ACT 403

S.B. NO. 112

A Bill for an Act Relating to Campaign Contributions.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 11-204, Hawaii Revised Statutes, is amended to read as follows:

"§11-204 Campaign contributions; limits as to persons. (a) No person or any other entity shall make contributions to a candidate or <u>candidate's</u> committee in an aggregate amount greater than \$2,000 in any primary, special primary, special, or general election [in which the candidate or party participates].

(b) A candidate or the candidate's immediate family in making a contribution to the candidate's campaign shall be exempt from the above limitation, but shall

be limited in the aggregate to \$50,000 in any election year.

(c) A contribution by a dependent minor shall be reported in the name of the minor but shall be counted against the contribution of the minor's parent or guardian.

- (d) Any candidate or <u>candidate's</u> committee who knowingly receives in the aggregate more than \$2,000 in any primary, special primary, special, or general election from a person, shall be required to return any excess over \$2,000 to such person. If the contributor cannot be found, the excess over the contribution limit shall be deposited with the Hawaii election campaign fund. A candidate or <u>candidate's</u> committee who complies with the provisions of this subsection prior to the initiation of prosecution shall not be subject to any penalty under section 11-228.
- (e) All payments made by a person or [political action committee] whose contributions or expenditure activity is financed, maintained or controlled by any corporation, labor organization, association, political party or any other person or committee, including any parent, subsidiary, branch, division, department or local unit of the corporation, labor organization, association, political party or any other person, or by any group of such persons shall be considered to be made by a single person [or committee].
- (f) A contribution made by two or more corporations shall be treated as one person when such corporations:
 - (1) Share the majority of members of their boards of directors;
 - (2) Share two or more corporate officers;
 - (3) Are owned or controlled by the same majority shareholder or shareholders; or
 - (4) Are in a parent-subsidiary relationship.
- (g) An individual and any general partnership in which the individual is a partner, or an individual and any corporation in which the individual owns a controlling interest, shall be treated as one person.
- (h) No committee which supports or opposes a candidate for public office shall have as officers individuals who serve as officers on any other committee which supports or opposes the same candidate. No such committee shall act in concert with, or solicit or make contributions on behalf of, any other committee,"

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved June 17, 1988.)