S.B. NO. 802

JAN 2 2 2021

#### A BILL FOR AN ACT

RELATING TO ELECTION REFORM.

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

-	

#### PART I

2 SECTION 1. The legislature finds that in the 2020 election 3 cycle, thousands of ballots were received after the deadline 4 despite the State and counties' best efforts to educate the 5 public about submitting ballots before the deadline. Instead of 6 requiring return identification envelopes to be received by 7 election officials by the deadline on the election day, other states require return identification envelopes to be postmarked 8 on or before election day, which makes it less confusing for the 9 10 general public.

- 11 The purpose of this part is to:
- 12 (1) Require ballots returned by mail to be postmarked on13 or before election day; and
- 14 (2) Deem ballots with illegible postmarks to have been
  15 timely postmarked if received no later than 5:00 p.m.
  16 on the third day following the election.



1	SECT	ION 2. Section 11-104, Hawaii Revised Statutes, is
2	amended b	y amending subsection (c) to read as follows:
3	"(C)	To cast a valid ballot, the voter shall return the
4	return id	entification envelope containing the secrecy envelope
5	or secrec	y sleeve with the marked ballot:
6	(1)	By mail so that the return identification envelope is
7		[received at the office of the clerk no later than the
8		closing time provided in section 11-131 on the date of
9		the election; ] postmarked on or before election day;
10		provided that if a ballot is received by mail no later
11		than 5:00 p.m. on the third day following the election
12		and the date of the postmark cannot be determined, the
13		ballot shall be deemed to have been postmarked on or
14		before election day;
15	(2)	By personal delivery at any place of deposit no later
16		than 7:00 p.m. on the date of the election; provided
17		that any voter who is standing in line at a place of
18		deposit at 7:00 p.m. on the date of the election with
19		the intent of returning a ballot and casting a vote
20		shall be allowed to vote; or



#### S.B. NO. 802

1 By personal delivery to any voter service center no (3) 2 later than the closing time provided in section 11-131 3 on the date of the election; provided that any voter 4 who is standing in line at a voter service center at 5 the closing time provided in section 11-131 on the 6 date of the election with the intent of returning a 7 ballot and casting a vote shall be allowed to vote." 8 SECTION 3. Section 11-105, Hawaii Revised Statutes, is 9 amended by amending subsection (c) to read as follows: 10 "(c) Voters who obtain a replacement ballot shall return 11 the return identification envelope containing the secrecy 12 envelope or secrecy sleeve with the marked replacement ballot: 13 By mail so that the return identification envelope is (1)14 [received at the office of the clerk no later than the 15 closing time provided in section 11-131 on the date of the election; ] postmarked on or before election day; 16 17 provided that if a ballot is received by mail no later 18 than 5:00 p.m. on the third day following the election 19 and the date of the postmark cannot be determined, the 20 ballot shall be deemed to have been postmarked on or 21 before election day;



## S.B. NO. 802

1 By personal delivery to any place of deposit no later (2)2 than 7:00 p.m. on the date of the election; provided 3 that any voter who is standing in line at a place of 4 deposit at 7:00 p.m. on the date of the election with 5 the intent of returning a ballot and casting a vote 6 shall be allowed to vote; or 7 (3) By personal delivery to any voter service center no 8 later than the closing time provided in section 11-131 9 on the date of the election; provided that any voter 10 who is standing in line at a voter service center at 11 the closing time provided in section 11-131 on the 12 date of the election with the intent of returning a 13 ballot and casting a vote shall be allowed to vote." 14 SECTION 4. Section 11-107, Hawaii Revised Statutes, is 15 amended by amending subsection (b) to read as follows: 16 "(b) The voter may return the completed replacement ballot 17 and executed forms: 18 By electronic transmission so that the completed (1)19 replacement ballot and executed forms are received at 20 the office of the clerk no later than the closing time



1		provided in section 11-131 on the date of the
2		election;
3	(2)	By mail so that the completed replacement ballot and
4		executed forms are [ <del>received at the office of the</del>
5		clerk no later than the closing time provided in
6		section 11-131 on the date of the election;]
7		postmarked on or before election day; provided that if
8		a ballot is received by mail no later than 5:00 p.m.
9		on the third day following the election and the date
10		of the postmark cannot be determined, the ballot shall
11		be deemed to have been postmarked on or before
12		election day;
13	(3)	By personal delivery to any place of deposit no later
14		than 7:00 p.m. on the date of the election; provided
15		that any voter who is standing in line at a place of
16		deposit at 7:00 p.m. on the date of the election with
17		the intent of returning a ballot and casting a vote
18		shall be allowed to vote; or
19	(4)	By personal delivery to a voter service center no
20		later than the closing time provided in section 11-131
21		on the date of the election; provided that any voter



#### S.B. NO. 802

1 who is standing in line at a voter service center at the closing time provided in section 11-131 on the 2 3 date of the election with the intent of returning a ballot and casting a vote shall be allowed to vote." 4 5 SECTION 5. Section 15-5, Hawaii Revised Statutes, is 6 amended by amending subsection (b) to read as follows: If absentee ballots requested under section 15-4 are 7 "(b) not received by a voter within five days of an election, if a 8 9 voter requires a replacement ballot within five days of an 10 election, or if a voter would otherwise not be able to return a properly issued ballot by the close of polls, then a voter may 11 12 request that absentee ballots be forwarded by electronic transmission; provided that a voter with special needs, 13 14 including a disability, may request that a ballot be forwarded 15 by electronic transmission at any time. Upon receipt of such a 16 request and confirmation that proper application was made, the 17 clerk may transmit appropriate ballots, together with a form 18 requiring the affirmations and information required by section 19 15-6, and a form containing a waiver of the right to secrecy, as provided by section 11-137. The voter may return the voted 20 21 ballots and executed forms [by]:



## S.B. NO. 802

1	(1)	By electronic transmission [or mail; provided that
2		they] so that the voted ballots and executed forms are
3		received by the issuing clerk no later than the close
4		of polls on election $day[-]; or$
5	(2)	By mail so that the voted ballots and executed forms
6		are postmarked on or before election day; provided
7		that if a ballot is received by mail no later than
8		5:00 p.m. on the third day following the election and
9		the date of the postmark cannot be determined, the
10		ballot shall be deemed to have been postmarked on or
11		before election day.
12	Upon rece	ipt, the clerk shall verify compliance with the
13	requireme	nts of section 15-9(c) and prepare the ballots for
14	counting	pursuant to section 15-10; provided that if the voter
15	returns m	ultiple voted absentee ballots for the same election,
16	the clerk	shall, for purposes of counting ballots, prepare only
17	the first	absentee ballot returned that is not spoiled."
18	SECT	ION 6. Section 15-9, Hawaii Revised Statutes, is
19	amended b	y amending subsection (a) to read as follows:
20	"(a)	The return envelope shall be:

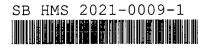


1	(1)	Mailed [ <del>and must be received by</del> ] <u>to</u> the clerk issuing
2		the absentee ballot [ <del>no later than the closing hour on</del>
3		election day in accordance with section 11-131; and
4		postmarked on or before election day; provided that if
5		a ballot is received by mail no later than 5:00 p.m.
6		on the third day following the election and the date
7		of the postmark cannot be determined, the ballot shall
8		be deemed to have been postmarked on or before
9		election day; or
10	(2)	Delivered other than by mail to the clerk issuing the
11		absentee ballot, or to a voter service center no later
12		than the closing hour on election day in accordance
13		with section 11-131."
14	SECT	ION 7. Section 15-12, Hawaii Revised Statutes, is
15	amended t	o read as follows:
16	"§15	-12 Receipt and disposition of late absentee ballots.
17	For any e	lection all return envelopes containing absentee
18	ballots <u>p</u>	ostmarked after election day or received by the clerk
19	after the	deadline for receipt stated in section 15-9 shall be
20	kept unop	ened and disposed of pursuant to section 11-154."



#### S.B. NO. 802

SECTION 8. Section 15D-10, Hawaii Revised Statutes, is 1 2 amended to read as follows: 3 "[+] \$15D-10[+] Receipt of voted ballot. A valid militaryoverseas ballot shall be counted if it [is-received by the close 4 of the polls on the day of the election and meets the 5 requirements prescribed under section 15-9." 6 7 PART II 8 SECTION 9. The legislature finds that every post office in 9 the State should have official drop boxes for voters to personally deliver marked ballots. However, if establishing 10 11 official drop boxes at every post office is not financially 12 feasible, then post offices should at least separate return 13 identification envelopes from regular mail for collection by elections officials. 14 The purpose of this part is to require county clerks to 15 16 coordinate with the United States Postal Service to establish places of deposit at each post office in the State or, if the 17 18 counties do not have the necessary funding, to enable election officials to collect return identification envelopes from each 19 post office at the same frequency that it collects return 20 identification envelopes from places of deposit. 21



1 SECTION 10. Section 11-109, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[+]\$11-109[+] Voter service centers; places of deposit.
4 (a) Voter service centers shall be established at the office of
5 the clerk, and may be established at additional locations within
6 a county as may be designated by a clerk to service the
7 particular needs of a county's voters.

8 (b) Voter service centers shall be open from the tenth
9 business day preceding the day of the election during regular
10 business hours until the time provided in section 11-131 on the
11 date of the election and at the same times statewide.

12 (c) Each voter service center shall provide the services 13 specified in section 11-1 under the definition of "voter service 14 center".

(d) The clerks may designate and provide for places of
deposit to be open five business days before the election until
7:00 p.m. on the day of the election; provided that the
locations and apparatus for receiving voted ballots can be
securely maintained during the period of use for each election,
and as may be permitted by the operational hours.



1	(e) The clerks shall coordinate with the United States
2	Postal Service to establish places of deposit at each post
3	office located in the State; provided that if the counties do
4	not have the necessary funding to establish places of deposit at
5	each post office located in the State, the clerks shall
6	coordinate with the United States Postal Service for election
7	officials to collect return identification envelopes from each
8	post office at the same frequency that election officials
9	collect return identification envelopes from places of deposit."
10	PART III
11	SECTION 11. The legislature finds that while there are
12	several filing dates for preliminary campaign spending reports
13	between the primary and general elections, there are not enough
14	filing dates leading up to the primary election. Furthermore,
15	now that Hawaii utilizes voting by mail in all elections, people
16	can vote in primary elections before they see a preliminary
17	campaign spending report from noncandidate committees.
18	The purpose of this part is to require candidates,
19	candidate committees, and noncandidate committees to file
20	preliminary campaign spending reports on June 30 of a general
21	election year.



Page 11

1	SECTION 12. Section 11-334, Hawaii Revised Statutes, is
2	amended by amending subsection (a) to read as follows:
3	"(a) The candidate and treasurer of the candidate
4	committee of each candidate whose name will appear on the ballot
5	shall file preliminary, final, and supplemental reports as
6	follows:
7	(1) The filing dates for preliminary reports are:
8	(A) April 30 of the year of a general election;
9	(B) June 30 of the year of a general election;
10	$\left[\frac{(B)}{(C)}\right]$ Thirty calendar days before a primary, initial
11	special, or initial nonpartisan election;
12	[ <del>(C)</del> ] <u>(D)</u> Ten calendar days before a primary, initial
13	special, or initial nonpartisan election;
14	[-(D)] (E) October 1 of the year of a general election; and
15	[ <del>(E)</del> ] <u>(F)</u> Ten calendar days before a general, subsequent
16	special, or subsequent nonpartisan election;
17	provided that this preliminary report does not
18	need to be filed by a candidate who is
19	unsuccessful in a primary, initial special, or
20	initial nonpartisan election, or a candidate who



1		is elected to office in the primary, initial
2		special, or initial nonpartisan election.
3		[ <del>The</del> ] <u>Each</u> preliminary report [ <del>filed by the date</del>
4		required under subparagraph (B) shall be current
5		through June 30, and all other preliminary reports]
6		shall be current through the fifth calendar day before
7		the filing deadline of [ <del>those other preliminary</del>
8		<pre>reports;</pre> ] the report;
9	(2)	The filing date for the final primary report is twenty
10		calendar days after a primary, initial special, or
11		initial nonpartisan election. The report shall be
12		current through the day of the applicable election;
13	(3)	The filing date for the final election period report
14		is thirty calendar days after a general, subsequent,
15		subsequent special, or subsequent nonpartisan
16		election. The report shall be current through the day
17		of the applicable election. The final election period
18		report shall be filed by a candidate who is
19		unsuccessful in a primary, initial special, or initial
20		nonpartisan election or a candidate who is elected to
21		office in the primary, initial special, or initial



1		nonpartisan election; provided that a candidate who is
2		elected and is to be sworn into office [ <del>prior to</del> ]
3		before thirty calendar days after a general,
4		subsequent, subsequent special, or subsequent
5		nonpartisan election in which the candidate was
6		elected, shall file the final election period report
7		three business days before the date the candidate is
8		to be sworn into office; and
9	(4)	The filing dates for supplemental reports are:
10		(A) January 31 annually; and
11		(B) July 31 after an election year.
12		The report shall be current through December 31 for
13		the report filed on January 31 and current through
14		June 30 for the report filed on July 31."
15	SECT	ION 13. Section 11-336, Hawaii Revised Statutes, is
16	amended by	y amending subsection (a) to read as follows:
17	"(a)	The filing dates for preliminary reports are:
18	(1)	June 30 of the year of a general election;
19	[ <del>(1)</del> ]	(2) Ten calendar days [ <del>prior to</del> ] <u>before</u> a primary,
20		special, or nonpartisan election;

.



#### S.B. NO. 802

1	[ <del>(2)</del> ] <u>(3)</u> Ten calendar days [ <del>prior to</del> ] <u>before</u> a general
2	election; and
3	$\left[\frac{(3)}{(4)}\right]$ October 1 of the year of a general election.
4	Each preliminary report shall be current through the fifth
5	calendar day [ <del>prior to</del> ] <u>before</u> the filing of the report."
6	PART IV
7	SECTION 14. The legislature finds that the structure for
8	fines for violations of Hawaii's campaign finance laws is the
9	same for standard noncandidate committees as it is for
10	noncandidate committees making only independent expenditures.
11	This creates an unequal playing field for standard noncandidate
12	committees who are usually run by inexperienced volunteers and
13	often only raise \$30,000 per election period from grassroots,
14	small-dollar donations. If one the these standard noncandidate
15	committees make a mistake, the fines are considered significant.
16	This disincentivizes smaller grassroots noncandidate committees
17	from forming. In contrast, noncandidate committees making only
18	independent expenditures can afford all kinds of compliance
19	review and legal assistance so they are less likely to make
20	mistakes in the first place, and if they do make a mistake, the
21	current fine structure hardly impacts their campaign funds.



The purpose of this part is to establish a more reasonable
 fine structure for smaller grassroots noncandidate committees
 whose aggregate contributions per election period total \$30,000
 or less.

5 SECTION 15. Section 11-340, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "§11-340 Failure to file report; filing a substantially 8 defective or deficient report. (a) True and accurate reports 9 shall be filed with the commission on or before the due dates 10 specified in this part. The commission may assess a fine against a person that is required to file a report under this 11 12 part if the report is not filed by the due date or if the report is substantially defective or deficient, as determined by the 13 14 commission.

(b) The fine for not filing a report by the due date, if
assessed, shall not exceed \$50 per day for the first seven days,
beginning with the day after the due date of the report, and
shall not exceed \$200 per day thereafter; provided that:
(1) In aggregate, the fine shall not exceed twenty-five
per cent of the total amount of contributions or



### S.B. NO. **802**

1 expenditures, whichever is greater, for the period 2 covered by the report; and 3 The minimum fine for a report filed more than four (2) 4 days after the due date, if assessed, shall be \$200. 5 Subsection (b) notwithstanding, if a candidate (C) 6 committee does not file the second preliminary primary report or 7 the preliminary general report, or if a noncandidate committee 8 does not file the preliminary primary report or the second 9 preliminary general report by the due date, the fine, if assessed, shall not exceed \$300 per day; provided that, in 10 11 aggregate: 12 (1)The fine shall not exceed twenty-five per cent of the 13 total amount of contributions or expenditures, 14 whichever is greater, for the period covered by the 15 report; and The minimum fine, if assessed, shall be \$300. 16 (2)17 If the commission determines that a report is (d) 18 substantially defective or deficient, the commission shall 19 notify the candidate committee by first class mail that: The report is substantially defective or deficient; 20 (1)21 and



1 A fine may be assessed. (2)2 (e) If the corrected report is not filed with the 3 commission's electronic filing system on or before the 4 fourteenth day after the notice of defect or deficiency has been 5 mailed, the fine, if assessed, for a substantially defective or 6 deficient report shall not exceed \$50 per day for the first 7 seven days, beginning with the fifteenth day after the notice 8 was sent, and shall not exceed \$200 per day thereafter; provided 9 that: 10 In aggregate, the fine shall not exceed twenty-five (1)11 per cent of the total amount of contributions or 12 expenditures, whichever is greater, for the period 13 covered by the report; and 14 (2) The minimum fine for not filing a corrected report 15 more than eighteen days after the notice, if assessed, 16 shall be \$200. 17 (f) Notwithstanding subsections (b), (c), and (e) to the 18 contrary, the fine for not filing a report by the due date or 19 for a substantially defective or deficient report, if assessed, 20 for a noncandidate committee, other than a noncandidate 21 committee making only independent expenditures, whose aggregate



1	contribut	ions per election period total \$30,000 or less shall
2	not excee	d three per cent of the noncandidate committee's
3	aggregate	contributions from that election period through the
4	<u>most rece</u>	nt reporting period; provided that:
5	(1)	For the first offense, the commission may enter into a
6		conciliation agreement with the noncandidate committee
7		to reduce the fine to \$0 with a written warning and
8		guidance if the commission sees a good faith effort by
9		the noncandidate committee to resolve the issues;
10	(2)	For the second offense, the commission may enter into
11		a conciliation agreement with the noncandidate
12		committee to reduce the fine to 1.5 per cent of the
13		noncandidate committee's aggregate contributions from
14		that election period through the most recent reporting
15		period; and
16	(3)	For the third offense, the commission may reduce the
17		fine as the commission sees fit;
18	[ <del>(f)</del>	] <u>(g)</u> The commission shall publish on its website the
19	names of	all candidate and noncandidate committees that have
20	failed to	:

21 (1) File a report; or



19

.

### S.B. NO. 802

1	(2)	Correct a report within two weeks from the notice to
2		correct provided by the commission.
3	[ <del>(g)</del>	] (h) All fines collected under this section shall be
4	deposited	into the general fund."
5	SECT	ION 16. Section 11-410, Hawaii Revised Statutes, is
6	amended b	y amending subsection (a) to read as follows:
7	"(a)	The commission may make a decision or issue an order
8	affecting	any person violating any provision of this part or
9	section 2	81–22 that may provide for the assessment of an
10	administr	ative fine as follows:
11	(1)	If an individual, other than a noncandidate committee
12		described in paragraph (3), an amount not to exceed
13		\$1,000 for each occurrence or an amount equivalent to
14		three times the amount of an unlawful contribution or
15		expenditure; [ <del>or</del> ]
16	(2)	If a corporation, organization, association, or labor
17		union, other than a noncandidate committee described
18		in paragraph (3), an amount not to exceed \$1,000 for
19		each occurrence; <u>or</u>
20	(3)	If a noncandidate committee, other than a noncandidate

committee making only independent expenditures, whose



## S.B. NO. **802**

	aggre	aggregate contributions per election period total						
	\$30,0	000 or less, an amount not to exceed three per						
	cent	of the noncandidate committee's aggregate						
	cont	ributions from that election period through the						
	most	recent reporting period; provided that:						
	(A)	For the first offense, the commission may enter						
		into a conciliation agreement with the						
		noncandidate committee to reduce the fine to \$0						
		with a written warning and guidance if the						
		commission sees a good faith effort by the						
		noncandidate committee to resolve the issues;						
	<u>(B)</u>	For the second offense, the commission may enter						
		into a conciliation agreement with the						
		noncandidate committee to reduce the fine to 1.5						
		per cent of the noncandidate committee's						
		aggregate contributions from that election period						
		through the most recent reporting period; and						
	<u>(C)</u>	For the third offense, the commission may reduce						
		the fine as the commission sees fit;						
provided	that w	whenever a corporation, organization, association,						
or labor	union	violates this part, the violation may be deemed						
	-	\$30, <u>cent</u> <u>cont</u> <u>most</u> <u>(A)</u> <u>(B)</u> <u>(C)</u> provided that						



#### S.B. NO. 802

1 to be also that of the individual directors, officers, or agents of the corporation, organization, association, or labor union, 2 3 who have knowingly authorized, ordered, or done any of the acts constituting the violation." 4 5 PART V 6 SECTION 17. The legislature finds that multi-page and 7 multi-section campaign advertisements that do not disclose who paid for the advertisement on every page or section can be 8 9 deceptive or misleading to the public who may think that the 10 advertisement is a news report or endorsement. 11 The purpose of this part is to require multi-page and 12 multi-section campaign advertisements to include disclosure 13 notices on every page or section of the advertisement. 14 SECTION 18. Section 11-391, Hawaii Revised Statutes, is 15 amended by amending subsection (a) to read as follows: 16 "(a) Any advertisement that is broadcast, televised, 17 circulated, published, distributed, or otherwise communicated, 18 including by electronic means, shall: 19 (1) Contain the name and address of the candidate, 20 candidate committee, noncandidate committee, or other 21 person paying for the advertisement;



### S.B. NO. 802

1	(2)	Contain a notice in a prominent location stating					
2		either that:					
3		(A) The advertisement has the approval and authority					
4		of the candidate; provided that an advertisement					
5		paid for by a candidate, candidate committee, or					
6		ballot issue committee does not need to include					
7		the notice; or					
8		(B) The advertisement has not been approved by the					
9		candidate; [and]					
10	(3)	Not contain false information about the time, date,					
11		place, or means of voting $[-,]$ ; and					
12	(4)	In the case of a multi-page or multi-section					
13		advertisement, include the notices required under this					
14		subsection on every page or section of the					
15		advertisement."					
16		PART VI					
17	7 SECTION 19. This Act does not affect rights and duties						
18	f 8 that matured, penalties that were incurred, and proceedings that						
19	were begun before its effective date.						
20	SECTION 20. Statutory material to be repealed is bracketed						
21	and stricken. New statutory material is underscored.						



1	SECTION 21.	This Act shal	l take	effect	upon	its	appro	val.
2		INTRODUCED E	Y:	Q	$\mathcal{M}$	M	hy	$\mu$
				U	-	V		



#### Report Title:

Elections; Voting by Mail; Places of Deposit; Campaign Finance; Preliminary Reports; Fines; Advertisements

#### Description:

Requires ballots returned by mail to be postmarked on or before election day. Deems ballots with illegible postmarks to have been timely postmarked if received by a certain time. Requires the county clerks to coordinate with the United States Postal Service to establish places of deposit at each post office or for the collection of ballots. Requires an additional preliminary campaign spending report to be filed on June 30 of a general election year. Establishes a flexible fine structure for violations of campaign finance laws by certain noncandidate committees. Requires campaign advertisements to include disclosure notices on every page or section of the advertisement.

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

