

JAN 24 2013

A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

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

1 SECTION 1. Chapter 11, Hawaii Revised Statutes, is amended
2 by adding two new sections to subpart J of part XIII to be
3 appropriately designated and to read as follows:

4 "§11-A Applicability. This subpart shall not apply to
5 elections for the office of governor or lieutenant governor.

6 §11-B Certification of qualification for public funds;
7 state senator; state representative. (a) Candidates for the
8 office of state senator or state representative seeking
9 certification for partial public financing under this subpart
10 shall submit to the commission an application for certification
11 that contains at least two hundred printed names with addresses
12 and signatures, and qualifying contributions for the district
13 for which the candidate seeks office from registered voters in
14 the district for which the candidate seeks office no later than
15 thirty days prior to the primary election, signed by the
16 candidate and the candidate's campaign treasurer under penalty
17 of perjury.



1 The application shall contain any information deemed
2 necessary and appropriate by the commission. The clerk for the
3 county that includes the district from which election is sought
4 shall verify that at least two hundred signatures and qualifying
5 contributions were received from registered voters in the
6 district for which the candidate seeks office, that the
7 candidate resides in the district from which election is sought
8 as of the date of the filing of nomination papers, and that the
9 candidate is a registered voter in the district from which
10 election is sought.

11 (b) The commission shall issue a decision to certify or
12 deny certification of a candidate as a partial publicly funded
13 candidate within ten business days following receipt of the
14 candidate's completed application for certification for the
15 receipt of public funds, including the required verification of
16 information by the clerk for the county that contains the
17 district from which election is sought as prescribed in
18 subsection (a).

19 (c) After a candidate is certified, the candidate's
20 certification shall apply to both the primary and the general
21 elections.



1 (d) Initial certification by the commission under
2 subsection (b) and all determinations by the commission under
3 this section are final and conclusive, except to the extent they
4 are subject to examination and audit by the commission under
5 section 11-434.

6 (e) For the purposes of this section, a "qualifying
7 contribution" means a \$5 monetary contribution made in the form
8 of a check or a money order payable to the Hawaii election
9 campaign fund for purposes of meeting the criteria of this
10 section."

11 SECTION 2. Section 11-423, Hawaii Revised Statutes, is
12 amended to read as follows:

13 **"§11-423 Voluntary expenditure limits; filing affidavit.**

14 (a) Any candidate may voluntarily agree to limit the
15 candidate's expenditures and those of the candidate's candidate
16 committee or committees and the candidate's party on the
17 candidate's behalf by filing an affidavit with the campaign
18 spending commission.

19 (b) The affidavit shall state that the candidate knows the
20 voluntary campaign expenditure limitations as set out in this
21 part and that the candidate is voluntarily agreeing to limit the
22 candidate's expenditures and those made on the candidate's



1 behalf by the amount set by law. The affidavit shall be
2 subscribed to by the candidate and notarized.

3 (c) 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 (d) ~~[From]~~ Except as provided in subsection (e) for
9 candidates for the office of state senator or candidates for the
10 office of state representative, from January 1 of the year of
11 any primary, special, or general election, the aggregate
12 expenditures for each election by a candidate who voluntarily
13 agrees to limit campaign expenditures, inclusive of all
14 expenditures made or authorized by the candidate alone, all
15 treasurers, the candidate committee, and noncandidate committees
16 on the candidate's behalf, shall not exceed the following
17 amounts expressed, respectively multiplied by the number of
18 voters in the last preceding general election registered to vote
19 in each respective voting district:

20 ~~[(1) For the office of governor — \$2.50;~~

21 ~~(2) For the office of lieutenant governor — \$1.40;~~

22 ~~(3)]~~ (1) For the office of mayor — \$2.00;



1 ~~[(4)]~~ (2) For the offices of state senator, state
2 representative, and county council member – \$1.40; and
3 ~~[(5)]~~ (3) For all other offices – 20 cents.

4 (e) Candidates for the office of state senator or state
5 representative may raise amounts in excess of the voluntary
6 expenditure limits; provided that:

7 (1) For the office of state senator, the contributions
8 shall not exceed \$200 per person from registered
9 voters who both reside within the senatorial district
10 for which the office of state senator is being sought
11 and shall not be the persons who gave the initial
12 qualifying contributions under section 11-B(a);

13 (2) For the office of state representative, the
14 contributions shall not exceed \$100 per person from
15 registered voters who both reside within the
16 representative district for which the office of state
17 representative is being sought and shall not be the
18 persons who gave the initial qualifying contributions
19 under section 11-B(a); and

20 (3) The clerk for the county that contains the district
21 from which election is sought shall verify that:

22 (A) The amount of each contribution is not more than:



1 (i) \$200 for election to the office of state
2 senator; or

3 (ii) \$100 for election to the office of state
4 representative;

5 (B) The contributions were received from persons who
6 are registered voters in the district for which
7 the candidate seeks office; and

8 (C) The persons are not the registered voters who
9 gave the initial qualifying contributions under
10 section 11-B(a)."

11 SECTION 3. Section 11-425, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "**§11-425 Maximum amount of public funds available to**
14 **candidate.** (a) The maximum amount of public funds available in
15 each election to a candidate for the office of [~~governor,~~
16 ~~lieutenant-governor, or~~] mayor shall not exceed ten per cent of
17 the expenditure limit established in section 11-423(d) for each
18 election.

19 (b) The maximum amount of public funds available in each
20 election to a candidate for the office of [~~state senator, state~~
21 ~~representative,~~] county council member[, ~~and~~] or prosecuting

1 attorney shall not exceed fifteen per cent of the expenditure
2 limit established in section 11-423(d) for each election.

3 (c) The maximum amount of public funds available in each
4 election per candidate for the office of state senator shall not
5 exceed the following:

6 (1) The total amount of expenditures of winners statewide
7 for the office of state senator in the previous
8 election cycle, less the sum of the expenditures of
9 the three winners statewide for the office of state
10 senator with the highest amounts of expenditures and
11 the expenditures of the three winners statewide for
12 the office of state senator with the lowest amounts of
13 expenditures in the respective election in the
14 previous election cycle, divided into;

15 (2) The total number of persons who won statewide for the
16 office of state senator in the respective election in
17 the previous election cycle, less six persons.

18 (d) The maximum amount of public funds available in each
19 election to a candidate for the office of state representative
20 shall not exceed the following:

21 (1) The total amount of expenditures of winners statewide
22 for the office of state representative in the previous



1 election cycle, less the sum of the expenditures of
2 the three winners statewide for the office of state
3 representative with the highest amounts of
4 expenditures and the expenditures of the three winners
5 statewide for the office of state representative with
6 the lowest amounts of expenditures in the respective
7 election in the previous election cycle, divided into;

8 (2) The total number of persons who won statewide for the
9 office of state representative in the respective
10 election in the previous election cycle, less six
11 persons.

12 [~~e~~] (e) For the office of Hawaiian affairs, the maximum
13 amount of public funds available to a candidate shall not exceed
14 \$1,500 in any election year.

15 [~~d~~] (f) For all other offices, the maximum amount of
16 public funds available to a candidate shall not exceed \$100 in
17 any election year.

18 [~~e~~] (g) Each candidate who qualified for the maximum
19 amount of public funding in any primary election and who is a
20 candidate for a subsequent general election shall apply with the
21 commission to be qualified to receive the maximum amount of
22 public funds as provided in this section for the respective



1 general election. For purposes of this section, "qualified"
2 means meeting the qualifying campaign contribution requirements
3 of section 11-429.

4 (h) Notwithstanding subsection (c), a candidate for the
5 office of state senator may receive a supplemental amount of
6 public funds in the ratio of \$3 in public funds for every \$1
7 raised by the candidate in excess of the voluntary expenditure
8 limits set forth in section 11-423; provided and to the extent
9 that the amounts raised in excess of the voluntary expenditure
10 limits meet the requirements of section 11-423(e).

11 (i) Notwithstanding subsection (d), a candidate for the
12 office of state representative may receive a supplemental amount
13 of public funds in the ratio of \$3 in public funds for every \$1
14 raised by the candidate in excess of the voluntary expenditure
15 limits set forth in section 11-423; provided and to the extent
16 that the amounts raised in excess of the voluntary expenditure
17 limits meet the requirements of section 11-423(e)."

18 SECTION 4. Section 11-426, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "[~~†~~]**\$11-426[†]** **Candidate exceeds voluntary expenditure**
21 **limit.** [A] Except as permitted under section 11-423(e), a



1 candidate who files the affidavit agreeing to limit expenditures
2 and who exceeds the expenditure limit for that election shall:

3 (1) Notify all opponents, the chief election officer, and
4 the commission by telephone and writing on the day the
5 expenditure limit is exceeded;

6 (2) Pay the balance of the full filing fee; and

7 (3) Provide reasonable notice to all contributors within
8 thirty days of exceeding the limit that the
9 expenditure limit was exceeded and contributions to
10 the candidate no longer qualify for a state income tax
11 deduction."

12 SECTION 5. Section 11-427, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "[+]§11-427[+] **Reserving use of contributions.** A
15 candidate who files the affidavit voluntarily agreeing to limit
16 expenditures and who receives contributions that in aggregate
17 exceed the expenditure limit for an election [~~shall~~] may reserve
18 use of any contributions that exceed the limit until after the
19 applicable election."

20 SECTION 6. Section 11-428, Hawaii Revised Statutes, is
21 amended to read as follows:

1 "[§]11-428 Eligibility requirements for public funds.

2 In order to be eligible to receive public funds for an election,
3 a candidate shall certify that the candidate will meet all the
4 following requirements:

5 (1) The candidate and any candidate committee authorized
6 by the candidate shall not incur campaign expenses in
7 excess of the expenditure limitations imposed by
8 section 11-423;

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

11 (3) The candidate has filed a statement of intent to seek
12 qualifying contributions. A contribution received
13 before the filing of a statement of intent to seek
14 public funds shall not be considered a qualifying
15 contribution;

16 (4) The candidate or candidate committee authorized by the
17 candidate has received the minimum qualifying
18 contribution amounts for the office sought by the
19 candidate as set forth in section 11-429;

20 (5) The aggregate of contributions certified with respect
21 to any person under paragraph (4) does not exceed



1 \$100[+], except for the office of state senator as
2 provided under section 11-423(e);

3 (6) The candidate agrees to obtain and furnish any
4 evidence relating to expenditures that the commission
5 may request;

6 (7) The candidate agrees to keep and furnish records,
7 books, and other information that the commission may
8 request;

9 (8) The candidate agrees to an audit and examination by
10 the commission pursuant to section 11-434 and to pay
11 any amounts required to be paid pursuant to that
12 section; [and]

13 (9) Each candidate and candidate committee in receipt of
14 qualifying contributions that may be taken into
15 account for purposes of public funding shall maintain,
16 on a form prescribed by the commission, records that
17 show the date and amount of each qualifying
18 contribution and the full name and mailing address of
19 the person making the contribution. The candidate and
20 the candidate committee authorized by the candidate
21 shall transmit to the commission all reports with



1 respect to these contributions that the commission may
2 require[-]; and

3 (10) A candidate for the office of state senator or state
4 representative shall also meet the certification
5 requirements under section 11-B."

6 SECTION 7. Section 11-429, Hawaii Revised Statutes, is
7 amended by amending subsection (a) to read as follows:

8 "(a) As a condition of receiving public funds for a
9 primary or general election, a candidate shall not be unopposed
10 in any election for which public funds are sought, shall have
11 filed an affidavit with the commission pursuant to section 11-
12 423 to voluntarily limit the candidate's campaign expenditures,
13 and shall be in receipt of the following sum of qualifying
14 contributions from individual residents of Hawaii:

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]~~ (1) For the office of mayor for each respective
20 county:

21 (A) County of Honolulu — qualifying contributions
22 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~~] (2) For the office of prosecuting attorney for each
8 respective county:

9 (A) County of Honolulu – qualifying contributions
10 that 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
14 in the aggregate exceed \$5,000;

15 [~~5~~] (3) For the office of county council – for each
16 respective 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)-]~~ (4) For the office of state senator - qualifying
4 contributions that, in the aggregate exceed \$2,500;

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

8 ~~[-(8)-]~~ (6) For the office of Hawaiian affairs - qualifying
9 contributions that, in the aggregate, exceed \$1,500;
10 and

11 ~~[-(9)-]~~ (7) For all other offices, qualifying contributions
12 that, in the aggregate, exceed \$500."

13 SECTION 8. Section 11-431, Hawaii Revised Statutes, is
14 amended by amending subsection (a) to read as follows:

15 "(a) Upon the commission's approval of the application and
16 statement of qualifying contributions, the commission shall
17 direct the comptroller to distribute matching public funds up to
18 the maximum amount of public funds allowed by section 11-425[-]
19 by check or by an automatic transfer of funds. Public funds
20 shall be distributed to the candidate within twenty days from
21 the date that the candidate's initial application and qualifying
22 contribution statement is approved by the commission."



1 SECTION 9. The campaign spending commission shall submit a
2 report of its findings and recommendations, including any
3 proposed legislation, to the legislature not later than twenty
4 days prior to the convening of the regular session of 2014 on
5 further statutory amendments to facilitate the implementation of
6 this Act.

7 SECTION 10. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$ or so
9 much thereof as may be necessary for fiscal year 2013-2014 and
10 the same sum or so much thereof as may be necessary for fiscal
11 year 2014-2015 for deposit into the Hawaii election campaign
12 fund under section 11-421, Hawaii Revised Statutes.

13 SECTION 11. There is appropriated out of the Hawaii
14 election campaign fund under section 11-421, Hawaii Revised
15 Statutes, the sum of \$ or so much thereof as may be
16 necessary for fiscal year 2013-2014 and the same sum or so much
17 thereof as may be necessary for fiscal year 2014-2015 in
18 preparing for the partial public funding of candidates in the
19 election of 2014, including staff resources.

20 The sums appropriated shall be expended by the campaign
21 spending commission for the purposes of this Act.



1 SECTION 12. In codifying the new sections added by section
2 1 of this Act, the revisor of statutes shall substitute
3 appropriate section numbers for the letters used in designating
4 the new sections in this Act.

5 SECTION 13. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 14. This Act shall take effect on July 1, 2013.

8

INTRODUCED BY:



By Request



S.B. NO. 1352

Report Title:

Campaign Spending Commission; Partial Public Financing

Description:

Exempts the offices of governor and lieutenant governor from the scope of the partial public financing law. Changes the law on qualifying contributions, voluntary expenditure limits, and maximum amount of available public funds for candidates for the office of state senator or state representative. Requires the campaign spending commission to submit a report on further statutory amendments to facilitate the implementation of this Act. Appropriates funds to the campaign spending commission to prepare for the partial public financing of elections in 2014.

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