

JAN 23 2014

A BILL FOR AN ACT

RELATING TO THE HAWAII ELECTION CAMPAIGN FUND.

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

1 SECTION 1. The legislature finds that the Hawaii election
2 campaign fund was established pursuant to article II, section 5,
3 of the Hawaii State Constitution to provide funds for partial
4 public financing of campaigns for public offices of the State
5 and its political subdivisions. Candidate public financing
6 programs are voluntary programs in which public funds are
7 provided to candidates who agree to limit their campaign
8 spending. The primary purpose of these types of programs is to
9 reduce the role of large amounts of private money raised in
10 political campaigns and the obligations that are or can appear
11 to be associated with these contributions.

12 The Hawaii election campaign fund currently provides
13 funding for the partial public funding program and the
14 comprehensive public funding pilot program for the county of
15 Hawaii. However, the viability of those programs depends on the
16 amount of funds in the Hawaii election campaign fund. On
17 September 1, 2013, the campaign spending commission determined
18 that the comprehensive public funding pilot program would be



1 inoperative for the 2014 election because the Hawaii election
2 campaign fund did not contain the statutorily required minimum
3 amount of \$3,500,000.

4 Furthermore, the partial public funding program and the
5 comprehensive public funding pilot program for the county of
6 Hawaii fail to provide sufficient financial incentives for
7 candidates to participate in these programs to adequately
8 compete against candidates who receive campaign contributions
9 from private sources. Thus, both programs have low
10 participation rates. For example, during the 2012 election, the
11 campaign spending commission reported that twenty-two candidates
12 received public funds under the partial public funding program
13 and a total of \$145,696 in public funds was disbursed from the
14 Hawaii election campaign fund. Also during the same election
15 year, eight candidates received public funds under the
16 comprehensive public funding pilot program for the county of
17 Hawaii and a total of \$215,344.23 in public funds was disbursed
18 from the Hawaii election campaign fund.

19 The purpose of this Act is to require the campaign spending
20 commission to collaborate with the legislative reference bureau
21 to submit proposed legislation to the legislature prior to the
22 regular session of 2015 to amend the partial public funding



1 program, with the goals of increasing candidate participation
2 and providing a competitive level of funding if the Hawaii
3 election campaign fund is infused with additional revenue.

4 SECTION 2. (a) The campaign spending commission shall
5 collaborate with the legislative reference bureau to draft
6 proposed legislation that amends the partial public funding
7 program under chapter 11, part XIII, subpart J, Hawaii Revised
8 Statutes, to increase candidate participation and enable the
9 program to provide a competitive level of funding if the Hawaii
10 election campaign fund is infused with additional revenue. The
11 campaign spending commission may request the assistance and
12 services of employees of any other department, board, bureau,
13 commission, task force, or agency as it may require and as may
14 be available to facilitate its work.

15 (b) The campaign spending commission, in collaboration
16 with the legislative reference bureau, shall draft proposed
17 legislation relating to the partial public funding program that
18 shall include but not be limited to amendments that:

19 (1) Establish qualifications for candidates seeking
20 certification for partial public funding including an
21 application process for certification, such as the



1 number of and requirements for qualifying names within
2 the same district;

3 (2) Require candidates to collect qualifying contributions
4 to be eligible for the partial public funding program,
5 including but not limited to:

6 (A) Collecting qualifying contribution amounts of \$5
7 from no more than two hundred qualifying names
8 within the same district; and

9 (B) Setting guidelines for the expenditure of the
10 collected qualifying contributions, including
11 requiring candidates to return any unused
12 qualifying contributions if the candidate decides
13 not to seek election;

14 (3) Establish a process for the certification of a
15 candidate under the partial public funding program;

16 (4) Require the campaign spending commission to provide
17 matching funds to certified candidates under the
18 partial public funding program each election year;
19 provided that the campaign spending commission shall:

20 (A) Provide matching funds to a certified candidate
21 from the Hawaii election campaign fund on a
22 three-to-one basis;



1 (B) Establish the base amount for matching funds for
2 each district by comparing the average amount
3 spent by the winning candidate in the previous
4 two general elections for the same district with
5 the average amount spent by all winning
6 candidates in the previous two general elections
7 for all districts statewide for the same office
8 and selecting the higher amount;

9 (C) Establish that the base amount for matching funds
10 for each district shall be the expenditure limit
11 for each candidate seeking election in that
12 district; and

13 (D) Establish that the maximum amount for which
14 matching funds will be provided to certified
15 candidates shall be based on a percentage of the
16 base amount for matching funds. This percentage
17 shall be determined by the campaign spending
18 commission based on the amount of moneys in the
19 Hawaii election campaign fund;

20 (5) Establish an order of priority, from highest to
21 lowest, for receipt of partial public funding as
22 follows: office of state representative, office of



- 1 state senator, office of county council, other elected
2 offices, and statewide office;
- 3 (6) Establish threshold amounts in the Hawaii election
4 campaign fund that must be met in order for each
5 office to receive partial public funds following the
6 order of priority under paragraph (5);
- 7 (7) Establish guidelines for the use of partial public
8 funds, disbursement of partial public funds, and
9 penalties for any violations;
- 10 (8) Specify reporting requirements for candidates
11 receiving partial public funds;
- 12 (9) Infuse additional revenue into the Hawaii election
13 campaign fund from specified sources, including but
14 not limited to:
- 15 (A) Moneys received under state or county contracts;
- 16 (B) Moneys a candidate receives from large
17 contributions of a certain amount by a single
18 source; or
- 19 (C) Moneys from any other sources the campaign
20 spending commission deems eligible;
- 21 (10) Dedicate moneys within the Hawaii election campaign
22 fund for the purposes of covering the campaign



1 spending commission's operating expenses, including
2 staff salaries and fringe benefits;

3 (11) Establish reporting requirements, including but not
4 limited to the campaign spending commission reporting
5 to the legislature:

6 (A) On September 1 of every year preceding an
7 election year:

8 (i) The amount of funds in the Hawaii election
9 campaign fund;

10 (ii) The base amount for matching funds that will
11 be used for the partial public funding
12 program;

13 (iii) The maximum amount for which matching funds
14 will be provided to certified candidates;
15 and

16 (iv) Any other relevant information; and

17 (B) On January 1 immediately after every election
18 year:

19 (i) The number of declarations of intent to seek
20 partial public funding received;

21 (ii) The number of applications for
22 certifications received;



- 1 (iii) The number of candidates who have been
- 2 certified for partial public funding;
- 3 (iv) The amount of public funding committed to
- 4 certified candidates;
- 5 (v) The amount of public funding available for
- 6 additional certified candidates;
- 7 (vi) The balance of the Hawaii election campaign
- 8 fund; and
- 9 (vii) Any other relevant information; and

10 (12) Establish any other requirements or processes that the
11 campaign spending commission deems necessary to
12 facilitate the partial public funding program.

13 (c) The campaign spending commission shall develop and
14 submit proposed legislation to the legislature no later than
15 twenty days prior to the convening of the regular session of
16 2015. The legislative reference bureau shall assist the
17 campaign spending commission in preparing the proposed
18 legislation.

19 SECTION 3. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$ or so
21 much thereof as may be necessary for fiscal year 2014-2015 for
22 the campaign spending commission with the assistance by the



S.B. NO. 3118

1 legislative reference bureau to draft proposed legislation that
2 amends the partial public funding program.

3 The sum appropriated shall be expended by the campaign
4 spending commission for the purposes of this Act.

5 SECTION 4. This Act shall take effect on July 1, 2014.

6

INTRODUCED BY: 



S.B. NO. 3118

Report Title:

Partial Public Funding; Hawaii Election Campaign Fund; Campaign Spending Commission; Legislative Reference Bureau; Study; Appropriation

Description:

Requires the campaign spending commission to collaborate with the legislative reference bureau to submit proposed legislation to the legislature prior to the regular session of 2015 to amend the partial public funding program. Appropriates funds for the commission to draft proposed legislation.

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