### A BILL FOR AN ACT

RELATING TO CAMPAIGN FINANCE.

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

1	SECT	'ION 1	. Section 11-302, Hawaii Revised Statutes, is	
2	amended b	y ame	nding the definition of "contribution" to read as	
3	follows:			
4	""Co	""Contribution" means:		
5	(1)	A gi	ft, subscription, deposit of money or anything of	
6		valu	e, or cancellation of a debt or legal obligation	
7		and	includes the purchase of tickets to fundraisers,	
8		for	the purpose of:	
9		(A)	Influencing the nomination for election, or the	
10			election, of any person to office;	
11		(B)	Influencing the outcome of any question or issue	
12			that has been certified to appear on the ballot	
13			at the next applicable election; or	
14		(C)	Use by any candidate committee or noncandidate	
15			committee for the purpose of subparagraph (A) or	
16			(B);	

1	(2)	The payment, by any person or party other than a
2		candidate, candidate committee, or noncandidate
3		committee, of compensation for the services of another
4		person that are rendered to the candidate, candidate
5		committee, or noncandidate committee without charge or
6		at an unreasonably low charge for a purpose listed in
7		paragraph (1);
8	(3)	A contract, promise, or agreement to make a
9		contribution; or
10	(4)	Any loans or advances that are not documented or
11		disclosed to the commission as provided in section 11-
12		372[+].[+]
13	"Con	tribution" does not include:
14	(1)	Services voluntarily provided without compensation by
15		individuals to or on behalf of a candidate, candidate
16		committee, or noncandidate committee;
17	[ <del>(2)</del>	A candidate's expenditure of the candidate's own
18		funds; provided that this expenditure shall be
19		reportable as other receipts and expenditures;

1	$\frac{(3)}{(2)}$ Any loans or advances to the candidate committee;		
2	provided that these loans or advances shall be		
3	reported as loans; or		
4	[-(4)-] (3) An individual, candidate committee, or		
5	noncandidate committee engaging in internet activities		
6	for the purpose of influencing an election if:		
7	(A) The individual, candidate committee, or		
8	noncandidate committee is uncompensated for the		
9	internet activities; or		
10	(B) The individual, candidate committee, or		
11	noncandidate committee uses equipment or services		
12	for uncompensated internet activities, regardless		
13	of who owns the equipment and services."		
14	SECTION 2. Section 11-359, Hawaii Revised Statutes, is		
15	amended by amending subsection (b) to read as follows:		
16	"(b) A contribution by the candidate's immediate family		
17	shall <u>not</u> be exempt from section 11-357[, but shall be limited		
18	in the aggregate to \$50,000 in any election period; provided		
19	that the aggregate amount of loans and contributions received		
20	from the candidate's immediate family does not exceed \$50,000		
21	during an election period]."		

1	SECT	ION 3. Section 11-371, Hawaii Revised Statutes, is			
2	amended b	y amending subsection (a) to read as follows:			
3	"(a)	A candidate or candidate committee may receive a loan			
4	from any or all of the following:				
5	(1)	The candidate's own funds; provided that the maximum			
6		amount of the loan in the aggregate is \$2,000;			
7	(2)	A financial institution regulated by the State or a			
8		federally chartered depository institution and made in			
9		accordance with applicable law in the ordinary course			
10		of business; and			
11	[ <del>-(3)</del>	The candidate's immediate family in an aggregate			
12		amount not to exceed \$50,000 during an election			
13		period; provided that the aggregate amount of loans			
14		and contributions received from the immediate family			
15		shall not exceed \$50,000 during an election period;			
16		and			
17	<del>(4)</del> ]	(3) Persons other than the candidate[ $\tau$ ] or a			
18		financial institution described in paragraph (2), $[\frac{0+}{2}]$			
19		the candidate's immediate family,   in an aggregate			
20		amount not to exceed \$10,000 during an election			
21		period; provided that:			

1	(A)	If the \$10,000 limit for loans from persons other
2		than the [immediate family] candidate is reached,
3		the candidate and candidate committee shall be
4		prohibited from receiving or accepting any other
5		loans until the \$10,000 is repaid in full; and
6	(B)	If a loan [from persons other than the
7		candidate's immediate family] is not repaid
8		within one year of the date that the loan is
9		made, the candidate and candidate committee shall
10		be prohibited from accepting any other loans.
11		All campaign funds, including contributions
12		subsequently received, shall be used to repay the
13		outstanding loan in full."
14	SECTION 4	. Statutory material to be repealed is bracketed
15	and stricken.	New statutory material is underscored.
16	SECTION 5	. This Act shall take effect upon its approval.
17		Exin
		INTRODUCED BY:

2025-0860 HB HMSO

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#### Report Title:

Campaign Finance; Contributions

#### Description:

Repeals the exemption for the expenditure of candidate's own funds under the definition of contribution. Makes contributions by the candidate's immediate family subject to contribution limits. Amends the loan amount that a candidate or candidate committee may receive from the candidate's own funds or immediate family.

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