
A BILL FOR AN ACT

RELATING TO CAMPAIGN FINANCE.

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

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

4 "§11- Independent expenditure contributions; value;
5 requirements. (a) If an independent expenditure advocates the
6 election of a clearly identified candidate, the respective
7 candidate committee shall include that expenditure as a
8 contribution to the candidate committee in the reports required
9 by section 11-333.

10 (b) If an independent expenditure advocates the defeat of
11 a clearly identified candidate, each opposing candidate's
12 candidate committee shall include that expenditure as a
13 contribution to that same opposing candidate's candidate
14 committee in the reports required by section 11-333.

15 (c) A candidate committee that is required to report an
16 independent expenditure pursuant to this section shall report
17 the contribution value of the independent expenditure as



1 \$. The date of the expenditure shall coincide with the
2 earliest date the candidate or candidate committee first became
3 aware of the expenditure.

4 (d) The commission shall:

5 (1) Notify applicable candidates when any independent
6 expenditure is made pursuant to this section; and

7 (2) Publish the reports required by this section on its
8 website."

9 SECTION 2. Section 11-302, Hawaii Revised Statutes, is
10 amended as follows:

11 1. Adding a new definition to be appropriately inserted
12 and to read:

13 "Opposing candidate" means any candidate running against
14 another candidate for the same elective office during the same
15 election cycle."

16 2. Amending the definition of "contribution" to read:

17 "Contribution" means:

18 (1) A gift, subscription, deposit of money or anything of
19 value, or cancellation of a debt or legal obligation
20 and includes the purchase of tickets to fundraisers,
21 for the purpose of:



- 1 (A) Influencing the nomination for election, or the
2 election, of any person to office;
- 3 (B) Influencing the outcome of any question or issue
4 that has been certified to appear on the ballot
5 at the next applicable election; or
- 6 (C) Use by any candidate committee or noncandidate
7 committee for the purpose of subparagraph (A) or
8 (B);
- 9 (2) The payment, by any person or party other than a
10 candidate, candidate committee, or noncandidate
11 committee, of compensation for the services of another
12 person that are rendered to the candidate, candidate
13 committee, or noncandidate committee without charge or
14 at an unreasonably low charge for a purpose listed in
15 paragraph (1);
- 16 (3) A contract, promise, or agreement to make a
17 contribution; ~~[or]~~
- 18 (4) Any ~~[loans]~~ loan or ~~[advances]~~ advance that ~~[are]~~ is
19 not documented or disclosed to the commission as
20 provided in section 11-372; or



- 1 (5) Any independent expenditure; provided that if the
- 2 independent expenditure advocates the:
- 3 (A) Election of a candidate, then the independent
- 4 expenditure shall be considered a contribution
- 5 toward that candidate; or
- 6 (B) Defeat of a candidate, then the independent
- 7 expenditure shall be considered a contribution
- 8 toward every opposing candidate.

9 "Contribution" does not include:

- 10 (1) [~~Services~~] Any service that is voluntarily provided
- 11 without compensation by [~~individuals~~] any individual
- 12 to or on behalf of a candidate, candidate committee,
- 13 or noncandidate committee;
- 14 (2) A candidate's expenditure of the candidate's own
- 15 funds; provided that this expenditure shall be
- 16 reportable as other receipts and expenditures;
- 17 (3) Any [~~loans~~] loan or [~~advances~~] advance to the
- 18 candidate committee; provided that [~~these loans~~] any
- 19 loan or [~~advances~~] advance shall be reported as
- 20 [~~loans,~~] as a loan; or



1 (4) An individual, candidate committee, or noncandidate
2 committee engaging in internet activities for the
3 purpose of influencing an election if:

4 (A) The individual, candidate committee, or
5 noncandidate committee is uncompensated for the
6 internet activities; or

7 (B) The individual, candidate committee, or
8 noncandidate committee uses equipment or services
9 for uncompensated internet activities, regardless
10 of who owns the equipment and services."

11 SECTION 3. Section 11-341, Hawaii Revised Statutes, is
12 amended by amending subsection (b) to read as follows:

13 "(b) Each statement of information shall contain the
14 following:

15 (1) The name of the person making the expenditure, name of
16 any person or entity sharing or exercising discretion
17 or control over the person, and the custodian of the
18 books and accounts of the person making the
19 expenditure;

20 (2) The names and titles of the executives or board of
21 directors who authorized the expenditure, if the



- 1 expenditure was made by a noncandidate committee,
2 business entity, or an organization;
- 3 (3) The state of incorporation or formation and principal
4 address of the noncandidate committee, business
5 entity, or organization or for an individual, the
6 name, address, occupation, and employer of the
7 individual making the expenditure;
- 8 (4) The amount of each expenditure during the period
9 covered by the statement and the identification of the
10 person to whom the expenditure was made;
- 11 (5) The elections to which the electioneering
12 communications pertain and the names of any clearly
13 identifiable candidates and whether those candidates
14 are supported or opposed;
- 15 (6) If the expenditures were made by a candidate committee
16 or noncandidate committee, the names and addresses of
17 all persons who contributed to the candidate committee
18 or noncandidate committee for the purpose of
19 publishing or broadcasting the electioneering
20 communications;



- 1 (7) If the expenditures were made by an organization other
2 than a candidate committee or noncandidate committee,
3 the names and addresses of all persons who contributed
4 to the organization for the purpose of publishing or
5 broadcasting the electioneering communications;
- 6 (8) Whether or not any electioneering communication is
7 made in coordination, cooperation, or concert with or
8 at the request or suggestion of any candidate,
9 candidate committee, or noncandidate committee, or
10 agent of any candidate if any, and if so, the
11 identification of the candidate, candidate committee,
12 or noncandidate committee, or agent involved; and
- 13 (9) The [~~three top~~] contributors as required under section
14 11-393, if applicable."

15 SECTION 4. Section 11-393, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "~~[+]§11-393[+]~~ **Identification of [~~certain top~~]**
18 **contributors to noncandidate committees making only independent**
19 **expenditures.** (a) An advertisement shall contain an additional
20 notice in a prominent location immediately after or below the
21 notices required by section 11-391, if the advertisement is



1 broadcast, televised, circulated, or published, including by
2 electronic means, and is paid for by a noncandidate committee
3 that certifies to the commission that it makes only independent
4 expenditures. This additional notice shall start with the
5 words, "The three top contributors to the noncandidate committee
6 that paid for this advertisement are", followed by the names of
7 the three top contributors [~~as defined in subsection (e),~~] who
8 made the highest aggregate contributions to the noncandidate
9 committee [~~for the purpose of funding the advertisement~~];
10 provided that:

11 (1) If a noncandidate committee is only able to identify
12 two top contributors who made contributions for the
13 purpose of funding the advertisement, the additional
14 notice shall start with the words, "The two top
15 contributors for this advertisement are", followed by
16 the names of the two top contributors;

17 (2) If a noncandidate committee is able to identify only
18 one top contributor who made contributions for the
19 purpose of funding the advertisement, the additional
20 notice shall start with the words, "The top



1 contributor for this advertisement is", followed by
2 the name of the top contributor;

3 (3) If a noncandidate committee is unable to identify any
4 top contributors who made contributions for the
5 purpose of funding the advertisement, the additional
6 notice shall start with the words, "The three top
7 contributors for this noncandidate committee are",
8 followed by the names of the three top contributors
9 who made the highest aggregate contributions to the
10 noncandidate committee; and

11 (4) If there are no top contributors to the noncandidate
12 committee, the noncandidate committee shall not be
13 subject to this section.

14 In no case shall a noncandidate committee be required to
15 identify more than three top contributors pursuant to this
16 section.

17 (b) If a noncandidate committee has more than three top
18 contributors who contributed in equal amounts, the noncandidate
19 committee may select which of the top contributors to identify
20 in the advertisement; provided that the top contributors not
21 identified in the advertisement did not make a higher aggregate



1 contribution than those top contributors who are identified in
 2 the advertisement. The additional notice required for
 3 noncandidate committees described under this subsection shall
 4 start with the words "Three of the top contributors for this
 5 advertisement are" or "Three of the top contributors to this
 6 noncandidate committee are", as appropriate, followed by the
 7 names of the three top contributors.

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

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



1 ~~[(c) For purposes of this part, "top contributor" means a~~
2 ~~contributor who has contributed an aggregate amount of \$10,000~~
3 ~~or more to a noncandidate committee within a twelve month period~~
4 ~~prior to the purchase of an advertisement.]"~~

5 SECTION 5. This Act does not affect rights and duties that
6 matured, penalties that were incurred, and proceedings that were
7 begun before its effective date.

8 SECTION 6. If any provision of this Act, or the
9 application thereof to any person or circumstance, is held
10 invalid, the invalidity does not affect other provisions or
11 applications of the Act that can be given effect without the
12 invalid provision or application, and to this end the provisions
13 of this Act are severable.

14 SECTION 7. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 8. This Act shall take effect on January 28, 2081.



H.B. NO. 627 H.D. 1

Report Title:

Elections; Campaign Finance; Contributions; Expenditures

Description:

Classifies any independent expenditure as a contribution to a candidate or as a contribution to each opposing candidate. Requires any advertisement by a noncandidate committee that makes only independent expenditures to disclose all contributors for the advertisement. (HB627 HD1)

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