

JAN 18 2013

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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. Section 11-302, Hawaii Revised Statutes, is  
2 amended by adding a new definition to be appropriately inserted  
3 and to read as follows:

4           "Matching payment period" means:

5           (1) For a primary election, from January 1 of the year of  
6           a general election through the day of the primary  
7           election; and

8           (2) For a general election, from January 1 of the year of  
9           the general election through the day of the general  
10           election."

11          SECTION 2. Section 11-314, Hawaii Revised Statutes, is  
12 amended to read as follows:

13          "[+]§11-314[+] **Duties of the commission.** The duties of  
14 the commission under this part are to:

15           (1) Develop and adopt forms required by this part;

16           (2) Adopt and publish a manual for all candidates,  
17 candidate committees, and noncandidate committees,



- 1 describing the requirements of this part, including  
2 uniform and simple methods of recordkeeping;
- 3 (3) Preserve all reports required by this part for at  
4 least ten years from the date of receipt by the  
5 commission;
- 6 (4) Permit the inspection, copying, or [~~duplicating~~]  
7 duplication of any report required by this part  
8 pursuant to rules adopted by the commission under  
9 chapter 91; provided that this paragraph shall not  
10 apply to the sale or use of information under section  
11 11-344;
- 12 (5) Ascertain whether any candidate, treasurer, candidate  
13 committee, noncandidate committee, or party has failed  
14 to file a report required by this part or has filed a  
15 substantially defective or deficient report. The  
16 commission shall notify these persons by first class  
17 mail that a fine may be assessed for the failure to  
18 file or the filing of a substantially defective or  
19 deficient report, and the defective or deficient  
20 report shall be corrected and explained. All fines  
21 collected under this section as authorized by



- 1            ~~[section]~~ sections 11-340 and 11-410 shall be  
2            deposited in the general fund of the State;
- 3            (6) Hold public hearings;
- 4            (7) Investigate and hold hearings for receiving evidence  
5            of any violations pursuant to subpart I of this part;
- 6            (8) Adopt rules pursuant to chapter 91;
- 7            (9) Request the initiation of prosecution for the  
8            violation of this part pursuant to section 11-411;
- 9            (10) Administer and monitor the distribution of public  
10           funds under this part;
- 11           (11) Suggest accounting methods for candidates, candidate  
12           committees, or noncandidate committees in connection  
13           with reports and records required by this part;
- 14           (12) Employ or contract with, without regard to chapters  
15           76, 78, and 89, persons it finds necessary for the  
16           performance of its functions, including a full-time  
17           executive director, and to fix their compensation;  
18           provided that the commission shall have the authority,  
19           at its discretion, to dismiss persons employed by or  
20           contracted with the commission;
- 21           (13) Conduct random audits and field investigations, as  
22           necessary; and



1 (14) File for injunctive relief when indicated."

2 SECTION 3. Section 11-321, Hawaii Revised Statutes, is  
3 amended by amending subsection (e) to read as follows:

4 "(e) An organizational report need not be filed under this  
5 section by an elected official who is a candidate for reelection  
6 to the same office in successive elections and has not sought  
7 election to any other office during the period between  
8 elections, unless the candidate is required to report a change  
9 in information pursuant to section [~~11-323.~~] 11-322."

10 SECTION 4. Section 11-331, Hawaii Revised Statutes, is  
11 amended by amending subsection (d) to read as follows:

12 "(d) For purposes of this part, whenever a report is  
13 required to be filed with the commission, "filed" means that a  
14 report shall be filed with the commission's electronic filing  
15 system by the date and time specified for the filing of the  
16 report by:

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

- 19 (A) Office of governor;
- 20 (B) Office of lieutenant governor;
- 21 (C) Office of mayor;
- 22 (D) Office of prosecuting attorney;



- 1 (E) County council;
- 2 (F) Senate;
- 3 (G) House of representatives; or
- 4 (H) Office of Hawaiian affairs; or
- 5 (2) A noncandidate committee required to be registered
- 6 with the commission pursuant to section [~~11-323.~~] 11-
- 7 321."

8 SECTION 5. Section 11-334, Hawaii Revised Statutes, is  
9 amended by amending subsection (a) to read as follows:

10 "(a) The candidate and treasurer of the candidate  
11 committee of each candidate whose name will appear on the ballot  
12 in the immediately succeeding election shall file preliminary,  
13 final, and supplemental reports.

- 14 (1) The filing dates for preliminary reports are:
  - 15 (A) Thirty calendar days prior to a primary election;
  - 16 (B) Ten calendar days prior to a primary, each
  - 17 special, or each nonpartisan election; and
  - 18 (C) Ten calendar days prior to a general election;
  - 19 provided that this preliminary report does not
  - 20 need to be filed by a candidate who is
  - 21 unsuccessful in a primary, special, or
  - 22 nonpartisan election, or a candidate who is



1           elected to office in the primary, initial  
2           special, or initial nonpartisan election.

3           The preliminary report filed by the date required  
4           under subparagraph (A) shall be current through  
5           June 30, and all other preliminary reports shall be  
6           current through the fifth calendar day before the  
7           filing deadline of those other preliminary reports.

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

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

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



1 (A) January 31 [~~after an election year~~]; and

2 (B) July 31 after an election year.

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

6 SECTION 6. Section 11-335, Hawaii Revised Statutes, is  
7 amended by amending subsections (a) and (b) to read as follows:

8 "(a) The authorized person in the case of a party, or  
9 treasurer in the case of a noncandidate committee that is not a  
10 party, shall file preliminary, final, and supplemental reports  
11 that disclose the following information:

12 (1) The noncandidate committee's name and address;

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

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

17 (A) Contributions [~~+~~] received;

18 (B) Contributions made;

19 [~~(B)~~] (C) Expenditures; and

20 [~~(C)~~] (D) Other receipts;

21 (4) The cash on hand at the end of the reporting period;

22 and



1 (5) The surplus or deficit at the end of the reporting  
2 period.

3 (b) Schedules filed with the reports shall include the  
4 following additional information:

5 (1) The amount and date of deposit of each contribution  
6 received and the name, address, occupation, and  
7 employer of each contributor making a contribution  
8 aggregating more than \$100 during an election period,  
9 which was not previously reported; provided that if  
10 all the information is not on file, the contribution  
11 shall be returned to the contributor within thirty  
12 days of deposit;

13 (2) The amount and date of each contribution made and the  
14 name and address of the candidate committee or  
15 noncandidate committee to which the contribution was  
16 made;

17 ~~[(2)]~~ (3) All expenditures, including the name and address  
18 of each payee and the amount, date, and purpose of  
19 each expenditure~~[-]~~; provided that:

20 (A) Expenditures for consultants, advertising  
21 agencies and similar firms, credit card payments,  
22 salaries, and candidate reimbursements shall be





1 itemized to permit a reasonable person to  
2 determine the ultimate intended recipient of the  
3 expenditure and its purpose; and

4 (B) The purpose of an independent expenditure shall  
5 include the name of the candidate who is  
6 supported or opposed by the expenditure and  
7 whether the expenditure supports or opposes the  
8 candidate;

9 [~~3~~] (4) The amount, date of deposit, and description of  
10 other receipts and the name and address of the source  
11 of each of the other receipts;

12 [~~4~~] (5) A description of each durable asset, the date of  
13 acquisition, value at the time of acquisition, and the  
14 name and address of the vendor or contributor of the  
15 asset; and

16 [~~5~~] (6) The date of disposition of a durable asset, value  
17 at the time of disposition, method of disposition, and  
18 name and address of the person receiving the asset."

19 SECTION 7. Section 11-336, Hawaii Revised Statutes, is  
20 amended by amending subsection (d) to read as follows:

21 "(d) The filing dates for supplemental reports are:

22 (1) January 31 [~~after an election year~~]; and



1           (2) July 31 after an election year.  
2 The report shall be current through December 31 for the report  
3 filed on January 31 and current through June 30 for the report  
4 filed on July 31."

5           SECTION 8. Section 11-359, Hawaii Revised Statutes, is  
6 amended by amending subsection (b) to read as follows:

7           "(b) A contribution by the candidate's immediate family  
8 shall be exempt from section [~~11-355,~~] 11-357 but shall be  
9 limited in the aggregate to \$50,000 in any election period;  
10 provided that the aggregate amount of loans and contributions  
11 received from the candidate's immediate family does not exceed  
12 \$50,000 during an election period."

13           SECTION 9. Section 11-423, Hawaii Revised Statutes, is  
14 amended as follows:

15           1. By amending subsection (b) to read:

16           "(b) The affidavit shall state that the candidate knows  
17 the voluntary campaign expenditure limitations as set out in  
18 this part and that the candidate is voluntarily agreeing to  
19 limit the candidate's expenditures and those made on the  
20 candidate's behalf by the amount set by law. The affidavit  
21 shall be subscribed to by the candidate [~~and~~], notarized[-], and



1 filed no later than the time of filing nomination papers with  
2 the chief election officer or county clerk."

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

4 "(d) From January 1 of the year of any primary, special,  
5 or general election, the aggregate expenditures for each  
6 election by a candidate who voluntarily agrees to limit campaign  
7 expenditures, inclusive of all expenditures made or authorized  
8 by the candidate alone, all treasurers, the candidate committee,  
9 and noncandidate committees on the candidate's behalf, shall not  
10 exceed the following amounts expressed, respectively multiplied  
11 by the number of voters in the last preceding general election  
12 registered to vote in each respective voting district:

- 13 (1) For the office of governor - \$2.50;  
14 (2) For the office of lieutenant governor - \$1.40;  
15 (3) For the office of mayor - \$2.00;  
16 (4) For the offices of state senator, state  
17 representative, [~~and~~] county council member, and  
18 prosecuting attorney - \$1.40; and  
19 (5) For all other offices - 20 cents."

20 SECTION 10. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.



1 SECTION 11. This Act shall take effect upon its approval.

2

INTRODUCED BY: *Anna Merando K.*

**By Request**



# S.B. NO. 555

**Report Title:**

Elections; Campaign Spending Commission Package

**Description:**

Amends the campaign finance law by: (1) defining "matching payment period"; (2) correcting statutory references; (3) changing report filing deadlines; (4) specifying noncandidate committee reporting requirements for contributions made; (5) requiring the identification of the candidate supported or opposed by an independent expenditure; and (6) increasing the amount of allowable expenditures made by a publicly financed candidate for the office of prosecuting attorney.

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

