JAN 1 5 2025

#### A BILL FOR AN ACT

RELATING TO PUBLIC FINANCING.

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

- 1 SECTION 1. The legislature finds that the partial public
- 2 financing program for candidates to state and county elected
- 3 offices is a valuable component of Hawai'i's election process.
- 4 The program, which provides partial campaign funds to
- 5 participating candidates who agree to expenditure limits, has
- 6 been mandated by the Hawaii State Constitution since 1978. The
- 7 use of public funds to finance election campaigns is in the
- 8 public interest because it mitigates the outsized influence, and
- 9 the perception of influence, of large private donors.
- 10 Hawai'i's partial public financing program is operated by
- 11 the campaign spending commission and provides dollar for dollar
- 12 matching funds up to a maximum amount on the qualifying
- 13 contributions raised by a candidate who has first collected the
- 14 minimum amount of these contributions for the prescribed office.
- 15 The legislature further finds that the amount of campaign funds
- 16 that are available to candidates was last amended two decades
- 17 ago.

1	The	purpose of this Act is to increase the amount of
2	matching	campaign funds available for candidates who participate
3	in the pa	rtial public financing program and ensure adequate
4	funding f	or the program by:
5	(1)	Raising the cap on the maximum amount of matching
6		funds available to candidates, to sixty-seven per cent
7		of the expenditure limit;
8	(2)	Increasing by twenty per cent the cap on the amount of
9		expenditures a candidate can make;
10	(3)	Increasing the matching fund ratio from \$1 for each \$1
11		of qualifying contributions raised by a candidate to
12		\$2 for each \$1 of qualifying contributions raised in
13		excess of the minimum qualifying contributions that a
14		candidate must raise to participate in the program;
15		and
16	(4)	Appropriating funds from the general fund to the
17		election campaign fund to fund the partial public
18		financing program.
19	SECT	ION 2. Section 11-423, Hawaii Revised Statutes, is
20	amended b	y amending subsection (d) to read as follows:

1 "(d) From January 1 of the year of any primary, special, 2 or general election, the aggregate expenditures for each election by a candidate who voluntarily agrees to limit campaign 3 4 expenditures, inclusive of all expenditures made or authorized 5 by the candidate alone, all treasurers, the candidate committee, and noncandidate committees on the candidate's behalf, shall not 6 exceed the following amounts expressed, respectively multiplied 7 by the number of voters in the last preceding general election 8 registered to vote in each respective voting district: 9 For the office of governor--[\$2.50;] \$3.00; 10 (1) (2) For the office of lieutenant governor--[\$1.40;] \$1.68; 11 For the office of mayor--[ $\frac{$2.00}{}$ ] \$2.40; 12 (3) For the offices of state senator, state 13 (4) representative, county council member, and prosecuting 14 attorney--[\$1.40;] \$1.68; and 15 16 For all other offices--[20] 24 cents." (5) 17 SECTION 3. Section 11-425, Hawaii Revised Statutes, is 18 amended to read as follows: 19 "\$11-425 Maximum amount of public funds available to 20 candidate. (a) The maximum amount of public funds available in 21 each election to a candidate for the office of governor,

1	lieutenant governor, [ex] state senator, state representative,
2	mayor, county council member, prosecuting attorney, or Hawaiian
3	affairs shall not exceed [ten] sixty-seven per cent of the
4	expenditure limit established in section 11-423(d) for each
5	election[-]; provided that the candidate shall not receive any
6	public funds that, when combined with the candidate's qualifying
7	contributions, are in excess of the expenditure fund.
8	[(b) The maximum amount of public funds available in each
9	election to a candidate for the office of state senator, state
10	representative, county council member, and prosecuting attorney
11	shall not exceed fifteen per cent of the expenditure limit
12	established in section 11 423(d) for each election.
13	(c) For the office of Hawaiian affairs, the maximum amount
14	of public funds available to a candidate shall not exceed \$1,500
15	in any election year.
16	(d) For all other offices, the maximum amount of public
17	funds available to a candidate shall not exceed \$100 in any
18	election year.
19	(e) [b] Each candidate who qualified for the maximum
20	amount of public funding in any primary election and who is a
21	candidate for a subsequent general election shall apply with the

1	commission to be qualified to receive the maximum amount of
2	public funds as provided in this section for the respective
3	general election.
4	(c) For purposes of this section, "qualified" means
5	meeting the qualifying campaign contribution requirements of
6	section 11-429."
7	SECTION 4. Section 11-429, Hawaii Revised Statutes, is
8	amended by amending subsection (b) to read as follows:
9	"(b) A candidate shall obtain the minimum qualifying
10	contribution amount set forth in subsection (a) once for the
11	election period.
12	(1) If the candidate obtains the minimum qualifying
13	contribution amount, the candidate is eligible to
14	receive:
15	(A) The minimum payment in an amount equal to the
16	minimum qualifying contribution amounts; and
17	(B) Payments of $[\$1]$ $\$2$ for each \$1 of qualifying
18	contributions in excess of the minimum qualifying
19	contribution amounts; and

1	(2) A candidate shall have at least one other qualified
2	candidate as an opponent for the primary or general
3	election to receive public funds for that election."
4	SECTION 5. There is appropriated out of the general
5	revenues of the State of Hawaii the sum of \$16,000,000 or so
6	much thereof as may be necessary for fiscal year 2025-2026 and
7	the same sum or so much thereof as may be necessary for fiscal
8	year 2026-2027 to be deposited into the Hawaii election campaign
9	fund.
10	The sums appropriated shall be expended by the campaign
11	spending commission for the purposes of this Act.
12	SECTION 6. This Act does not affect rights and duties that
13	matured, penalties that were incurred, and proceedings that were
14	begun before its effective date.
15	SECTION 7. Statutory material to be repealed is bracketed
16	and stricken. New statutory material is underscored.
17	SECTION 8. This Act shall take effect on July 1, 2025.
18	INTERDRICED BY:
	INTRODUCED BY:

#### Report Title:

Campaign Spending Commission Package; Partial Public Financing; Maximum Amount of Public Funds Available; Appropriations

#### Description:

Raises the cap on the maximum amount of matching funds available to candidates for the Hawaii Partial Public Financing Program. Increases the cap on the amount of expenditures a candidate can make in the Program. Increases the matching fund ratio from \$1 for each \$1 of qualifying contributions raised by a candidate to \$2 for each \$1 of qualifying contributions raised in excess of the minimum qualifying contributions that a candidate must raise to participate in the Program. Appropriates funds.

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