if the report is not filed by the due date or if the



1 report is substantially defective or deficient, as determined by
2 the commission.

3 (b) The fine, if assessed, for not filing a report by the
4 due date shall be \$50 per day for the first seven days,
5 beginning with the day after the due date of the report, and
6 \$200 per day thereafter, and shall not to exceed twenty-five per
7 cent of the total amount of contributions or expenditures,
8 whichever is greater, for the period covered by the report;
9 provided that the minimum fine for a report filed more than four
10 days after the due date, if assessed, shall be \$200.

11 (c) Subsection (b) notwithstanding, if a candidate
12 committee does not file the second preliminary primary report or
13 the preliminary general report or if a noncandidate committee
14 does not file the preliminary primary report or the preliminary
15 general report by the due date, the fine, if assessed, shall be
16 \$300 per day and shall not exceed twenty-five per cent of the
17 total amount of contributions or expenditures, whichever is
18 greater, for the period covered by the report; provided that, if
19 assessed, the minimum fine shall be \$300.

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



1 (1) The report is substantially defective or deficient;
2 and

3 (2) A fine may be assessed.

4 (e) If the corrected report is not filed with the
5 commission's electronic filing system on or before the
6 fourteenth day after the notice of deficiency has been mailed,
7 the fine, if assessed, for a substantially defective or
8 deficient report shall be \$50 per day for the first seven days,
9 beginning with the fifteenth day after the notice was sent, and
10 \$200 per day thereafter, and shall not exceed twenty-five per
11 cent of the total amount of contributions or expenditures,
12 whichever is greater, for the period covered by the report;
13 provided that, if assessed, the minimum fine for not filing a
14 corrected report more than eighteen days after the notice was
15 sent shall be \$200.

16 (f) The commission shall publish on its website the names
17 of all candidate committees that have failed to:

18 (1) File a report, or

19 (2) Correct a report within the time allowed by the
20 commission.

21 (g) All fines collected under this section shall be
22 deposited into the general fund.



1 **§11-Z Electioneering communications; statement of**
2 **information.** (a) Each person who makes a disbursement for
3 electioneering communications in an aggregate amount of more
4 than \$2,000 during any calendar year shall, within twenty-four
5 hours of each disclosure date provided in this section, file
6 with the commission a statement of information.

7 (b) Each statement of information shall contain the
8 following:

- 9 (1) The name of the person making the disbursement, name
10 of any person or entity sharing or exercising
11 discretion or control over such person, and name of
12 the custodian of the books and accounts of the person
13 making the disbursement;
- 14 (2) The state of incorporation and principal place of
15 business or, for an individual, the address of the
16 person making the disbursement;
- 17 (3) The amount of each disbursement during the period
18 covered by the statement and the identification of the
19 person to whom the disbursement was made;
- 20 (4) The elections to which the electioneering
21 communications pertain and the names, if known, of the
22 candidates identified or to be identified;



- 1 (5) If the disbursements were made by a committee, the
2 names and addresses of all persons who contributed to
3 the committee for the purpose of publishing or
4 broadcasting the electioneering communications;
- 5 (6) If the disbursements were made by an organization
6 other than a committee, the names and addresses of all
7 persons who contributed to the organization for the
8 purpose of publishing or broadcasting the
9 electioneering communications; and
- 10 (7) Whether any electioneering communication is made in
11 coordination, cooperation, or concert with or at the
12 request or suggestion of any candidate, committee, or
13 agent of any candidate or committee and, if so, the
14 identification of the candidate or committee, or agent
15 involved.
- 16 (c) For the purposes of this section:
- 17 "Disclosure date" means, for every calendar year, the first
18 date by which a person has made disbursements during that same
19 year of more than \$2,000, in the aggregate, for electioneering
20 communications, and the date of any subsequent disbursements by
21 that person for electioneering communications.
- 22 "Electioneering communication" means any advertisement:



- 1 (1) Broadcast from a cable, satellite, television, or
- 2 radio broadcast station;
- 3 (2) Published in any periodical or newspaper;
- 4 (3) Sent by mail at a bulk rate;
- 5 (4) That refers to a clearly identifiable candidate; and
- 6 (5) Made, or scheduled to be made, either within thirty
- 7 days prior to a primary or initial special election or
- 8 within sixty days prior to a general or special
- 9 election.

10 "Electioneering communication" shall not include
11 communications:

- 12 (1) In a news story or editorial disseminated by any
- 13 broadcast station or publisher of periodicals or
- 14 newspapers, unless the facilities are owned or
- 15 controlled by any committee or candidate;
- 16 (2) That constitutes expenditures by the disbursing
- 17 organization;
- 18 (3) In in-house bulletins; or
- 19 (4) That constitutes a candidate debate or forum, or
- 20 solely promotes a debate or forum and is made by or on
- 21 behalf of the person sponsoring the debate or forum.



1 (d) For purposes of this section, a person shall be
2 treated as having made a disbursement if the person has executed
3 a contract to make the disbursement.

4 **§11-AA Fundraiser; notice of intent.** (a) No fundraiser
5 shall be held unless a notice of intent to hold the fundraiser
6 is filed setting forth the name and address of the person in
7 charge, the price per person, the date, hour, and place of the
8 fundraiser, and the method thereof.

9 (b) The person in charge of the fundraiser shall file the
10 notice with the commission prior to the fundraiser.

11 (c) As used in this section, "fundraiser" means any
12 function held for the benefit of a candidate or committee that
13 is intended or designed, directly or indirectly, to raise
14 contributions for which the price or suggested contribution for
15 attending the function is more than \$25 per person.

16 **§11-BB Reporting deadline.** When any reporting deadline
17 falls on a Saturday, Sunday, or holiday designated in section 8-
18 1, the reporting deadline shall be the next succeeding day that
19 is not a Saturday, Sunday, or holiday.

20 **§11-CC Sale or use of information.** No information in the
21 reports or copies of the reports filed with the commission shall



1 be sold or used by any person for the purpose of soliciting
2 contributions or for any commercial purpose.

3 . CONTRIBUTIONS; PROHIBITIONS; LIMITS

4 **§11-DD Contributions, generally.** (a) Monetary
5 contributions and other campaign funds shall be promptly
6 deposited in a depository institution, as defined by section
7 412:1-109, duly authorized to do business in the State, such as
8 a bank, savings bank, savings and loan association, depository
9 financial services loan company, credit union, intra-Pacific
10 bank, or similar financial institution, the deposits or accounts
11 of which are insured by the Federal Deposit Insurance
12 Corporation, or the National Credit Union Administration in the
13 name of the candidate or committee, whichever is applicable.

14 (b) A candidate or committee shall not accept a
15 contribution of more than \$100 in cash from a single person
16 without issuing a receipt to the contributor and keeping a
17 record of the contribution.

18 (c) Each committee shall disclose the original source of
19 all earmarked funds, the ultimate recipient of the earmarked
20 funds, and the fact that the funds are earmarked.

21 **§11-EE False name contributions prohibited.** (a) No
22 person shall make a contribution to any candidate or committee,



1 in any name other than that of the person who owns the money,
2 property, or service.

3 (b) All contributions made in the name of a person other
4 than the owner of the money, property, or service shall escheat
5 to the Hawaii election campaign fund.

6 **§11-FF Anonymous contributions prohibited.** (a) Except as
7 provided in subsection (d), no person shall make an anonymous
8 contribution to any candidate or committee.

9 (b) A candidate or committee shall not knowingly receive,
10 accept, or retain an anonymous contribution, or report such
11 contribution as an anonymous contribution, except as provided in
12 this section.

13 (c) An anonymous contribution shall not be used or
14 expended by the candidate or committee, and shall be returned to
15 the contributor. If the contributor cannot be identified, the
16 contribution shall escheat to the Hawaii election campaign fund.

17 (d) This section shall not apply to amounts that aggregate
18 less than \$500 that are received from ten or more persons at the
19 same political function. The receipt of these contributions
20 shall be disclosed in a report filed pursuant to sections 11-R
21 and 11-T.



1 **§11-GG Fundraising on state or county property prohibited.**

2 (a) Except as provided in subsection (b), no person shall
3 solicit a contribution in a government facility that is used for
4 the discharge of official duties by an officer or employee of
5 the State or county.

6 (b) This prohibition shall not apply to any government
7 facility that permits use by nongovernmental organizations for a
8 fee or with reservations; provided the governmental facility's
9 use rules do not prohibit political activities on the premises.
10 Government facilities that permit use for political activities
11 shall be available to a candidate or committee for fundraising
12 activities pursuant to the same terms and conditions that would
13 otherwise apply to use by nongovernmental organizations.

14 (c) A person who violates the prohibition of fundraising
15 on state or county property shall be guilty of a misdemeanor.

16 **§11-HH Contributions by state and county contractors**

17 **prohibited.** (a) It shall be unlawful for any person exempt
18 from competitive solicitation under chapters 102, 103, 103D, and
19 103F who enters into any contract with the State, any of its
20 counties, or any department or agency thereof either for the
21 rendition of personal services, the buying of property, or
22 furnishing of any material, supplies, or equipment to the State,



1 any of its counties, department or agency thereof, or for
2 selling any land or building to the State, any of its counties,
3 or any department or agency thereof, if payment for the
4 performance of the contract or payment for material, supplies,
5 equipment, land, property, or building is to be made in whole or
6 in part from funds appropriated by the legislative body, at any
7 time between the execution of the contract through the
8 completion of the contract, to:

- 9 (1) Directly or indirectly make any contribution or to
10 promise expressly or impliedly to make any
11 contribution to any party, committee, or candidate or
12 to any person for any political purpose or use; or
13 (2) Knowingly solicit any contribution from any person for
14 any purpose during any period.

15 (b) Except as provided in subsection (a), this section
16 shall not prohibit or make unlawful the establishment or
17 administration of, or the solicitation of contributions to, any
18 noncandidate committee for the purpose of influencing the
19 nomination for election or the election of any person to office;
20 provided that the commission shall by rule establish
21 contribution limits for limited liability companies as defined
22 in section 428-101, limited liability partnerships as defined in



1 section 425-101, and limited liability limited partnerships as
2 defined in section 425E-102. Sole proprietors subject to this
3 section shall comply with applicable campaign contribution
4 limits in section 11-JJ(a).

5 (c) For purposes of this section, "completion of the
6 contract" means that the parties to the government contract have
7 either terminated the contract prior to completion of
8 performance or fully performed the duties and obligations under
9 the contract, no disputes relating to the performance and
10 payment remain under the contract, and all disputed claims have
11 been adjudicated and are final.

12 **§11-II Contributions by foreign national or foreign**
13 **corporation prohibited.** (a) Except as provided in subsection
14 (b), no contributions or expenditures shall be made to or on
15 behalf of a candidate or committee by a foreign national or
16 foreign corporation, including a domestic subsidiary of a
17 foreign corporation, a domestic corporation that is owned by a
18 foreign national, or a local subsidiary where administrative
19 control is retained by the foreign corporation, and in the same
20 manner prohibited under 2 United States Code section 441e and 11
21 Code of Federal Regulations 110.20, as amended.



1 (b) A foreign-owned domestic corporation may make
2 contributions if:

3 (1) Foreign national individuals do not participate in
4 election-related activities such as decisions
5 concerning contributions or the administration of a
6 committee; or

7 (2) The contributions are domestically-derived.

8 **§11-JJ Contributions to candidate committees; limits.** (a)

9 No person shall make contributions to:

10 (1) A candidate seeking nomination or election to a two-
11 year office or to a candidate committee in an
12 aggregate amount greater than \$2,000 during an
13 election period;

14 (2) A candidate seeking nomination or election to a four-
15 year nonstatewide office or to a candidate committee
16 in an aggregate amount greater than \$4,000 during an
17 election period; and

18 (3) A candidate seeking nomination or election to a four-
19 year statewide office or to a candidate committee in
20 an aggregate amount greater than \$6,000 during an
21 election period.



1 (b) For purposes of this section, the length of term of an
2 office shall be the usual length of term of the office as
3 unaffected by reapportionment, a special election to fill a
4 vacancy, or any other factor causing the term of the office the
5 candidate is seeking to be less than the usual length of term of
6 that office.

7 **§11-KK [RESERVE]**

8 **§11-LL Family contributions.** (a) A contribution by a
9 dependent minor shall be reported in the name of the minor and
10 shall be included in the aggregate contributions of the minor's
11 parent or guardian.

12 (b) A contribution by the candidate's immediate family
13 shall be exempt from section 11-JJ, and shall be limited in the
14 aggregate to \$50,000 in any election period; provided that the
15 aggregate amount of loans and contributions received from the
16 candidate's immediate family does not exceed \$50,000 during an
17 election period.

18 **§11-MM Contributions to a party.** (a) No person shall
19 make contributions to a party in an aggregate amount greater
20 than \$25,000 in any two-year election period, except as provided
21 in subsection (b).



1 (b) No political committee established and maintained by a
2 national political party shall make contributions to a party in
3 an aggregate amount greater than \$50,000 in any two-year
4 election period.

5 (c) If a person makes a contribution to a party that is
6 earmarked for a candidate or candidates and the party exercises
7 any direction or control over the choice of the recipient
8 candidate or candidates, the contribution is deemed to be a
9 contribution from both the original contributor and the party
10 distributing such funds to a candidate or candidates. The
11 earmarked funds shall be promptly distributed by the party to
12 the candidate.

13 (d) This section shall not prohibit a candidate from
14 making contributions to the candidate's party if contributions
15 are not earmarked for another candidate.

16 **§11-NN Aggregation of contributions and expenditures. (a)**

17 All contributions and expenditures of a person whose
18 contributions or expenditures are financed, maintained, or
19 controlled by any corporation, labor organization, association,
20 party, or any other person, including any parent, subsidiary,
21 branch, division, department, or local unit of the corporation,
22 labor organization, association, party, political committees



1 established and maintained by a national political party, or by
2 any group of those persons shall be considered to be made by a
3 single person.

4 (b) A contribution by a partnership shall not exceed the
5 limitations in this section and shall be attributed to the
6 partnership and to each partner in direct proportion to the
7 partner's share of the partnership profits, according to
8 instructions that shall be provided by the partnership to the
9 party, candidate or committee receiving the contribution.

10 (c) A contribution by a limited liability company shall be
11 treated as follows:

12 (1) A contribution by a limited liability company that is
13 treated as a partnership by the Internal Revenue
14 Service shall be considered a contribution from a
15 partnership;

16 (2) A contribution by a limited liability company that is
17 treated as a corporation by the Internal Revenue
18 Service shall be considered a contribution from a
19 corporation;

20 (3) A contribution by a limited liability company with a
21 single individual member that is not treated as a



1 corporation by the Internal Revenue Service shall be
2 attributed only to that single individual member; and
3 (4) A limited liability company that makes a contribution
4 shall, at the time the limited liability company makes
5 the contribution, provide information to the party,
6 committee, or candidate receiving the contribution
7 specifying how the contribution is to be attributed.

8 (d) A person's contribution to a party that is earmarked
9 for a candidate or candidates is included in the aggregate
10 contributions of both the person and the party to the candidate
11 or candidates if the party exercises any direction or control
12 over the choice of the recipient candidate or candidates. The
13 earmarked funds shall be promptly distributed by the party to
14 the candidate.

15 (e) A contribution by a dependent minor shall be reported
16 in the name of the minor but included in the aggregate
17 contributions of the minor's parent or guardian.

18 **§11-00 [RESERVE]**

19 **§11-PP Other contributions and expenditures.** (a)

20 Expenditures or disbursements for electioneering communications
21 as defined in section 11-Z, or any other coordinated activity
22 made by any person for the benefit of a candidate in



1 cooperation, consultation, or concert with, or at the request or
2 suggestion of, a candidate, a candidate committee, or their
3 agents, shall be considered to be a contribution to the
4 candidate and expenditure by the candidate.

5 The financing by any person of the dissemination,
6 distribution, or republication, in whole or in part, of any
7 broadcast or any written or other campaign materials prepared by
8 the candidate, candidate committee, or agents shall be
9 considered to be a contribution to the candidate.

10 This subsection shall not apply to candidates for governor
11 or lieutenant governor supporting a co-candidate in the general
12 election.

13 (b) "Coordinated activity" means:

14 (1) The payment by any person in cooperation,
15 consultation, or concert with, at the request of, or
16 pursuant to, any general or particular understanding
17 with a candidate, candidate committee, the party of a
18 candidate, or an agent of a candidate, candidate
19 committee, or the party of a candidate;

20 (2) The payment by any person for the production,
21 dissemination, distribution, or republication,
22 written, graphic, or other form of campaign material



1 prepared by a candidate, committee, or an agent of a
2 candidate or committee; or

3 (3) Any payment by any person or contract for any
4 electioneering communication, as defined in section
5 11-Z, where the payment is coordinated with a
6 candidate, candidate committee, the party of the
7 candidate, or an agent of a candidate, committee, or
8 the party of a candidate.

9 (c) No expenditure for a candidate who files an affidavit
10 with the commission agreeing to limit aggregate expenditures by
11 the candidate, including coordinated activity by any person,
12 shall be made or incurred by any committee without authorization
13 of the candidate or the candidate's authorized representative.
14 Every expenditure so authorized and made or incurred shall be
15 attributed to the candidate with whom the committee is directly
16 associated for the purpose of imposing the expenditure
17 limitations set forth in section 11-000.

18 **§11-00 Excess contribution; return; escheat.** (a) Any
19 candidate or committee that receives in the aggregate more than
20 the applicable contribution limit in sections 11-JJ, 11-KK, 11-
21 LL, and 11-MM shall return any excess contribution to the
22 contributor within thirty days of receipt of the excess



1 contribution. Any excess contribution not returned to the
2 contributor within thirty days shall escheat to the Hawaii
3 election campaign fund.

4 (b) A candidate or committee who complies with this
5 section prior to the initiation of administrative action shall
6 not be subject to any fine under section 11-JJJ.

7 . LOANS

8 **§11-RR Loan to candidate committee.** (a) A candidate or
9 candidate committee may receive a loan from:

- 10 (1) The candidate's own funds;
- 11 (2) A financial institution regulated by the State or a
12 federally chartered depository institution and made in
13 accordance with applicable law in the ordinary course
14 of business;
- 15 (3) The candidate's immediate family in an aggregate
16 amount not to exceed \$50,000 during an election
17 period, provided that the aggregate amount of loans
18 and contributions received from the immediate family
19 does not exceed \$50,000 during an election period; and
- 20 (4) Persons other than immediate family of the candidate
21 in an aggregate amount not to exceed \$10,000 during an
22 election period. This \$10,000 limit for loans from



1 persons other than the immediate family is applicable
2 to the candidate, and not the person or persons making
3 the loan. Additionally:

4 (A) If the \$10,000 limit for loans from persons other
5 than the immediate family is reached, the
6 candidate and candidate committee shall be
7 prohibited from receiving or accepting any other
8 loans until the \$10,000 is repaid in full; and

9 (B) If a loan from persons other than immediate
10 family members is not repaid within one year of
11 the date that the loan is made, the candidate and
12 candidate committee shall be prohibited from
13 accepting any other loans. All campaign funds,
14 including contributions subsequently received,
15 shall be used to repay the outstanding loan.

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

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



1 (2) A dated receipt and a written description of the name
 2 and address of each payee and the amount, date, and
 3 purpose of each expenditure is provided to the
 4 candidate committee before the candidate committee
 5 reimburses the candidate, volunteer, or employee; and

6 (3) The candidate committee reimburses the candidate,
 7 volunteer, or employee within forty-five days of the
 8 expenditure being made.

9 **§11-SS Reporting loan; written loan agreement.** (a) Every
 10 loan shall be reported as provided in section 11-R.

11 (b) Every loan in excess of \$100 shall be documented as
 12 provided in section 11-R.

13 (c) A loan shall be treated as a contribution, subject to
 14 all relevant provisions of this part, if the loan is not
 15 reported or documented as provided in section 11-R.

16 **§11-TT Noncandidate committee loan prohibited.** A
 17 noncandidate committee shall not receive or make a loan.

18 . EXPENDITURES

19 **§11-UU Campaign funds only used for certain purposes.** (a)
 20 Campaign funds may be used by a candidate, treasurer, or
 21 candidate committee:

22 (1) For any purpose directly related:



- 1 (A) In the case of the candidate, to the candidate's
2 own campaign; or
- 3 (B) In the case of a treasurer or candidate
4 committee, to the campaign of the candidate,
5 question, or issue with which they are directly
6 associated;
- 7 (2) To purchase or lease consumer goods, vehicles,
8 equipment, and services that provide a mixed benefit
9 to the candidate. The candidate shall reimburse the
10 committee for the candidate's personal use unless the
11 personal use is de minimis;
- 12 (3) To make donations to any community service,
13 educational, youth, recreational, charitable,
14 scientific, or literary organization; provided that in
15 any election period, the total amount of all
16 contributions shall be no more than twice the maximum
17 amount that one person may contribute to that
18 candidate pursuant to section 11-JJ; provided further
19 that no contributions shall be made from the date the
20 candidate files nomination papers to the date of the
21 general election;



1 (4) To purchase not more than two tickets for each event
2 held by another candidate or committee, regardless of
3 whether the event constitutes a fundraiser as defined
4 in section 11-AA;

5 (5) To make contributions to the candidate's party so long
6 as the contributions are not earmarked for another
7 candidate; or

8 (6) To pay for ordinary and necessary expenses incurred in
9 connection with the candidate's duties as a holder of
10 an office.

11 (b) Campaign funds may be used for the candidate's next
12 subsequent election upon registration for the election pursuant
13 to section 11-K.

14 **§11-VV Prohibited uses of campaign funds.** Campaign funds
15 shall not be used:

16 (1) To support the campaigns of candidates other than the
17 candidate with which they are directly associated;

18 (2) To campaign against any other candidate not directly
19 opposing the candidate with which they are directly
20 associated; or

21 (3) For personal expenses.



1 **§11-WW Exceptions.** Notwithstanding sections 11-UU and 11-
2 VV, a party may support more than one candidate and a candidate
3 for the office of governor or lieutenant governor may support a
4 co-candidate in the general election.

5 **§11-XX Disposition of campaign funds; termination of**
6 **registration.** (a) The candidate committee and candidate who
7 receives contributions for an election but fails to file
8 nomination papers for that election shall return residual funds
9 to the contributors no later than ninety days after the date on
10 which nominations for that election shall be filed. Funds not
11 returned to contributors shall escheat to the Hawaii election
12 campaign fund.

13 (b) The candidate committee and candidate who withdraws or
14 ceases to be a candidate for the election because of death,
15 disqualification, or other reasons shall return residual funds
16 to the contributors no later than ninety days after the
17 candidate ceases to be a candidate. Funds not returned to
18 contributors shall escheat to the Hawaii election campaign fund.

19 (c) A candidate and committee of a candidate elected to
20 office, including a candidate subject to term limits and a
21 candidate who resigned before the end of the term of office, may
22 use campaign funds as provided in section 11-UU or return funds



1 to contributors until four years from the date of the election
2 for which the campaign funds were received. Funds that are not
3 used or returned to contributors shall escheat to the Hawaii
4 election campaign fund.

5 (d) A candidate and committee of a candidate who lost in
6 an election may use campaign funds as provided in section 11-UU
7 or return funds to contributors until one year from the date of
8 the election for which the campaign funds were received. Funds
9 that are not used or returned to contributors shall escheat to
10 the Hawaii election campaign fund.

11 (e) A candidate committee that disposes of campaign funds
12 pursuant to this section shall terminate registration with the
13 commission as provided in section 11-P.

14 (f) Notwithstanding any of the foregoing, campaign funds
15 may be used for the candidate's next subsequent election as
16 provided in section 11-UU upon registration for the election
17 pursuant to section 11-K.

18 (g) The commission shall adopt rules under chapter 91 for
19 carrying out the purposes of this section.

20 . ADVERTISEMENTS

21 **§11-YY Advertisements.** (a) Any advertisement shall
22 contain:



- 1 (1) The name and address of the candidate, committee, or
2 other person paying for the advertisement; and
- 3 (2) A notice in a prominent location stating either:
- 4 (A) The advertisement is published, broadcast,
5 televised, or circulated with the approval and
6 authority of the candidate; provided that an
7 advertisement paid for by a candidate, candidate
8 committee, or ballot issue committee does not
9 have to include the notice; or
- 10 (B) The advertisement is published, broadcast,
11 televised, or circulated without the approval and
12 authority of the candidate.
- 13 (b) The fine for violating this section shall be a fine
14 not to exceed \$25 for each advertisement that lacks the
15 information required by this section and no more than \$5,000
16 aggregate.
- 17 **§11-ZZ House bulletins.** The costs of preparing, printing,
18 and circulating house bulletins and the writings, drawings, and
19 photographs contained therein, except for paid advertisements,
20 shall be exempt from the provisions of this part.

21 . ENFORCEMENT



1 **§11-AAA Subpoena powers.** (a) The commission may subpoena
2 witnesses, examine them under oath, and require the production
3 of books, papers, documents, or objects, to the commission
4 office or at any place in the State whether or not the subpoena
5 is in connection with any hearing; provided that the person or
6 documents subpoenaed shall be relevant to a matter under study
7 or investigation by the commission.

8 (b) The books, papers, documents, or objects may be
9 retained by the commission for a reasonable period of time for
10 examination, audit, copying, testing, and photographing.

11 (c) The subpoena power shall be exercised by the
12 chairperson of the commission, or such other person as the
13 chairperson may designate.

14 (d) Upon application of the commission, obedience to the
15 subpoena shall be enforced by the circuit court in the county
16 where the person subpoenaed resides or is found, in the same
17 manner as a subpoena issued by a circuit court.

18 **§11-BBB Filing of complaint.** (a) A person alleging
19 violations of this part shall file a complaint with the
20 commission.

21 (b) A complaint initiated by the commission shall be in
22 writing and signed by the executive director.



1 (c) A complaint by a person other than the executive
2 director shall be in writing, signed by the person filing the
3 complaint, and notarized.

4 **§11-CCC Notice of complaint; opportunity to explain or**
5 **respond to complaint.** (a) The commission shall give notice of
6 receipt of the complaint and a copy of the complaint to the
7 respondent.

8 (b) The respondent may explain or otherwise respond in
9 writing to the complaint and explain or otherwise respond to the
10 complaint at a meeting promptly noticed by the commission and
11 conducted under chapter 92.

12 **§11-DDD Initial determination by the commission.** The
13 commission shall promptly determine, without regard to chapter
14 91, to:

- 15 (1) Summarily dismiss the complaint;
16 (2) Cause further investigation;
17 (3) Make a preliminary determination regarding probable
18 cause; or
19 (4) Refer the complaint for prosecution under section 11-
20 KKK.

21 **§11-EEE Preliminary determination regarding probable**
22 **cause.** (a) Upon consideration of the response, if the



1 respondent explains or otherwise responds to the complaint, and
2 upon completion of any investigation, the commission may make a
3 prompt preliminary determination as to whether probable cause
4 exists that a violation of this part has been committed. The
5 preliminary determination with findings of fact and conclusions
6 of law shall be served upon the respondent by certified mail.

7 (b) The respondent shall be afforded an opportunity to
8 contest the commission's preliminary determination of probable
9 cause by making a request for a contested case hearing under
10 chapter 91 within twenty days of receipt of the preliminary
11 determination. Failure to request a contested case hearing
12 shall result in the commission's preliminary determination being
13 deemed a final determination of violation.

14 **§11-FFF Waiver of further proceedings.** The commission may
15 waive further proceedings, including the filing of a complaint,
16 because of action the respondent takes to remedy or correct the
17 alleged violation, including the payment of any administrative
18 fine. The commission shall make the remedial or corrective
19 action taken by the respondent, the commission's decision in
20 light of the action to waive further proceedings, and the
21 commission's justification for its decision, a part of the
22 public record.



1 **§11-GGG Contested case hearing.** (a) A contested case
2 hearing shall be conducted pursuant to chapter 91 and any rules
3 adopted by the commission.

4 (b) The hearing shall be before the commission or a duly
5 designated hearings officer. The commission or hearings officer
6 shall not be bound by strict rules of evidence when conducting a
7 hearing to determine whether a violation of this part has
8 occurred, and the degree or quantum of proof required shall be a
9 preponderance of the evidence.

10 (c) The commission or hearings officer, if there is no
11 dispute as to the facts involved in a particular matter, may
12 permit the parties to proceed by memoranda of law in lieu of a
13 hearing unless the procedure would unduly burden any party or is
14 otherwise not conducive to the ends of justice.

15 (d) A record shall be made of the proceeding.

16 (e) All parties shall be afforded full opportunity to
17 present evidence and argument on all issues involved.

18 (f) Any person who appears before the commission or
19 hearings officer shall have all of the rights, privileges, and
20 responsibilities of a witness appearing before the courts of
21 this State. All witnesses summoned before the commission or
22 hearings officer shall receive reimbursements as paid in like



1 circumstances in the courts of this State. Any person whose
2 name is mentioned during a proceeding before the commission or
3 hearings officer and who may be adversely affected thereby, may
4 appear or file a written statement for incorporation into the
5 record of the proceeding.

6 (g) A hearings officer shall render a recommended decision
7 for the commission's consideration. Any party adversely
8 affected by the decision may file written exceptions with the
9 commission within fifteen days after receipt of a copy of the
10 decision by certified mail.

11 (h) The commission, as expeditiously as possible, after
12 the close of the commission's hearing or receipt of the hearings
13 officer's recommended decision, shall issue its final
14 determination of violation together with separate findings of
15 fact and conclusions of law regarding whether a violation of
16 this part has been committed.

17 **§11-HHH Dismissal.** The complaint shall be dismissed if
18 the commission makes a final determination that there is no
19 violation of this part.

20 **§11-III Final determination of violation; order.** If the
21 commission makes a final determination of a violation of this



1 part, its written decision with findings of fact and conclusions
2 of law may order:

- 3 (1) The return of any contribution;
- 4 (2) The reimbursement of any unauthorized expenditure;
- 5 (3) The payment of any administrative fine to the general
6 fund of the State;
- 7 (4) The respondent to cease and desist violations of this
8 part; or
- 9 (5) Any report, statement, or other information required
10 by this part to be filed.

11 **§11-JJJ Administrative fines; relief.** (a) The commission
12 may make a decision or issue an order affecting any person
13 violating any provision of this part or section 281-22 that
14 shall provide for the assessment of an administrative fine as
15 follows:

- 16 (1) If a natural person, an amount not to exceed \$1,000
17 for each occurrence or an amount equivalent to three
18 times the amount of an unlawful contribution or
19 expenditure, whichever is greater; or
- 20 (2) If a corporation, organization, association, or labor
21 union, an amount not to exceed \$1,000 for each
22 occurrence; and



1 (3) Whenever a corporation, organization, association, or
2 labor union violates this part, the violation may be
3 deemed to be also that of the individual directors,
4 officers, or agents of the corporation, organization,
5 association, or labor union, who have knowingly
6 authorized, ordered, or done any of the acts
7 constituting the violation.

8 (b) Any order for the assessment of an administrative fine
9 may not be issued against a person without providing the person
10 written notice and an opportunity to be heard at a hearing
11 conducted under chapter 91. A person may waive these rights by
12 written stipulation or consent.

13 (c) If an administrative fine is imposed upon a candidate,
14 the commission may order that the fine, or any portion, be paid
15 from the candidate's personal funds.

16 (d) If the person to whom the commission's order is
17 directed does not comply with the order, the first circuit
18 court, upon application of the commission, shall issue an order
19 requiring the person to comply with the commission's order.
20 Failure to obey such a court order shall be punished as
21 contempt.



1 (e) Any administrative fine collected by the commission
2 shall be deposited in the general fund of the State.

3 (f) Any person or the commission may sue for injunctive
4 relief to compel compliance with this part.

5 (g) The provisions of this section shall not prohibit
6 prosecution under any appropriate provision of the Hawaii Penal
7 Code or section 11-LLL.

8 (h) The provisions of this section shall not apply to any
9 person who, prior to the commencement of proceedings under this
10 section, has paid or agreed to pay the fines prescribed by
11 sections 11-Y (b), (c), or (e) or 11-YY (b).

12 **§11-KKK Criminal referral.** In lieu of an administrative
13 determination that a violation of this part has been committed,
14 the commission may refer the complaint to the attorney general
15 or county prosecutor at any time it believes that the respondent
16 may have recklessly, knowingly, or intentionally committed a
17 violation.

18 **§11-LLL Criminal prosecution.** (a) Any person who
19 recklessly, knowingly, or intentionally violates any provision
20 of this part shall be guilty of a misdemeanor.

21 (b) Any person who knowingly or intentionally falsifies
22 any report required by this part with the intent to circumvent



1 the law or deceive the commission or who violates section 11-EE
2 or 11-FF shall be guilty of a class C felony. A person charged
3 with a class C felony shall not be eligible for a deferred
4 acceptance of guilty plea or nolo contendere plea under chapter
5 853.

6 (c) A person who is convicted under this section shall be
7 disqualified from holding elective public office for a period of
8 four years from the date of conviction.

9 (d) For purposes of prosecution for violation of this
10 part, the attorney general and offices of the prosecuting
11 attorney of the respective counties shall be deemed to have
12 concurrent jurisdiction to be exercised as follows:

13 (1) Prosecution shall commence with a written request from
14 the commission or upon the issuance of an order of the
15 court; provided that prosecution may commence prior to
16 any proceeding initiated by the commission or final
17 determination;

18 (2) In the case of state offices, parties, or issues, the
19 attorney general or prosecuting attorney for the city
20 and county of Honolulu shall prosecute any violation;
21 and



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

4 In the commission's choice of prosecuting agency, it shall
5 be guided by whether there will be any conflicting interest
6 between the agency and its appointive authority.

7 (e) The court shall give priority to the expeditious
8 processing of prosecutions under this section.

9 (f) Prosecution for violations of this part shall not be
10 commenced after five years have elapsed from the date of the
11 violation or date of filing of the report covering the period in
12 which the violation occurred, whichever is later.

13 (g) The provisions of this section shall not apply to any
14 person who, prior to the commencement of proceedings under this
15 section, has paid or agreed to pay the fines prescribed by
16 sections 11-Y(b), (c), or (e) or 11-YY(b).

17 . PARTIAL PUBLIC FINANCING

18 **§11-MMM Hawaii election campaign fund; creation.** (a) The
19 Hawaii election campaign fund is created as a trust fund within
20 the state treasury.

21 (b) The fund shall consist of:



1 (1) All moneys collected from persons who have designated
2 a portion of their income tax liability to the fund as
3 provided in section 235-102.5;

4 (2) Any general fund appropriations; and

5 (3) Other moneys collected pursuant to this part.

6 (c) Moneys in this fund shall be paid to candidates by the
7 comptroller as prescribed in section 11-XXX and may be used for
8 the commission's operating expenses, including staff salaries
9 and fringe benefits.

10 **§11-NNN Depletion of fund.** (a) The commission shall be
11 under no obligation to provide moneys to candidates unless there
12 are two years of budgeted expenses in reserve in the Hawaii
13 election campaign fund.

14 (b) If the commission determines that the Hawaii election
15 campaign fund is unable to fund all requests for public funds
16 for the partial public funding program and comprehensive public
17 funding program for elections to the county of Hawaii council
18 the amounts available to candidates from the fund shall be based
19 on the date an application for public funds filed pursuant to
20 section 11-WWW is approved by the commission.

21 **§11-000 Voluntary expenditure limits; filing affidavit.**

22 (a) A candidate may file an affidavit with the commission



1 agreeing to limit aggregate expenditures by the candidate,
2 including coordinated activity by any person for the benefit of
3 the candidate in cooperation, consultation, or concert with, or
4 at the request or suggestion of the candidate, candidate
5 committee, or their agents, to the amounts specified in
6 subsection (d).

7 (b) The affidavit shall be subscribed by the candidate,
8 notarized, and filed no later than the time of filing nomination
9 papers with the chief election officer or county clerk.

10 (c) The affidavit shall remain effective until the
11 termination of the candidate committee or the opening of filing
12 of nomination papers for the next succeeding election, whichever
13 occurs first. An affidavit filed under this section may not be
14 rescinded.

15 (d) From January 1 of the year of any primary, first
16 special, or first nonpartisan, general, second special, or
17 second nonpartisan election, aggregate expenditures for each
18 election by a candidate who filed the affidavit pursuant to
19 subsection (a) shall not exceed the number of registered voters
20 in the last preceding general, second special, or second
21 nonpartisan election in each respective voting district
22 multiplied by the following amounts:



- 1 (1) For the office of governor - \$2.50;
- 2 (2) For the office of lieutenant governor - \$1.40;
- 3 (3) For the office of mayor - \$2.00;
- 4 (4) For the offices of state senator, state
5 representative, and county council member - \$1.40; and
- 6 (5) For the offices of Hawaiian affairs and the board of
7 education and all other offices - 20 cents.

8 **§11-PPP Reduced filing fee.** A candidate who files the
9 affidavit pursuant to section 11-000 shall receive a discounted
10 filing fee as provided in section 12-6.

11 **§11-QQQ Tax deduction for qualifying contributions.** (a)
12 An individual resident of Hawaii may claim a state income tax
13 deduction pursuant to section 235-7(g)(2), for contributions to
14 a candidate who files an affidavit pursuant to section 11-000
15 and complies with the expenditure limit.

16 (b) The commission shall forward a copy of the affidavit
17 to the director of taxation upon request.

18 (c) If a candidate has not filed the affidavit, the
19 candidate shall inform all contributors in writing immediately
20 upon receipt of the contribution that they are not entitled to a
21 tax deduction for their contributions to the candidate and the
22 director of taxation shall not allow any contributor to take a



1 deduction, pursuant to section 235-7(g)(2), for any contribution
2 to the candidate.

3 (d) The affidavit shall remain effective until the
4 termination of the candidate committee or the opening of filing
5 of nomination papers for the next succeeding election, whichever
6 occurs first. An affidavit filed under this section may not be
7 rescinded.

8 **§11-RRR Maximum amount of public funds available to**
9 **candidate.** (a) The maximum amount of public funds available in
10 each election to a candidate for the office of governor,
11 lieutenant governor, or mayor shall not exceed ten per cent of
12 the expenditure limit established in section 11-000(d) for each
13 election.

14 (b) The maximum amount of public funds available in each
15 election to a candidate for the office of state senator, state
16 representative, county council member, and prosecuting attorney
17 shall not exceed fifteen per cent of the expenditure limit
18 established in section 11-000(d) for each election.

19 (c) For the office of Hawaiian affairs, the maximum amount
20 of public funds available to a candidate shall not exceed \$1,500
21 in any election year.



1 (d) For the board of education and all other offices, the
2 maximum amount of public funds available to a candidate shall
3 not exceed \$100 in any election year.

4 **§11-SSS Candidate exceeds voluntary expenditure limit.** A
5 candidate who files the affidavit agreeing to limit expenditures
6 and who exceeds the expenditure limit for that election shall:

- 7 (1) Notify all opponents, the chief election officer, and
8 the commission by telephone and writing on the day the
9 expenditure limit is exceeded;
- 10 (2) Immediately return all public funds to the commission;
- 11 (3) Pay the balance of the full filing fee to the chief
12 election officer; and
- 13 (4) Provide reasonable notice to all contributors within
14 thirty days of exceeding the limit that the
15 expenditure limit was exceeded and contributions to
16 the candidate no longer qualify for a state income tax
17 deduction.

18 **§11-TTT Reserving use of contributions.** A candidate who
19 files the affidavit voluntarily agreeing to limit expenditures
20 and who receives contributions that in aggregate exceed the
21 expenditure limit for an election shall reserve use of any



1 contributions that exceed the limit until after the applicable
2 election.

3 **§11-UUU Eligibility requirements for public funds.** To be
4 eligible to receive public funds for an election, a candidate
5 shall meet all the following requirements:

6 (1) The candidate is qualified to be on the ballot in the
7 election and is opposed by another candidate for the
8 same office in the same election;

9 (2) The candidate shall mail or deliver to the commission:

10 (A) A statement of intent to seek public funds;

11 (B) The affidavit required by section 11-000 no later
12 than the time of filing nomination papers with
13 the chief election officer or county clerk;

14 (C) A copy of the electronically filed statement of
15 qualifying contributions, provided that
16 contributions received before filing the
17 statement of intent to seek public funds are not
18 qualifying contributions; and

19 (D) An application for public funds;

20 (3) The candidate electronically files a statement of
21 qualifying contributions;



1 (4) The candidate agrees to obtain and furnish any
2 evidence relating to expenditures which the commission
3 may request;

4 (5) The candidate agrees to keep and furnish records,
5 books, and other information which the commission may
6 request; and

7 (6) The candidate agrees to an audit and examination by
8 the commission pursuant to section 11-AAAA and to pay
9 any amounts required to be paid pursuant to that
10 section.

11 **§11-VVV Minimum qualifying contribution amounts;**

12 **qualifying contribution statement.** (a) A candidate is required
13 to receive the following minimum qualifying contribution amounts
14 during the matching payment period:

15 (1) For the office of governor – qualifying contributions
16 that in the aggregate, exceed \$100,000;

17 (2) For the office of lieutenant governor – qualifying
18 contributions that in the aggregate, exceed \$50,000;

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

20 (A) County of Honolulu – qualifying contributions
21 that in the aggregate, exceed \$50,000;



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

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

5 (D) County of Kauai - qualifying contributions that
6 in the aggregate, exceed \$5,000;

7 (4) For the office of prosecuting attorney for each
8 respective county:

9 (A) County of Honolulu - qualifying contributions that
10 in the aggregate, exceed \$30,000;

11 (B) County of Hawaii - qualifying contributions that
12 in the aggregate, exceed 10,000; and

13 (C) County of Kauai - qualifying contributions that in
14 the aggregate, exceed \$5,000

15 (5) For the office of county council - for each respective
16 county:

17 (A) County of Honolulu - qualifying contributions
18 that in the aggregate, exceed \$5,000;

19 (B) County of Hawaii - qualifying contributions that
20 in the aggregate, exceed \$1,500;

21 (C) County of Maui - qualifying contributions that in
22 the aggregate, exceed \$5,000; and



1 (D) County of Kauai - qualifying contributions that
2 in the aggregate, exceed \$3,000;

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

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

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

9 and

10 (9) For the board of education and all other offices -
11 qualifying contributions that, in the aggregate,
12 exceed \$500.

13 (b) A candidate shall obtain the minimum qualifying
14 contribution amount set forth in subsection (a), once for the
15 election period.

16 (1) If the candidate, except for a candidate for the
17 office of Hawaiian affairs and the board of education,
18 obtains the minimum qualifying contribution amount,
19 the candidate is eligible to receive:

20 (A) The minimum payment in an amount equal to the
21 minimum qualifying contribution amounts; and



1 (B) Payments of \$1 for each \$1 of qualifying
2 contributions in excess of the minimum qualifying
3 contribution amounts;

4 (2) A candidate for the office of Hawaiian affairs who
5 obtains the minimum qualifying contribution amount is
6 eligible to receive a maximum of \$1,500 in any
7 election year; and

8 (3) A candidate for the board of education who obtains the
9 minimum qualifying contribution amount is eligible to
10 receive a maximum of \$100 in any election year.

11 (c) The candidate shall not receive more than the maximum
12 amount of public funds available to a candidate pursuant to
13 section 11-RRR; provided that the candidate shall not receive
14 public funds for a primary, first special, or first nonpartisan
15 primary election if the candidate does not obtain the minimum
16 qualifying contribution amounts before the date of the primary,
17 first special, or first nonpartisan primary election.

18 (d) The candidate shall obtain the minimum qualifying
19 contribution amount before submitting the initial application
20 for public funds.

21 (e) The statement of qualifying contributions shall
22 include:



1 (1) The printed names and addresses of the individual
2 residents of Hawaii who made the qualifying
3 contribution during the matching payment period; and

4 (2) The amount and date of deposit of each qualifying
5 contribution.

6 (f) As used in this section, "matching payment period"
7 means:

8 (1) For a primary, first special, or first nonpartisan
9 election, from January 1 of the year of the election
10 through the day of the primary, first special, or
11 first nonpartisan primary election; and

12 (2) For a general, second special, or second nonpartisan
13 election, from January 1 of the year of a general
14 election through the day of the general, second
15 special, or second nonpartisan election.

16 **§11-WWW Application for public funds.** (a) Each
17 application for public funds shall be:

18 (1) Signed by the candidate and notarized; and
19 (2) Accompanied by a copy of the electronically filed
20 statement of qualifying contributions.

21 (b) The application shall be mailed or delivered to the
22 commission no later than thirty days after the general election.

1 (c) A candidate who receives funds for a primary, first
2 special, or first nonpartisan primary election and is a
3 candidate in the subsequent general, second special, or second
4 nonpartisan election is required to mail or deliver another
5 application to the commission to receive public funds for the
6 subsequent election.

7 **§11-XXX Payment to candidate.** (a) Upon the commission's
8 approval of the application and statement of qualifying
9 contributions, the commission shall direct the comptroller to
10 distribute matching public funds up to the maximum amount of
11 public funds allowed by section 11-RRR. Public funds shall be
12 distributed to the candidate within twenty days from the date
13 the candidate's initial application and qualifying contribution
14 statement is approved by the commission.

15 (b) The commission shall make additional determinations
16 within fourteen days after receiving a complete application and
17 supplemental statement of qualifying contributions from a
18 candidate.

19 (c) All determinations made by the commission under this
20 section are final and conclusive, except to the extent they are
21 subject to examination and audit by the commission under section
22 11-AAAA.



1 **§11-YYY Use of public funds.** (a) Public funds shall be
2 deposited in a depository institution, as defined in section
3 412:1-109, duly authorized to do business in the State, such as
4 a bank, savings bank, savings and loan association, depository
5 financial services loan company, credit union, intra-Pacific
6 bank, or similar financial institution, the deposits or accounts
7 of which are insured by the Federal Deposit Insurance
8 Corporation, or the National Credit Union Administration.

9 (b) No expenditures of any public funds shall be made
10 except by checks drawn on such checking account.

11 (c) Public funds shall be only used to:

12 (1) Defray expenditures of the candidate; and

13 (2) Repay loans, the proceeds of which were used to defray
14 expenditures.

15 (d) Public funds shall not be transferred to another
16 candidate for any election.

17 (e) Unexpended public funds shall be returned to the
18 commission by the deadline for filing the final report for the
19 election that the funds were received for.

20 **§11-ZZZ Post-election report required.** The treasurer
21 shall electronically submit an expenditure of public funds
22 report to the commission no later than twenty days after a



1 primary, first special, or first nonpartisan primary election
2 and no later than thirty days after a general, second special,
3 or second nonpartisan election certifying that all public funds
4 paid to the candidate have been used as required by this part.

5 **§11-AAAA Post-election examination and audit; return of**
6 **funds.** (a) The commission shall examine and audit the public
7 funds received by all candidates, qualifying contributions, and
8 the expenditures made by all candidates within sixty days after
9 each general, second special, or second nonpartisan election.

10 (b) The commission shall promulgate rules regarding
11 expenditures which qualify under section 11-YYY.

12 (c) If the commission determines that any payment of
13 public funds to a candidate exceeded the aggregate amount to
14 which the candidate was entitled, the commission shall notify
15 the candidate within two years of the payment of the public
16 funds and the candidate shall repay the excess amount to the
17 Hawaii election campaign fund. If the commission does not
18 notify the candidate within two years the excess payment does
19 not have to be repaid.

20 (d) If the commission determines that any public funds
21 were used for any improper purpose, the commission shall notify
22 the candidate, and the candidate shall pay to the Hawaii



1 election campaign fund an amount equal to three hundred per cent
2 of such amount in addition to any fines under section 11-JJJ and
3 section 11-LLL.

4 **§11-BBBB Report and recommendation.** In January of each
5 year, the commission may submit to the legislature:

- 6 (1) Proposed legislation for reasonable expenditure and
7 contribution limits, along with relevant justification
8 for the legislation;
- 9 (2) A report concerning the status of the Hawaii election
10 campaign fund; and
- 11 (3) A request for an appropriation if the total amounts of
12 revenues comprising the fund are insufficient to
13 provide public funds for the partial public funding
14 program and comprehensive public funding program for
15 elections to the county of Hawaii council."

16 PART III

17 SECTION 3. Chapter 11, Part XII, Subpart B is repealed.

18 PART IV

19 SECTION 4. This Act does not affect rights and duties that
20 matured, penalties that were incurred, and proceedings that were
21 begun, before its effective date.



1 SECTION 5. If any provision of this Act, or the
2 application thereof to any person or circumstance is held
3 invalid, the invalidity shall not affect other provisions or
4 applications of the Act, which can be given effect without the
5 invalid provision or application, and to this end the provisions
6 of this Act are severable.

7 SECTION 6. In codifying the new sections added by part II
8 of this Act, the revisor of statutes shall substitute
9 appropriate section numbers for the numbers used in designating
10 the new sections in this Act.

11 SECTION 7. This Act shall take effect on January 1, 2046.



Report Title:

Campaign Finance

Description:

Organizes, clarifies, updates, and recodifies campaign finance laws. (HB215 HD1)

