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# A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

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

1 SECTION 1. Act 244, Session Laws of Hawaii 2008, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4 "SECTION 7A. Matching payments for qualified small dollar  
5 contributions. (a) Notwithstanding any other law to the  
6 contrary, the commission shall pay to each certified candidate  
7 who can demonstrate that the candidate's campaign account has a  
8 balance of less than \$2,000, an amount equal to four hundred per  
9 cent of the amount of qualified small dollar contributions  
10 received by the candidate from individuals who are registered  
11 voters at the time the contribution is given, and who reside in  
12 the district in which the candidate is seeking nomination or  
13 election.

14 (b) The maximum payment under this section shall be two  
15 hundred per cent of the base amount of public funding for a  
16 primary election or general election, as applicable, as  
17 determined pursuant to section 12.



1        (c) The commission shall make payments under this section  
2 within twenty days after receipt of a report filed pursuant to  
3 subsection (d).

4        (d) A certified candidate shall file a report of receipts  
5 of qualified small dollar contributions no more frequently than  
6 every fourteen calendar days."

7        SECTION 2. Act 244, Session Laws of Hawaii 2008, section 2  
8 is amended as follows:

9        1. By adding a new definition to read:

10        "Qualified small dollar contribution" means any  
11 contribution to a comprehensive publicly funded candidate that:

12        (1) Is not a qualifying contribution;

13        (2) Is received by the candidate during the period from  
14 sixty days before the primary election until one day  
15 before the general election;

16        (3) Does not exceed an aggregate amount of \$20; and

17        (4) Is made in the form of a check or money order payable  
18 to the Hawaii election campaign fund."

19        2. By amending the definition of "qualifying period" to  
20 read:

21        "Qualifying period" means the period [in a general  
22 election year,] beginning [January 1] September 5 of the year



1 prior to the general election and ending on the deadline for  
2 filing candidate nomination papers during which a candidate may  
3 collect qualifying contributions to qualify for comprehensive  
4 public funding under this part; provided that the commission has  
5 determined that the Hawaii election campaign fund has sufficient  
6 funds to make payments to comprehensive publicly funded  
7 candidates during the election period."

8 3. By repealing the definition of "equalizing funds".

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

15 SECTION 3. Act 244, Session Laws of Hawaii 2008, section  
16 4, is amended by amending subsection (a) to read as follows:

17 "(a) A candidate may seek comprehensive public funding for  
18 the primary election campaign period if the candidate:

19 (1) Resides in the district [~~from~~] in which election is  
20 sought as of the date of the filing of nomination  
21 papers for the primary election in the general



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



1 (6) Files an application for certification for  
2 comprehensive public funding with the commission."

3 SECTION 4. Act 244, Session Laws of Hawaii 2008, is  
4 amended by amending section 12 to read as follows:

5 "SECTION 12. **Sufficiency of public funding; amount of base**  
6 **public funding; disbursements.** (a) The commission shall not  
7 distribute comprehensive public funding [~~to certified~~  
8 ~~candidates~~] that exceeds the total amount of [~~\$300,000~~] \$350,000  
9 for all candidates subject to this part in any given election  
10 year in which this part is operative.

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

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



1 (5) The amount of public funding available for additional  
2 certified candidates.

3 Notwithstanding any other provisions [~~it~~] of this part, if  
4 the commission determines that [~~the~~] revenues are insufficient  
5 to meet distributions to certified candidates under this section  
6 or if [~~\$300,000~~] \$350,000 is distributed[~~7~~] in a single election  
7 year, the commission shall permit certified candidates to accept  
8 and spend contributions, subject to the campaign contribution  
9 limitations set forth in section 11-204, Hawaii Revised  
10 Statutes, up to the applicable amounts, including [~~equalizing~~  
11 ~~funds~~] matching payments for qualified small dollar  
12 contributions the certified candidate would have received from  
13 comprehensive public funding.

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

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



1 per cent[-]; provided that if a district did not hold a county  
2 council general election in the previous two election periods,  
3 the base amount of public funding shall be the per-district  
4 average of the previous general election for all districts that  
5 did hold a county council general election.

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

11 (f) Public funds, including [~~equalizing funds,~~] matching  
12 payments for qualified small dollar contributions, shall be paid  
13 to a certified candidate by the comptroller in the manner  
14 prescribed in section 11-222, Hawaii Revised Statutes.

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



1 (h) A certified candidate who is not successful in the  
2 election shall return all unexpended public funds to the Hawaii  
3 election campaign fund within thirty days after the election in  
4 which the candidate was not successful.

5 (i) The commission shall have the authority to adjust the  
6 primary election and general election base amount for each  
7 county council district, based on proportional methodology,  
8 after redistricting."

9 SECTION 5. Act 244, Session Laws of Hawaii 2008, is  
10 amended by repealing section 3.

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

20 ~~If the commission determines that there is sufficient~~  
21 ~~funding, then within five business days, the commission shall~~  
22 ~~publish notice statewide, pursuant to section 1-28.5, Hawaii~~





1 ~~Revised Statutes, that the comprehensive public funding program~~  
2 ~~shall become effective on January 1 of the following year. If~~  
3 ~~there is insufficient funding, then this part shall be~~  
4 ~~inoperative.~~

5 ~~If this part is inoperative, candidates may seek public~~  
6 ~~funding as provided under subpart B of part XII of chapter 11,~~  
7 ~~Hawaii Revised Statutes." ]~~

8 SECTION 6. Act 244, Session Laws of Hawaii 2008, is  
9 amended by repealing section 13.

10 [ "~~SECTION 13. **Equalizing funds; sufficiency of funds.** (a)~~  
11 ~~Equalizing funds, subject to the expenditure cap in section~~  
12 ~~12(a), shall be disbursed in the amounts provided in this~~  
13 ~~section to a certified candidate in a contested election~~  
14 ~~whenever that candidate is outspent by an opposing~~  
15 ~~nonparticipating candidate.~~

16 ~~(b) An opposing nonparticipating candidate is deemed to~~  
17 ~~have outspent a certified candidate when the campaign report~~  
18 ~~filed pursuant to this subpart shows that the nonparticipating~~  
19 ~~candidate's committee's expenditures or contributions, whichever~~  
20 ~~is greater, added to any independent expenditures made in~~  
21 ~~support of that nonparticipating candidate or against the~~  
22 ~~opposing certified candidate reported by any person, minus any~~



1 ~~independent expenditures made in support of the certified~~  
2 ~~candidate or against the nonparticipating candidate reported by~~  
3 ~~any person exceeds one hundred per cent of the base amount for~~  
4 ~~the certified candidate.~~

5 ~~(c) In a contested election, the aggregate amount of~~  
6 ~~equalizing funds shall be limited to an amount equal to the base~~  
7 ~~amount allotted to the certified candidate regardless of the~~  
8 ~~amount of contributions received or expenditures made by an~~  
9 ~~opposing nonparticipating candidate; independent expenditures~~  
10 ~~made in support of that nonparticipating candidate or against~~  
11 ~~the opposing certified candidate; or the failure to file an~~  
12 ~~excess report on or before the due date by the nonparticipating~~  
13 ~~candidate or filing of a false excess report.~~

14 ~~Twenty five per cent of the base amount shall be paid to~~  
15 ~~the certified participating candidate in the manner prescribed~~  
16 ~~in section 11-222, Hawaii Revised Statutes, if the commission~~  
17 ~~determines that the nonparticipating candidate's committee's~~  
18 ~~expenditures or contributions, whichever is greater, added to~~  
19 ~~any independent expenditures made in support of that~~  
20 ~~nonparticipating candidate or against the opposing certified~~  
21 ~~candidate reported by any person, minus any independent~~



1 ~~expenditures made in support of the certified candidate or~~  
2 ~~against the nonparticipating candidate reported by any person:~~

3     ~~(1) Exceeds one hundred per cent but is less than one~~  
4     ~~hundred twenty five per cent;~~

5     ~~(2) Is equal to or exceeds one hundred twenty five per~~  
6     ~~cent but is less than one hundred fifty per cent;~~

7     ~~(3) Is equal to or exceeds one hundred fifty per cent but~~  
8     ~~is less than one hundred seventy five per cent; or~~

9     ~~(4) Is equal to or exceeds one hundred seventy five per~~  
10    ~~cent of the certified candidate's base amount." ]~~

11     SECTION 7. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13     SECTION 8. This Act shall take effect on January 7, 2059.



**Report Title:**

Campaign Spending; Comprehensive Public Funding Pilot Program

**Description:**

Amends the Comprehensive Public Funding Pilot Project for Elections to the Hawaii County Council to raise the program cap. Repeals the requirement of a minimum fund amount. Extends the qualifying period and the time during which a candidate may seek comprehensive public funding. Clarifies access to matching funds, and the formula to determine the amount of funds given. Effective January 7, 2059. (HB2700 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

