

JAN 25 2012

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 or provision
6 to the contrary, the commission shall pay to each participating
7 candidate an amount equal to four hundred per cent of the amount
8 of qualified small dollar contributions received by the
9 candidate from individuals who are registered voters and, at the
10 time the contribution is given, reside in the district in which
11 the participating candidate is seeking nomination or election.

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

16 (c) The commission shall make payments under this section
17 no later than five business days after the receipt of a report
18 filed pursuant to subsection (d).



1 (d) Each participating candidate shall file a report of
2 receipts of qualified small dollar contributions no more than:

3 (1) Once every week during the period from sixty days to
4 twenty-one days before the primary election; and

5 (2) Once every other day during the period from twenty-one
6 days before the primary election until one day before
7 the general election."

8 SECTION 2. Act 244, Session Laws of Hawaii 2008, section
9 2, is amended as follows:

10 1. By adding a new definition to read:

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

13 (1) Is not a qualifying contribution;

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

17 (3) Has an aggregate amount of not more than \$20."

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

20 "Qualifying period" means the period [in a general
21 election year,] beginning [January 1] November 15 of the year
22 prior to the general election and ending on the deadline for



1 filing candidate nomination papers for the general election
2 during which a candidate may collect qualifying contributions to
3 qualify for comprehensive public funding under this part;
4 provided the commission has determined that the Hawaii election
5 campaign fund has sufficient funds to make payments to
6 comprehensive publicly funded candidates during the election
7 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 which election is sought
20 as of the date of the filing of nomination papers for
21 the primary election in the general election year in
22 which the candidate seeks to be nominated or elected;



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



1 SECTION 4. Act 244, Session Laws of Hawaii 2008, section
2 7, is amended by amending subsection (b) to read as follows:

3 "(b) No candidate shall collect a qualifying contribution
4 ~~[shall be collected]~~ prior to ~~[a candidate]~~ filing a declaration
5 of intent to seek comprehensive public funding with the
6 commission~~[-]~~ or later than sixty days prior to the primary
7 election."

8 SECTION 5. Act 244, Session Laws of Hawaii 2008, section
9 9, is amended by amending subsection (a) to read as follows:

10 "(a) Except as authorized under section 12, a certified
11 candidate shall comply with the following restrictions on
12 contributions and expenditures:

13 (1) Upon certification for comprehensive public funding
14 and until the end of the general election campaign
15 period, a candidate shall not accept for use in the
16 campaign:

17 (A) Contributions from any person;

18 (B) Loans from any person, including a certified
19 candidate;

20 (C) Contributions from political parties; and



1 (D) Any campaign material purchased or held from a
2 date prior to filing the declaration of intent to
3 seek comprehensive public funds;

4 and

5 (2) Upon certification for comprehensive public funding
6 and until the end of the general election campaign
7 period, a candidate shall not expend for campaign
8 purposes:

9 (A) Any money except public funds issued by the
10 commission;

11 (B) Public funds for purposes other than those
12 permitted in this part;

13 (C) Public funds outside the applicable campaign
14 period; and

15 (D) Public funds in excess of the comprehensive
16 public funds allocated to the candidate,
17 including [~~equalizing funds~~] matching payments
18 for qualified small dollar contributions."

19 SECTION 6. Act 244, Session Laws of Hawaii 2008, is
20 amended by amending section 12 to read as follows:

21 "SECTION 12. **Sufficiency of public funding; amount of base**
22 **public funding; disbursements.** (a) The commission shall not



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

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

- 9 (1) The number of declarations of intent to seek
10 comprehensive public funding received;
- 11 (2) The number of applications for certification received;
- 12 (3) The number of candidates who have been certified for
13 comprehensive public funding;
- 14 (4) The amount of public funding committed to certified
15 candidates; and
- 16 (5) The amount of public funding available for additional
17 certified candidates.

18 Notwithstanding any other provisions [~~in~~] of this part, if
19 the commission determines that [~~the~~] revenues are insufficient
20 to meet distributions to certified candidates under this section
21 or if \$300,000 is distributed[~~r~~] in a single election year, the
22 commission shall permit certified candidates to accept and spend



1 contributions, subject to the campaign contribution limitations
2 set forth in section 11-204, Hawaii Revised Statutes, up to the
3 applicable amounts, including [~~equalizing funds~~] matching
4 payments for qualified small dollar contributions the certified
5 candidate would have received from comprehensive public funding.

6 (c) For primary elections subject to this part, the base
7 amount of public funding shall be the average of the amount
8 spent by the winning candidates in the previous two county
9 council primary elections of the same district, reduced by ten
10 per cent.

11 (d) For general elections subject to this part, the base
12 amount of public funding shall be the average of the amount
13 spent by the winning candidates in the previous two county
14 council general elections for the same district, reduced by ten
15 per cent[-]; provided that if a district did not have a general
16 election in any of the two previous general elections, the base
17 amount of public funding shall be the per district average of
18 the previous general election for all districts that had a
19 general election.

20 (e) The base amount of public funding for a primary
21 election in which no other candidate has filed nomination papers
22 shall be thirty per cent of the amount provided in a contested



1 election as determined under subsection (c). No funding shall
2 be allocated in an uncontested general election.

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

7 (g) If the winning primary candidate has residual funds
8 from the primary election, those funds may be carried over to
9 the general election provided that a winning primary candidate
10 who does not have an opponent in the general election shall
11 return all unexpended public funds to the Hawaii campaign
12 election fund within thirty days after the primary election
13 except as provided in section 11(b).

14 (h) A certified candidate who is not successful in the
15 election shall return all unexpended public funds to the Hawaii
16 election campaign fund within thirty days after the election in
17 which the candidate was not successful.

18 (i) The commission shall have the authority, as it deems
19 necessary, to adjust the primary election and general election
20 base amount for each county council district based on a
21 proportional methodology the commission may adopt after
22 redistricting."



1 SECTION 7. Act 244, Session Laws of Hawaii 2008, is
2 amended by repealing section 13.

3 [~~SECTION 13. Equalizing funds; sufficiency of funds. (a)~~
4 ~~Equalizing funds, subject to the expenditure cap in section~~
5 ~~12(a), shall be disbursed in the amounts provided in this~~
6 ~~section to a certified candidate in a contested election~~
7 ~~whenever that candidate is outspent by an opposing~~
8 ~~nonparticipating candidate.~~

9 ~~(b) An opposing nonparticipating candidate is deemed to~~
10 ~~have outspent a certified candidate when the campaign report~~
11 ~~filed pursuant to this subpart shows that the nonparticipating~~
12 ~~candidate's committee's expenditures or contributions, whichever~~
13 ~~is greater, added to any independent expenditures made in~~
14 ~~support of that nonparticipating candidate or against the~~
15 ~~opposing certified candidate reported by any person, minus any~~
16 ~~independent expenditures made in support of the certified~~
17 ~~candidate or against the nonparticipating candidate reported by~~
18 ~~any person exceeds one hundred per cent of the base amount for~~
19 ~~the certified candidate.~~

20 ~~(c) In a contested election, the aggregate amount of~~
21 ~~equalizing funds shall be limited to an amount equal to the base~~
22 ~~amount allotted to the certified candidate regardless of the~~



1 ~~amount of contributions received or expenditures made by an~~
2 ~~opposing nonparticipating candidate; independent expenditures~~
3 ~~made in support of that nonparticipating candidate or against~~
4 ~~the opposing certified candidate; or the failure to file an~~
5 ~~excess report on or before the due date by the nonparticipating~~
6 ~~candidate or filing of a false excess report.~~

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

- 17 ~~(1) Exceeds one hundred per cent but is less than one~~
18 ~~hundred twenty five per cent;~~
19 ~~(2) Is equal to or exceeds one hundred twenty five per~~
20 ~~cent but is less than one hundred fifty per cent;~~
21 ~~(3) Is equal to or exceeds one hundred fifty per cent but~~
22 ~~is less than one hundred seventy five per cent; or~~



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

4 SECTION 8. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 9. This Act shall take effect upon its approval.

7

INTRODUCED BY:





S.B. NO. 2989

Report Title:

Campaign Spending; Hawaii County Council Public Funding Pilot Program

Description:

Amends public funding pilot project for Hawaii county council elections to repeal the requirement of a minimum fund amount; extend the period for signature collection; clarify provision for matching funds; and clarify that the formula to determine the amount of funds given to a publicly funded candidate is based on the prior two general elections held for the county council seat in that district.

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

