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# A BILL FOR AN ACT

RELATING TO CAMPAIGN FINANCE.

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

1       SECTION 1. Section 11-393, Hawaii Revised Statutes, is  
2 amended to read as follows:

3       "~~§~~11-393~~§~~ Identification of certain top contributors  
4 to noncandidate committees making only independent expenditures.

5 (a) An advertisement shall contain an additional notice in a  
6 prominent location immediately after or below the notices  
7 required by section 11-391, if the advertisement is broadcast,  
8 televised, circulated, or published, including by electronic  
9 means, and is paid for by a noncandidate committee that  
10 certifies to the commission that it makes only independent  
11 expenditures. This additional notice shall start with the  
12 words, "The three top contributors [~~for this advertisement~~] to  
13 this noncandidate committee are", followed by the names of the  
14 three top contributors, as defined in subsection (e), who made  
15 the highest aggregate contributions to the noncandidate  
16 committee [~~for the purpose of funding the advertisement~~];  
17 provided that:



- 1           (1) If a noncandidate committee is only able to identify  
2           two top contributors who made contributions [~~for the~~  
3           ~~purpose of funding the advertisement~~], the additional  
4           notice shall start with the words, "The two top  
5           contributors [~~for this advertisement~~] to this  
6           noncandidate committee are", followed by the names of  
7           the two top contributors; and
- 8           (2) If a noncandidate committee is able to identify only  
9           one top contributor who made contributions [~~for the~~  
10          ~~purpose of funding the advertisement~~], the additional  
11          notice shall start with the words, "The top  
12          contributor [~~for this advertisement~~] to this  
13          noncandidate committee is", followed by the name of  
14          the top contributor[+]
- 15          ~~(3) If a noncandidate committee is unable to identify any~~  
16          ~~top contributors who made contributions for the~~  
17          ~~purpose of funding the advertisement, the additional~~  
18          ~~notice shall start with the words, "The three top~~  
19          ~~contributors for this noncandidate committee are",~~  
20          ~~followed by the names of the three top contributors~~



1           ~~who made the highest aggregate contributions to the~~  
2           ~~noncandidate committee; and~~  
3       ~~(4) If there are no top contributors to the noncandidate~~  
4           ~~committee, the noncandidate committee shall not be~~  
5           ~~subject to this section].~~

6       In no case shall a noncandidate committee be required to  
7       identify more than three top contributors per advertisement  
8       pursuant to this section.

9           (b) If a noncandidate committee has more than three top  
10       contributors who contributed in equal amounts, the noncandidate  
11       committee may select which of the top contributors to identify  
12       in the advertisement; provided that the top contributors not  
13       identified in the advertisement did not make a higher aggregate  
14       contribution than those top contributors who are identified in  
15       the advertisement. The additional notice required for  
16       noncandidate committees described under this subsection shall  
17       start with the words [~~"Three of the top contributors for this~~  
18       ~~advertisement are" or~~] "Three of the top contributors to this  
19       noncandidate committee are", [~~as appropriate,~~] followed by the  
20       names of the three top contributors.



1       ~~[(c) This section shall not apply to advertisements~~  
2 ~~broadcast by radio or television of such short duration that~~  
3 ~~including a list of top contributors in the advertisement would~~  
4 ~~constitute a hardship to the noncandidate committee paying for~~  
5 ~~the advertisement. A noncandidate committee shall be subject to~~  
6 ~~all other requirements under this part regardless of whether a~~  
7 ~~hardship exists pursuant to this subsection. The commission~~  
8 ~~shall adopt rules pursuant to chapter 91 to establish criteria~~  
9 ~~to determine when including a list of top contributors in an~~  
10 ~~advertisement of short duration constitutes a hardship to a~~  
11 ~~noncandidate committee under this subsection.~~

12       ~~(d)]~~ (c) Any noncandidate committee that violates this  
13 section shall be subject to a fine under section 11-410.

14       ~~(e)]~~ (d) For purposes of this part, "top contributor"  
15 means a contributor who has contributed an aggregate amount of  
16 ~~[\$10,000]~~ \$100 or more to a noncandidate committee ~~[within a~~  
17 ~~twelve month period]~~ or through a covered transfer, as defined  
18 in section \_\_\_\_\_, prior to the purchase of an advertisement."

19       SECTION 2. Chapter 11, Hawaii Revised Statutes, is amended  
20 by adding a new section to part XIII to be appropriately  
21 designated and to read as follows:



1        "§11- Covered transfers; reporting. (a) Any person  
2 making a covered transfer shall report the recipient, amount of  
3 the covered transfer, and all top contributors and the amounts  
4 of their contributions, if any, to the recipient and the  
5 commission within twenty-four hours of making the covered  
6 transfer.

7        (b) Any person that receives a covered transfer shall  
8 report the source, amount of the covered transfer, and all top  
9 contributors and the amounts of their contributions, if any, to  
10 the commission within forty-eight hours of receipt.

11       (c) Any person that declines to accept a covered transfer  
12 shall return the covered transfer and notify the commission  
13 within forty-eight hours of receipt.

14       (d) Any person that violates this section shall be  
15 assessed a minimum administrative fine equivalent to two times  
16 the amount of the covered transfer, but shall not exceed an  
17 amount equivalent to three times the amount of the covered  
18 transfer.

19       (e) As used in this section:

20       "Covered transfer" means a payment or transfer of funds  
21 where the transferor is reasonably expected to know the funds



1 will be used for expenditures or independent expenditures by a  
2 noncandidate committee or will be passed along to another party  
3 to be used for expenditures or independent expenditures.

4 "Top contributor" has the same meaning as in section 11-  
5 393."

6 SECTION 3. This Act does not affect rights and duties that  
7 matured, penalties that were incurred, and proceedings that were  
8 begun before its effective date.

9 SECTION 4. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

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JAN 23 2015



# H.B. NO. 628

**Report Title:**

Campaign Spending

**Description:**

Amends campaign spending for advertisements and creates a reporting requirement for "covered transfers".

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

