A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

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

The legislature finds and declares that: SECTION 1. The pervasive and expanding influence of private (1)contributions and expenditures on public elections in the State of Hawaii undermines democracy and the rights of all Hawaii citizens to vote for the candidate of their choice and to enjoy equal and meaningful participation in the democratic process, rights that are quaranteed by the First and Fourteenth Amendments to the United States Constitution as well as sections 1, 2, 4, and 8 of article I of the state constitution; Candidates for statewide office who lack access to (2) personal wealth or wealthy donors are precluded from running a competitive campaign, because their voices are drowned out by those who can afford to saturate their constituents with television, radio, and other

expensive mass-media communications, the indispensable

1		instruments of effective political speech in the
2		modern age;
3	(3)	Over recent years, private contributions to statewide
4		campaigns and independent expenditures made to
5		influence statewide campaigns have increased greatly.
6		This dramatic influx of private money, coupled with
7		recent high-profile law enforcement investigations and
8		prosecutions of campaign finance abuses have
9		undermined the public's confidence in the political
10		process and fueled the public perception of corruption
11		in Hawaii state politics;
12	(4)	The dominance of private funding in state elections
13		also burdens candidates and elected officials with the
14		incessant rigors of fundraising and decreases the time
15		available to carry out their public responsibilities.
16		Further, private funding creates a danger of actual
17		corruption by compelling elected officials to accept
18		money from private interests that are directly
19		affected by governmental actions; and
20	(5)	The State's existing system of partial public funding
21		for campaigns has not created a viable alternative to
22		private sources of funding. Only nine per cent of

1	candidates statewide participated in the partial
2	public funding system in the 2004 election, in part,
3	because the available partial public funding is
4	insufficient to run a competitive campaign.
5	The State has compelling interests in preserving the
6	integrity of its democratic system, promoting an open and robust
7	debate on public issues, and protecting the constitutional
8	rights of its citizens. To serve these compelling interests,
9	the legislature finds and declares that it is essential to
10	provide comprehensive public funding to candidates seeking
11	election to the state house of representatives who voluntarily
12	agree to abide by campaign contribution and expenditure limits
13	and meet other criteria.
14	It is the purpose of this Act to create a comprehensive
15	public funding system that will offer a viable and competitive
16	alternative to private funding sources, thereby substantially
17	reducing or eliminating the deleterious effects of private
18	financing.
19	SECTION 2. Chapter 11, Hawaii Revised Statutes, is amended
20	by adding a new subpart C to part XII to read as follows:
21	"C. COMPREHENSIVE PUBLIC FUNDING FOR ELECTIONS
22	TO THE HOUSE OF REPRESENTATIVES

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§11-A Definitions. When used in this subpart, unless the
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    context clearly requires otherwise:
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         "Candidate" means an individual who seeks nomination for
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    election or seeks election to the state house of
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    representatives, and who meets the criteria of section 11-C.
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         "Candidate's committee" means a committee, as defined in
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    section 11-191, that makes an expenditure or accepts a
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    contribution on behalf of a candidate for nomination for
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    election, or reelection, to the state house of representatives,
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    with the candidate's authorization.
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         "Certification for comprehensive public funding" means the
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    decision by the commission that a candidate is certified to
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    receive public funding in accordance with this subpart.
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         "Certified candidate" or "comprehensive publicly funded
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    candidate" means a participating candidate who is certified by
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    the commission as eligible for comprehensive public funding
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    under this subpart and who agrees to abide by the requirements
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    of this subpart.
         "Commission" shall be as defined in section 11-191.
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         "Committee" shall be as defined in section 11-191.
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         "Contested election" means, in a primary election, the
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    certified candidate is opposed by one or more candidates for the
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- 1 nomination and, in a general election, the certified candidate
- 2 is opposed by one or more candidates for election to the office.
- 3 "Contribution" shall be as defined in section 11-191.
- 4 "Declaration of intent to seek comprehensive public
- 5 funding" means the form completed by a participating candidate
- 6 and the filing of which triggers the participating candidate's
- 7 ability to begin collecting qualifying contributions.
- 8 "District" means a state house of representatives district,
- 9 as established in accordance with article III, section 3, of the
- 10 Constitution of the State of Hawaii.
- "Election period" shall be as defined in section 11-191.
- 12 "Equalizing funds" means additional public funds released
- 13 by the commission to a comprehensive publicly funded candidate
- 14 to allow the publicly funded candidate to stay financially
- 15 competitive with a nonparticipating candidate in a contested
- 16 election.
- 17 "Excess expenditure" means the amount of comprehensive
- 18 public funds spent or obligated to be spent by a comprehensive
- 19 publicly funded candidate in excess of one hundred per cent of
- 20 the allocated funds for a primary election, general election, or
- 21 both.
- "Expenditure" shall be as defined in section 11-191.

"General election campaign period" means the period 1 beginning the day after the primary election and ending two 2 weeks after a general election. 3 "General election year" means the period commencing 4 January 1 of an even-numbered year in which a general election 5 is held and ending two weeks after the general election. 6 "Hawaii election campaign fund" shall be as defined in 7 section 11-217. 8 "Immediate family" shall be as defined in section 11-191. 9 "Independent expenditure" means an expenditure by a 10 noncandidate committee, party, or any other person for a 11 communication that expressly advocates the nomination, election, 12 or defeat of a clearly identified certified candidate or 13 nonparticipating candidate and that is not made in concert or 14 cooperation with or as part of any coordinated activity or at 15 the request or suggestion of the certified candidate or 16 nonparticipating candidate, a candidate's committee, or their 17 agents. For the purposes of this definition, "clearly 18 identified" means that the name, likeness, photograph, or 19 drawing of the certified candidate or nonparticipating candidate 20 is used, or the identity of the certified candidate or 21 nonparticipating candidate is apparent by unambiguous reference. 22

"Individual" shall be as defined in section 11-191. 1 "Loan" shall be as defined in section 11-191. 2 "Noncandidate committee" shall be as defined in section 3 4 11-191. "Nonmonetary contribution" means a contribution other than 5 of money that may include goods or services. 6 "Nonparticipating candidate" means a candidate who does not 7 qualify for or receive public funding during an election period 8 and is involved in a contested election with a certified 9 participating candidate. 10 "Participating candidate" means a candidate who is seeking 11 certification for comprehensive public funding under this 12 13 subpart. "Party" shall be as defined in section 11-191. 14 "Person" shall be as defined in section 11-191. 15 "Primary election campaign period" means the period in a 16 primary election year beginning with the certification for 17 comprehensive public funding under this subpart and ending two 18 weeks after the primary election. 19 "Public funding" or "public funds" means campaign funds 20

from the Hawaii election campaign fund received by an eligible

candidate pursuant to subpart B or this subpart.

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"Qualifying contribution" means a \$ monetary 1 contribution made to a participating candidate for purposes of 2 meeting the criteria of section 11-G. 3 "Qualifying period" means the period in a general election 4 year, beginning January 1 and ending on the deadline for filing 5 candidate nomination papers to run in the primary election of a 6 general election year during which a candidate may collect 7 qualifying campaign contributions to qualify for comprehensive 8 public funding under this subpart; provided the commission has 9 determined that the Hawaii election campaign fund has sufficient 10 funds to make payments to comprehensive publicly funded 11 candidates during the election period. 12 "Seed money" means contributions made to a participating 13 candidate by a person in accordance with section 11-D that shall 14 be expended for the purpose of determining campaign viability. 15 "Surplus campaign funds" means any campaign contributions 16 not spent during a prior election period by a participating 17 candidate who previously sought election as a privately funded 18 candidate. 19 Except for terms that are specifically defined in this 20 subpart, terms that are defined under subpart B shall apply to 21 this subpart. 22

1	§11-B Sufficiency of funding for comprehensive public
2	funding. On September 1 of each odd-numbered year before a
3	general election year, the commission shall determine whether
4	there is a minimum of \$ in the Hawaii election campaign
5	fund to certify participating candidates during the next
6	election and provide funding for comprehensive public funding
7	for elections under this subpart.
8	If the commission determines that there is sufficient
9	funding, then within five business days, the commission shall
10	publish notice statewide, pursuant to section 1-28.5, that the
11	comprehensive public funding program shall become effective on
12	January 1 of the following year. If there is insufficient
13	funding, then this subpart shall be inoperative.
14	If this subpart is inoperative, candidates may seek public
15	funding as provided under subpart B.
16	§11-C Qualifications for comprehensive public funding.
17	(a) A candidate may seek comprehensive public funding for the
18	primary election campaign period if the candidate:
19	(1) Resides in the district from which election is sought
20	as of the date of the filing of nomination papers for
21	the primary election in the general election year in
22	which the candidate seeks to be nominated or elected;

1	(2)	Is a registered voter in the district from which
2		election is sought;
3	(3)	Files a declaration of intent to seek comprehensive
4		public funding with the commission between January 1
5		of the election year and thirty days before the
6		closing date to file nomination papers to run for
7		office for which the candidate intends to seek
8		election;
9	(4)	Collects a \$ district qualifying contribution
10		in accordance with section 11-F;
11	(5)	Accepts only the following contributions prior to
12		applying for certification as a comprehensive publicly
13		funded candidate:
14		(A) Seed money contributions until the candidate
15		files a declaration of intent to seek
16		comprehensive public funding; and
17		(B) Qualifying contributions that may be accepted
18		only after filing the declaration of intent to
19		seek comprehensive public funding; and
20	(6)	Files an application for certification for
21		comprehensive public funding with the commission and a
22		declaration that the candidate has complied and will

1	comply with all of the requirements of this subpart,
2	as applicable.
3	(b) A candidate is qualified to seek comprehensive public
4	funding for the general election campaign period if the
5	candidate:
6	(1) Was certified as a comprehensive publicly funded
7	candidate during the primary election campaign period
8	immediately preceding the general election in which
9	the funds under this subpart are provided; and
10	(2) Received a sufficient number of votes to appear on the
11	ballot in the general election or is otherwise
12	certified by the office of elections to be placed on
13	the ballot in the general election.
14	§11-D Seed money contributions; limitations on use of seed
15	money; penalties. (a) The use of seed money shall be limited
16	to expenditures necessary to determine whether sufficient
17	support exists for a participating candidate to run for office
18	as a comprehensive publicly funded candidate.
19	(b) The amount of seed money retained or expended, or
20	both, by a candidate seeking eligibility for comprehensive
21	public funding for the state house of representatives shall not
22	exceed \$1,500.

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- A participating candidate shall not accept 1 contributions of seed money from any person whose contributions 2 are prohibited under subpart B. All contributors whose seed 3 money has been accepted shall be issued a receipt by the 4 participating candidate. 5 (d) A participating candidate may use personal funds or 6 surplus campaign funds for seed money purposes, all of which 7 shall be subject to the \$1,500 limit, as applicable, in 8 subsection (b). Contributions of seed money from any single 9 source shall not exceed \$100, including in-kind contributions. 10 Seed money shall only be spent prior to and during the 11 qualifying period and shall not be collected after the candidate 12 has filed the declaration to run. The candidate may spend seed 13
- (f) Any unspent seed money shall be deducted from the 16 initial primary election distribution of a participating 17

a comprehensive publicly funded candidate.

comprehensive publicly funded candidate if the candidate becomes 18 a certified comprehensive publicly funded candidate and does not

money only until the candidate is certified by the commission as

- donate excess seed money to the Hawaii election campaign fund. 20
- §11-E Restriction on use of surplus campaign funds. A 21
- comprehensive publicly funded candidate who has surplus campaign 22

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- 1 funds from a previous election is prohibited from using those
- 2 funds. The surplus campaign funds shall be frozen and
- 3 maintained in a separate depository account from that
- 4 established for the comprehensive public funds under section
- 5 11-N. The comprehensive publicly funded candidate shall
- 6 continue to file reports on the surplus campaign funds in
- 7 accordance with subpart B or as otherwise may be required by the
- 8 commission.
- 9 §11-F Qualifying campaign contributions. (a) Each
- 10 qualifying campaign contribution shall meet the requirements of
- 11 this section. To be counted as a qualifying campaign
- 12 contribution, a contributor to a candidate for the state house
- 13 of representatives shall be a registered voter who resides
- 14 within the state house of representative district to which the
- 15 candidate seeks nomination or election at the time the
- 16 contribution is given. A contribution shall be made in an
- 17 amount and in a form as may be prescribed by the commission.
- 18 (b) No qualifying contribution shall be collected prior to
- 19 a candidate filing a declaration of intent to seek comprehensive
- 20 public funding with the commission.
- 21 (c) Any receipt for a qualifying campaign contribution
- 22 shall be made in a form as may be prescribed by the commission.

- (d) All qualifying campaign contributions collected by
 candidates, whether or not the candidate is certified, shall be
 deposited into the Hawaii election campaign fund.
- 4 §11-G Certification of qualification for comprehensive
- 5 public funds. (a) Candidates seeking certification as a
- 6 comprehensive publicly funded candidate shall submit to the
- 7 commission an application for certification that contains at
- 8 least two hundred signatures and contributions for election to
- 9 office in the state house of representatives from registered
- 10 voters in the district for which the candidate seeks office no
- 11 later than thirty days prior to the primary election, signed by
- 12 the participating candidate and the participating candidate's
- 13 campaign treasurer under penalty of perjury.
- 14 (b) The application shall also include any information
- 15 deemed necessary and appropriate by the commission.
- 16 (c) The commission shall issue a decision to certify or
- 17 deny certification of a candidate as a comprehensive publicly
- 18 funded candidate within five business days following receipt of
- 19 the candidate's completed application for certification for
- 20 comprehensive public funds.
- 21 (d) After a participating candidate is certified as a
- 22 comprehensive publicly funded candidate, the candidate's

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2	election, even if the candidate is unopposed in the primary
3	election.
4	(e) A candidate who is not certified for comprehensive
5	public funding under this subpart may seek public funding under
6	the public funding program in subpart B.
7	§11-H Comprehensive publicly funded candidates;
8	contributions and expenditures; penalties. (a) Except as
9	authorized under section 11-K, a certified candidate shall
10	comply with the following restrictions on contributions and
11	expenditures.
12	(1) Upon certification for comprehensive public funding
13	and until the end of the general election period, a
14	comprehensive publicly funded candidate shall not
15	accept for use in the campaign:
16	(A) Contributions from any source; provided that the
17	candidate may accept in-kind contributions
18	aggregating less than \$ in any single
19	month from any single source;
20	(B) Loans from any person, including a certified
21	candidate;
22	(C) Contributions from political parties; and

certification shall apply to both the primary and the general

1		(D)	Any campaign material purchased or held from a
2			date prior to the declaration of intent to run
3			for office as a comprehensive publicly funded
4			candidate; and
5	(2)	Upon	certification for comprehensive public funding
6		and	until the end of the general election period, a
7		comp	rehensive publicly funded candidate shall not
8		expe	end for campaign purposes:
9		(A)	Any money except public funds issued by the
10			commission;
11		(B)	Public funds for purposes other than those
12			permitted in this subpart;
13		(C)	Public funds outside the applicable campaign
14			period for which the funding is allocated, except
15			for proper campaign debts incurred but not paid;
16			and
17		(D)	Public funds in excess of the comprehensive
18			public funds allocated to the candidate,
19			including equalizing funds, or incur an
20			obligation or obligations to spend public funds
21			in excess of this amount.

- 1 (b) A certified candidate who accepts contributions in
- 2 violation of this section shall be subject to a fine equal to
- 3 three times the public funding received, in addition to any
- 4 other action, fines, or prosecution under section 11-P.
- 5 (c) A certified candidate who spends or incurs an
- 6 obligation to spend more than one hundred per cent of the public
- 7 funds allocated to the candidate under this subpart shall repay
- 8 to the Hawaii election campaign fund an amount equal to three
- 9 times the excess expenditures.
- 10 §11-I Comprehensive publicly funded candidate; reporting.
- 11 (a) A comprehensive publicly funded candidate and the certified
- 12 candidate's committee shall furnish complete campaign records,
- 13 including all records of nonmonetary contributions, seed money
- 14 contributions, qualifying campaign contributions to the
- 15 commission, and expenditures. A candidate shall fully cooperate
- 16 with any audit or examination by the commission.
- 17 (b) A comprehensive publicly funded candidate shall comply
- 18 with the reporting requirements of sections 11-194, 11-195,
- 19 11-196, 11-212, 11-213, and 11-224 in addition to those required
- 20 under this subpart or that may be required by the commission.
- 21 (c) The commission shall require that all certified
- 22 candidates file the reports required under this subpart in a

- 1 digital, electronic format specified by rules adopted by the
- 2 commission under chapter 91.
- 3 §11-J Comprehensive publicly funded candidate; continuing
- 4 obligation. (a) A certified candidate shall comply with all
- 5 requirements under this subpart through the general election
- 6 campaign period regardless of whether the certified candidate
- 7 maintains eligibility for comprehensive public funding in the
- 8 general election campaign period.
- 9 (b) Except for seed money contributions and qualifying
- 10 contributions, a certified candidate who is elected to the
- 11 office sought shall not accept private contributions from any
- 12 person, political party, or political action committee until
- 13 either September 1 of the next odd-numbered year following the
- 14 general election in which the candidate was last elected or the
- 15 date when the commission determines there are insufficient funds
- 16 under section 11-B, whichever occurs earlier.
- 17 (c) If a certified candidate withdraws from seeking the
- 18 nomination for or from the election, or has unspent public funds
- 19 after an election, all unencumbered funds received by the
- 20 candidate under this subpart shall be returned to the Hawaii
- 21 election campaign fund within ten days after the general
- 22 election.

- 1 §11-K Amount of base public funding; disbursements;
- 2 sufficiency of public funding. (a) For primary elections
- 3 subject to this subpart, the base amount of comprehensive public
- 4 funding shall be set at an average of the amount spent by the
- 5 winning candidates in the previous two state house of
- 6 representatives primary elections, statewide, reduced by twenty
- 7 per cent.
- 8 (b) For general elections subject to this subpart, the
- 9 base amount of comprehensive public funding shall be set at an
- 10 average of the amount spent by the winning candidates in the
- 11 previous two state house of representatives general elections,
- 12 statewide, reduced by twenty per cent.
- 13 (c) The base amount of public funding for an uncontested
- 14 primary election shall be thirty per cent of the amount provided
- 15 in a contested election as determined under subsection (a). No
- 16 funding shall be allocated in an uncontested general election.
- 17 (d) The commission shall disburse public funds by check or
- 18 electronic transfer.
- (e) If the winning primary candidate has residual funds
- 20 from the primary election, those funds may be carried over to
- 21 the general election. A certified candidate who is not
- 22 successful in the primary election shall return all unspent and

- 1 unencumbered public funds to the Hawaii campaign election fund
- 2 within ten days after the primary election.
- 3 (f) The commission shall not distribute comprehensive
- 4 public funding to certified candidates that exceeds the total
- 5 amount of \$ for all candidates subject to this subpart
- 6 in any given election year in which this subpart is operative.
- 7 (g) Commencing January 1 of a general election year and
- 8 ending with the deadline to submit applications for
- 9 certification, the commission shall post on its website a
- 10 monthly report stating, by district, the number of declarations
- 11 of intent to seek comprehensive public funding received, the
- 12 number of applications for certification received, the number of
- 13 candidates who have been certified for comprehensive public
- 14 funding, the base amount committed to certified candidates, and
- 15 the amount available for additional certified candidates.
- Notwithstanding any other provisions in this subpart, if
- 17 the commission determines that the revenues are insufficient to
- 18 meet distributions to certified candidates under this section,
- 19 the commission shall either permit certified candidates to
- 20 accept and spend contributions, subject to the campaign
- 21 contribution limitations set forth in section 11-204, up to the

applicable amounts, including equalizing funds the certified 1 candidate would have received from comprehensive public funding. 2 3 §11-L Equalizing funds, sufficiency of funds. (a) The 4 commission shall disburse equalizing funds to a certified candidate in a contested election whenever any campaign report 5 filed pursuant to subpart B shows that the sum of an opposing 6 7 nonparticipating candidate and the nonparticipating candidate's 8 committee's expenditures or obligations, or campaign contributions received or borrowed, whichever is greater, added 9 to any independent expenditures made in support of that 10 nonparticipating candidate or against the opposing certified 11 candidate reported by any noncandidate's committee, party, or 12 any other person exceeds one hundred per cent of the amount of 13 comprehensive public funding previously allotted and distributed 14 to the opposing certified candidate in a contested election, 15 including any equalizing funds previously distributed. 16 equalizing funds shall constitute the amount necessary to 17 equalize the certified candidate's funds with the funds of the 18 nonparticipating candidate and the nonparticipating candidate's 19 committee's expenditures, obligations, or campaign contributions 20

received or borrowed, when added to any independent expenditures

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- 1 made in support of that nonparticipating candidate or against
- 2 the certified candidate reported to the commission.
- 3 (b) Equalizing funds shall be limited to two hundred per
- 4 cent of the base amount of comprehensive public funding allotted
- 5 to the certified candidate in a contested election.
- 6 (c) In an uncontested primary election where a
- 7 comprehensive publicly funded candidate has a private funding
- 8 opponent from another party or an independent who spends above
- 9 the base allotment, the certified candidate shall receive
- 10 equalizing funds limited to two hundred per cent of the base
- 11 amount allotted.
- (d) If the election will be decided in the primary
- 13 election, equalizing funds shall be limited to a maximum of
- 14 three hundred per cent of the base amount of comprehensive
- 15 public funding allotted to a certified candidate in a contested
- 16 election.
- 17 (e) The commission shall electronically transfer
- 18 equalizing funds to a certified candidate within twenty-four
- 19 hours of the filing with the commission of the report indicating
- 20 the certified candidate's entitlement to equalizing funds.
- 21 (f) Reporting obligations under this section for
- 22 nonparticipating candidates and their candidate's committees,

1	noncandidate	committees	narties	or	anv	other	persons	making
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- 2 independent expenditures shall be in addition to the reporting
- 3 requirements under this chapter whenever a certified candidate
- 4 is opposed in a contested election by a nonparticipating
- 5 candidate as follows:
- Commencing forty-five days before the primary election 6 (1)day, nonparticipating candidates and their candidate's 7 committees shall file an initial excess report with 8 the commission within twenty-four hours after 9 cumulative contributions received or expenditures are 10 made or committed to be made, including verbal 11 commitments, in an election period that exceeds one 12 hundred and one per cent of the base amount of 13 comprehensive public funding allotted to an opposing 14 certified candidate in a contested election. 15 Nonparticipating candidates and the candidate's 16 committees shall file supplemental excess reports 17 within twenty-four hours after any encumbrances or 18 in aggregate; and expenditures that exceed \$ 19 20
 - (2) Commencing forty-five days before the general election day, noncandidate committees, parties, and any other persons that incur independent expenditures that

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1		expressly advocate the nomination, election, or defeat
2		of a certified candidate shall file an independent
3		expenditure report with the commission within twenty-
4		four hours when expenditures exceed \$ in
5		aggregate in an election period. Thereafter,
6		noncandidate committees, parties, and any other
7		persons that incur independent expenditures, including
8		verbal expenditure commitments, shall file
9		supplemental independent expenditure reports within
10		twenty-four hours whenever the aggregate expenditures
11		exceed \$100. The independent expenditure reports
12		shall identify the nonparticipating candidate or
13		certified candidate for whom the independent
14		expenditure is intended to influence the nomination,
15		election, or defeat.
16	(g)	If a nonparticipating candidate and the candidate's
17	committee	fails to file or files a false excess report or
18	supplement	tal excess reports as required under subsection (f),
19	the commis	ssion, within twenty-four hours of verifying the
20	failure or	r falsity, shall automatically disburse equalizing
21	funds to a	any opposing certified candidate up to the maximum
22	authorized	d under subsections (b) and (c).

1	(h) Any nonparticipating candidate and the candidate's
2	committee, noncandidate committee, party, or any other person
3	that makes independent expenditures in a contested election
4	involving a certified candidate who fails to file a report as
5	required under this subpart or files a false report shall be:
6	(1) Guilty of a misdemeanor;
7	(2) Subject to a fine of up to three times the amount of
8	equalizing funds paid to the certified candidate; and
9	(3) Subject to any other fine or penalty pursuant to
10	sections 11-228 and 11-229.
11	(i) Upon certification of all comprehensive publicly
12	funded candidates, if the commission determines there are
13	insufficient funds to meet the potential need for equalizing
14	funds for all certified candidates, the commission shall permit
15	each certified candidate to accept and spend private
16	contributions, subject to the campaign contribution limitations
17	set forth in section 11-204, up to the equalizing funds the
18	certified candidate would have received from comprehensive
19	public funding.
20	(j) The commission shall adopt rules under chapter 91 to
21	compute the amount of equalizing funds allotted to a certified

candidate that takes into consideration the contributions and

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- 1 expenditures of the nonparticipating candidate and the
- 2 candidate's committee, and any independent expenditures incurred
- 3 to influence the nomination, election, or defeat of the
- 4 certified candidate. To prevent the abuse of equalizing funds,
- 5 the commission shall not base any calculation on independent
- 6 expenditures that, although containing words of express
- 7 advocacy, also contain other words or phrases that have no other
- 8 reasonable meaning other than to contradict the expressed
- 9 advocacy.
- 10 §11-M Comprehensive public funding; permitted uses. (a)
- 11 Comprehensive public funds shall be used only for the purpose of
- 12 defraying expenses that are directly related to the certified
- 13 candidate's campaign during the election campaign period for
- 14 which the comprehensive public funds are allocated.
- 15 (b) A candidate receiving funds under this subpart or the
- 16 candidate's campaign treasurer shall not transfer any portion of
- 17 the funds provided under this subpart to any other candidate for
- 18 another campaign.
- 19 §11-N Deposit of and access to comprehensive public funds.
- 20 (a) All public funds received by a certified candidate shall be
- 21 deposited directly into a depository institution as provided

- 1 under section 11-199(a) and accessed through use of credit
- 2 cards, debit cards, and bank checks.
- 3 (b) All reports required under subpart B and this subpart
- 4 for financial disclosure shall include the most recent bank
- 5 statement from the financial depository holding the public
- 6 funds.
- 7 §11-0 Deposit of money into the Hawaii election campaign
- 8 fund. In addition to the funds collected by the commission and
- 9 pursuant to section 11-217, the following moneys shall be
- 10 deposited into the Hawaii election campaign fund:
- 11 (1) Appropriations from the legislature;
- 12 (2) Moneys from tax remittances under section 237-31(3);
- 13 (3) Excess seed money contributions;
- 14 (4) Qualifying contributions, including any excess
- qualifying contributions of certified candidates;
- 16 (5) Unspent public funds distributed to any certified
- 17 candidate;
- 18 (6) Fines levied by the commission for violation of this
- 19 subpart; and
- **20** (7) Voluntary donations.

1	§11-P Violations; penalties. Any candidate who knowingly
2	seeks or receives public funding in order to fraudulently
3	qualify for or receive public funding shall:
4	(1) Have the candidate's certification for comprehensive
5	public funding revoked. Upon revocation of
6	certification, the certified candidate shall repay al
7	public funds received within ten business days; and
8	(2) Be subject to fines and penalties as specifically
9	provided in this subpart and other fines or penalties
10	pursuant to sections 11-228 and 11-229.
11	§11-Q Rules. The commission shall adopt forms and rules
12	pursuant to chapter 91 as may be necessary to implement this
13	subpart, including reporting requirements of section 11-L and
14	any restrictions on petty cash expenditures by the certified
15	candidate."
16	SECTION 3. Section 11-191, Hawaii Revised Statutes, is
17	amended by amending the definition of "qualifying campaign
18	contribution" to read as follows:
19	""Qualifying campaign contribution" means an aggregate
20	monetary contribution of \$100 or less, by any person during any
21	matching payment period[-] for purposes of entitlement to
22	payments under the partial public funding program pursuant to

section 11-221. Qualifying campaign contributions do not 1 include loans or in-kind contributions." 2 SECTION 4. Section 11-217, Hawaii Revised Statutes, is 3 amended to read as follows: 4 "\$11-217 Hawaii election campaign fund; creation. (a) 5 The Hawaii election campaign fund is created as a trust fund 6 within the state treasury. The fund shall consist of [all]: 7 (1) All moneys collected from persons who have designated 8 a portion of their income tax liability to the fund as 9 provided in section 235-102.5[, any]; 10 Any general fund revenues appropriated[, as well as (2) 11 12 all]; Moneys from tax remittances under section 237-31(3); 13 (3) 14 and All other moneys collected pursuant to this subpart. (4)15 Payment to each candidate from the fund shall be by 16 (b) the comptroller in the manner prescribed in section 11-222[-] or 17 section 11-K, as appropriate. 18 (c) Moneys from this fund may also be used for the 19 operating expenses of the commission, including staff salaries 20 21 and fringe benefits."

SECTION 5. Section 11-217.5, Hawaii Revised Statutes, is 1 amended to read as follows: 2 "§11-217.5 Depletion of fund. (a) The Hawaii election 3 campaign fund shall be under no obligation to provide moneys to 4 [qualified] eligible candidates in the partial public funding 5 program or comprehensive public funding for elections to the 6 state house of representatives in the event that moneys in that 7 fund have been depleted. 8 [In the event that] For purposes of the partial 9 funding program, if the Hawaii election campaign fund is close 10 to depletion, as determined by the commission, the commission 11 shall determine the amounts available to [qualified] eligible 12 candidates based on their order of eligibility in qualifying for 13 partial public funds, as determined by the date of filing of an 14 application for public funds with the commission pursuant to 15 section 11-222; provided that the application has been accepted 16 by the commission. 17 (c) For purposes of the comprehensive public funding for 18 elections to the state house of representatives, if the Hawaii 19 election campaign fund is close to depletion, the commission 20 shall determine whether that program shall be operative in 21 accordance with subpart C." 22

SECTION 6. Section 11-218, Hawaii Revised Statutes, is 1 amended to read as follows: 2 "\$11-218 [Candidate funding; amounts available.] Partial 3 public funding program; maximum allowed. (a) Public funds from 4 the Hawaii election campaign fund are available to fund eligible 5 candidates who qualify for the partial public funding program in 6 7 the amounts set forth in this section. [(a)] (b) For the office of governor, lieutenant governor, 8 or mayor, the maximum amount of partial public funds available 9 to a candidate in any election shall not exceed ten per cent of 10 the total expenditure limit as determined under section 11-209 11 for each election for each office listed in this subsection. 12 [(b)] (c) For the office of state senator, state 13 representative, county council member, and prosecuting attorney, 14 the maximum amount of partial public funds available to a 15 candidate in any election shall be fifteen per cent of the total 16 expenditure limit as determined under section 11-209 for each 17 election for each office listed in this subsection. 18 [-(c)] (d) For the office of Hawaiian affairs, the maximum 19 amount of partial public funds available to a candidate shall 20 not exceed \$1,500 in any election year. 21

 $[\frac{d}{d}]$ (e) For the board of education and all other 1 offices, the maximum amount of partial public funds available to 2 a candidate shall not exceed \$100 in any election year. 3 [(e)] (f) Each candidate who qualified for the maximum 4 amount of partial public funding in any primary election and who 5 is a candidate for a subsequent general election shall apply 6 with the commission to be qualified to receive the maximum 7 amount of public funds as provided in this section for the 8 respective election. For purposes of this section, "qualified" 9 means meeting the qualifying campaign contribution requirements 10 of section 11-219." 11 SECTION 7. Section 11-219, Hawaii Revised Statutes, is 12 amended to read as follows: 13 "§11-219 Qualifying campaign [+] for partial public 14 funding program; amounts. As a condition of receiving partial 15 public funds for a primary or general election, a candidate 16 shall not be unopposed in any election for which partial public 17 funds are sought, shall have filed an affidavit with the 18 commission pursuant to section 11-208 to voluntarily limit the 19 candidate's campaign expenditures, and shall be in receipt of 20 the following sum of qualifying campaign contributions from 21 individual residents of Hawaii: 22

1	(1)	For the office of governorqualifying <ampaign< th=""></ampaign<>
2		contributions that in the aggregate, exceed \$100,000;
3	(2)	For the office of lieutenant governorqualifying
4		<pre>campaign contributions that in the aggregate, exceed</pre>
5		\$50,000;
6	(3)	For the office of mayor for each respective county:
7		(A) County of Honoluluqualifying campaign
8		contributions that in the aggregate, exceed
9		\$50,000;
10		(B) County of Hawaiiqualifying campaign
11		contributions that in the aggregate, exceed
12		\$15,000;
13		(C) County of Mauiqualifying campaign contributions
14		that in the aggregate, exceed \$10,000; and
15		(D) County of Kauaiqualifying campaign
16		contributions that in the aggregate, exceed
17		\$5,000; and
18	(4)	For the office of prosecuting attorney for each
19		respective county:
20		(A) County of Honoluluqualifying campaign
21		contributions that in the aggregate, exceed
22		\$30,000;

1		(B)	County of Hawaiiqualifying campaign
2			contributions that in the aggregate, exceed
3	.		\$10,000; and
4		(C)	County of Kauaiqualifying campaign
5			contributions that in the aggregate, exceed
6			\$5,000;
7	(5)	For	the office of county council for each respective
8		coun	ty:
9		(A)	County of Honoluluqualifying campaign
10			contributions that in the aggregate, exceed
11			\$5,000;
12		(B)	County of Hawaiiqualifying campaign
13			contributions that in the aggregate, exceed
14			\$1,500;
15		(C)	County of Mauiqualifying campaign contributions
16			that in the aggregate, exceed \$5,000; and
17		(D)	County of Kauaiqualifying campaign
18			contributions that in the aggregate, exceed
19			\$3,000;
20	(6)	For	the office of state senatorqualifying campaign
21		cont	ributions that, in the aggregate, exceed \$2,500;

1	(7) For the office of state representativequalifying				
2	campaign contributions that, in the aggregate, exceed				
3	\$1,500;				
4	(8) For the office of Hawaiian affairsqualifying				
5	campaign contributions that, in the aggregate, exceed				
6	\$1,500; and				
7	(9) For all other offices, qualifying campaign				
8	contributions that, in the aggregate, exceed \$500."				
9	SECTION 8. Section 11-220, Hawaii Revised Statutes, is				
10	amended to read as follows:				
11	"§11-220 Eligibility for payments[\div] under the partial				
12	public funding program. (a) To be eligible to receive				
13	[payments under section 11-217, partial public funding from the				
14	Hawaii election campaign fund under section 11-221, a candidate				
15	shall in writing:				
16	(1) Agree to obtain and furnish to the commission any				
17	evidence of the campaign expenses of [such] the				
18	candidate [which] that the commission may request;				
19	(2) Agree to keep and furnish records, books, and other				
20	information [which] that the commission may request;				
21	and				

1	(3)	Agree to an audit and examination by the commission				
2		under section 11-225 and to pay any amounts required				
3		to be paid pursuant to that section.				
4	(b)	To be eligible to receive [payments pursuant to				
5	section 1	1-217, partial public funding from the Hawaii election				
6	campaign	fund in accordance with section 11-221, a candidate				
7	shall certify to the commission that:					
8	(1)	The candidate and all committees authorized by the				
9		candidate shall not incur campaign expenses in excess				
10		of the expenditure limitations imposed by section 11-				
11		209;				
12	(2)	The candidate has qualified to be on the election				
13		ballot in a primary or general election;				
14	(3)	The candidate has filed a statement of intent to seek				
15		qualifying campaign contributions. A contribution				
16		received before the filing of a statement of intent to				
17		seek partial public funds shall not be considered a				
18		qualifying campaign contribution;				
19	(4)	The candidate or committee authorized by the candidate				
20		has received the qualifying sum of private				
21		contributions for the office sought by the candidate				
22		as set forth in section 11-219; and				

1 1	(5) The aggregate of contributions certified with respect				
2	to any person under paragraph (4) does not exceed				
3	\$100.				
4	(c) Each candidate and candidate's committee in receipt of				
5	qualifying campaign contributions [which] that may be taken into				
6	account for purposes of partial public funding shall maintain,				
7	on a form prescribed by the commission, records [which] that				
8	show the date and amount of each qualifying campaign				
9	contribution and the full name and mailing address of the person				
10	making the contribution. The candidate and all committees				
11	authorized by the candidate shall transmit to the commission al				
12	reports with respect to these contributions that the commission				
13	may require.				
14	(d) No candidate certified for comprehensive public				
15	funding under subpart C shall be eligible for partial public				
16	funding under this subpart in a given election period."				
17	SECTION 9. Section 11-221, Hawaii Revised Statutes, is				
18	amended to read as follows:				
19	"§11-221 Entitlement to [payments.] partial public				
20	funding. (a) A candidate shall obtain the minimum amount of				
21	qualifying campaign contributions set forth in section 11-219,				
22	once for the election period. After the candidate obtains the				

minimum amount of qualifying campaign contributions, the 1 candidate shall be entitled to receive for each election that 2 the candidate's name appears on the ballot: 3 The minimum payment in an amount equal to the 4 (1)qualifying campaign contributions; and 5 Payments of \$1 for each \$1 of qualifying contributions (2)6 in excess of the minimum amount of qualifying 7 8 contributions; provided that the candidate shall not receive more than the 9 maximum amount of partial public funds available to a candidate 10 pursuant to section 11-218; provided further that the candidate 11 shall not receive partial public funds for a primary election if 12 the candidate does not obtain the minimum amount of qualifying 13 contributions before the date of the primary election. 14 (b) A candidate shall have at least one other qualified 15 candidate as an opponent for the primary or general election to 16 receive partial public funds for that election." 17 SECTION 10. Section 11-222, Hawaii Revised Statutes, is 18 amended to read as follows: 19 "S11-222 Candidate funding; application[-] for partial 20 public funds. (a) Application forms for partial public funds 21 shall be adopted by the commission and shall provide for a sworn

22

- 1 statement by the candidate that the candidate has established
- 2 eligibility under section 11-220 to receive payments under
- 3 section 11-217. Each application shall be accompanied by a
- 4 qualifying campaign contribution statement or statements, and
- 5 shall be filed with the commission no later than thirty days
- 6 after the general election. Upon approval by the commission of
- 7 the application and qualifying contribution statement, the
- 8 commission shall direct the comptroller to distribute [matching]
- 9 partial public funds up to the maximum of the amount of partial
- 10 public funds to which the candidate is entitled.
- 11 [Public] Partial public funds shall be distributed by the
- 12 comptroller to each eligible candidate within twenty days from
- 13 the date of the candidate's initial application with the
- 14 commission.
- (b) Each candidate in receipt of the qualifying sum of
- 16 campaign contributions established for the candidate's office
- 17 may apply to the commission for partial public funding after the
- 18 candidate has become a candidate in a primary or general
- 19 election.
- 20 (c) The commission shall make additional certifications
- 21 within two weeks after receiving an application and supplemental

- 1 contribution statement from an eligible candidate who requests
- 2 additional partial public funding pursuant to section 11-221.
- 3 (d) Initial certification by the commission under
- 4 subsection (a) and all determinations made by the commission
- 5 under this section are final and conclusive, except to the
- 6 extent they are subject to examination and audit by the
- 7 commission under section 11-225."
- 8 SECTION 11. Section 11-223, Hawaii Revised Statutes, is
- 9 amended to read as follows:
- 10 "S11-223 Candidate funding; restrictions. (a) Each
- 11 candidate who accepts partial public campaign funds under this
- 12 subpart shall be required to abide by the campaign spending
- 13 limits for the candidate's respective office as set forth in
- 14 section 11-209. Any candidate who exceeds the spending limits
- 15 for the candidate's respective office as set forth in section
- 16 11-209 shall immediately return all of the partial public
- 17 campaign funds the candidate has received to the Hawaii election
- 18 campaign fund.
- (b) [Public] Partial public campaign funds provided under
- 20 this subpart shall only be used to:

10

H.B. NO. 3247

1	(1)	Defray campaign expenses incurred by and paid for an
2		eligible candidate or all committees authorized by
3		[such] the candidate; and

- 4 (2) Repay loans, the proceeds of which were used to defray campaign expenses.
- 6 (c) No candidate or committee authorized by a candidate
 7 shall be entitled to receive any <u>partial</u> public funds under this
 8 subpart unless the candidate has qualified to have the
 9 candidate's name on the election ballot in the election for
- 11 (d) In no event shall any candidate or campaign treasurer

 12 in receipt of <u>partial</u> public campaign funds transfer any portion

 13 of [<u>such</u>] <u>those</u> funds to another candidate for any primary,

 14 special primary, special, or general election campaign.
- (e) All partial public funds received under this subpart

 shall be deposited in a financial institution designated to do

 business in the State. No expenditures of any partial public

 funds received under this subpart shall be made except by checks

 drawn on such checking account. The commission may require such

 reports relating to the expenditure of [such] partial public

 funds as it considers appropriate.

which funds are sought.

Each candidate, on the deadline for filing of a final 1 report for any primary or general election, shall return all 2 unexpended partial public funds to the Hawaii election campaign 3 fund." 4 SECTION 12. Section 11-224, Hawaii Revised Statutes, is 5 amended to read as follows: 6 "§11-224 Public funds; report required; return of funds. 7 The campaign treasurer of [the] any candidate who receives 8 public funds under either the partial public funding program or 9 the comprehensive public funding for elections to the state 10 house of representatives shall produce evidence to the 11 commission no later than twenty days after a primary election 12 and no later than thirty days after a general election that all 13 public funds paid to the candidate have been used as required by 14 15 this subpart. Should the commission determine that any part of the 16 partial public funds have been used for noncampaign or improper 17 expenses, it shall report [such] its finding to the attorney 18 general and shall order the candidate to return all or part of 19 the funds paid to that candidate for a primary or general 20 election. When partial public funds are returned, [they] the 21 funds shall be deposited in the Hawaii election campaign fund." 22

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SECTION 13. Section 11-225, Hawaii Revised Statutes, is
1
    amended as follows:
2
         1. By amending its title and subsection (a) to read:
3
         "S11-225 Public funds; examination and audit; payments[-];
4
    penalties. (a) Within sixty days after each general election,
5
    the commission shall conduct an examination and audit of all
6
    public funds received by [the] any candidate [and of] who
7
    received public funds under either the partial public funding
8
    program or the comprehensive public funding for elections to the
9
    state house of representatives, including the campaign
10
    contributions used for purposes of qualifying for public funding
11
    under [this subpart] subparts B and C, and the campaign expenses
12
    incurred by all candidates who received [payments] public
13
    funding pursuant to [section 11-217.] subparts B and C."
14
         2. By amending subsections (c), (d), (e), and (f) to read:
15
         "(c) Should the commission determine that any payment of
16
    partial public funds made to an eligible candidate pursuant to
17
    section 11-221 was in excess of the aggregate amount of payments
18
    to which [such] the candidate was entitled, the commission shall
19
    notify [such] the candidate and [such] the candidate shall pay
20
    to the Hawaii election campaign fund a sum equal to the amount
21
22
    of excess payment.
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- 1 (d) If the commission determines that any amount of any
- 2 partial public funds made to a candidate under section 11-217
- 3 was used for any improper purpose, the commission shall so
- 4 notify the candidate, and the candidate shall pay to the fund an
- 5 amount equal to three hundred per cent of such amount.
- 6 (e) Any candidate who has received partial public funds
- 7 under section 11-217 and who is convicted of violating any
- 8 provision of this subpart shall, upon notification by the
- 9 commission, pay to the Hawaii election campaign fund the full
- 10 amount of public funds received by [such] the candidate.
- 11 (f) No notification shall be made by the commission under
- 12 subsection (c) with respect to the payment of excess partial
- 13 public funds more than two years after the payment of such
- 14 funds."
- 15 SECTION 14. Section 11-228, Hawaii Revised Statutes, is
- 16 amended as follows:
- 1. By amending subsection (a) to read:
- 18 "(a) In the performance of its required duties, the
- 19 commission may render a decision or issue an order affecting any
- 20 person violating [any provision of this] subpart B or C, or
- 21 section 281-22 that shall provide for the assessment of an
- 22 administrative fine in the manner prescribed as follows:

1	(1)	If a natural person, an amount not to exceed \$1,000
2		for each occurrence or an amount equivalent to three
3		times the amount of an unlawful contribution or
4		expenditure, whichever is greater; or
5	(2)	If a corporation, organization, association, or labor
6		union, it shall be punished by a fine not exceeding
7		\$1,000 for each occurrence; and
8	(3)	Whenever a corporation, organization, association, or
9		labor union violates [this subpart,] subpart B or C,
10		the violation shall be deemed to be also that of the
11		individual directors, officers, or agents of the
12		corporation, organization, association, or labor
13		union, who have knowingly authorized, ordered, or done
14		any of the acts constituting the violation."
15	2.	By amending subsection (e) to read:
16	"(e)	Any person or the commission may sue for injunctive
17	relief to	compel compliance with [this subpart.] subparts B and
18	<u>C.</u> "	
19	SECT	ION 15. Section 11-229, Hawaii Revised Statutes, is
20	amended a	s follows:
21	1.	By amending subsections (a) and (b) to read:

1	"(a) Any person who knowingly, intentionally, or
2	recklessly violates [any provision of this] subpart B or C shall
3	be guilty of a misdemeanor. Any person who knowingly or
4	intentionally falsifies any report required by this subpart with
5	the intent to circumvent the law or deceive the commission or
6	who violates section 11-201 or 11-202 shall be guilty of a class
7	C felony. A person charged with a class C felony shall not be
8	eligible for a deferred acceptance of guilty plea or nolo
9	contendere plea under chapter 853. A person who is convicted
10	under this section shall be disqualified from holding elective
11	public office for a period of four years from the date of
12	conviction.
13	(b) For purposes of prosecution for violation of [this
14	subpart, subpart B or C, the offices of the attorney general
15	and the prosecuting attorney of the respective counties shall be
16	deemed to have concurrent jurisdiction to be exercised as
17	follows:
18	(1) Prosecution shall commence with a written request from
19	the commission or upon the issuance of an order of the
20	court; provided that prosecution may commence prior to
21	any proceeding initiated by the commission or final
22	determination;

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In the case of state offices, parties, or issues, the
         (2)
 1
              attorney general or the prosecuting attorney for the
 2
              city and county of Honolulu shall prosecute any
3
 4
              violation; and
              In the case of all other offices, parties, or issues,
5
         (3)
              the attorney general or the prosecuting attorney for
6
              the respective county shall prosecute any violation.
 7
         In the commission's choice of prosecuting agency, it shall
8
    be guided by whether there will be any conflicting interest
9
    between the agency and its appointive authority."
10
         2. By amending subsection (d) to read:
11
         "(d) Prosecution for violation of [any provision of this]
12
    subpart B or C shall not be commenced after five years have
13
    elapsed from the date of the violation or date of filing of the
14
    report covering the period in which the violation occurred,
15
    whichever is later."
16
         SECTION 16. Section 237-31, Hawaii Revised Statutes, is
17
    amended to read as follows:
18
         "$237-31 Remittances. All remittances of taxes imposed by
19
    this chapter shall be made by money, bank draft, check,
20
    cashier's check, money order, or certificate of deposit to the
21
    office of the department of taxation to which the return was
22
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1	transmitted.	The	department	shall	issue	its	receipts	therefor
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- 2 to the taxpayer and shall pay the moneys into the state treasury
- 3 as a state realization, to be kept and accounted for as provided
- 4 by law; provided that:
- 5 (1) The sum from all general excise tax revenues realized
- 6 by the State that represents the difference between
- 7 \$45,000,000 and the proceeds from the sale of any
- 8 general obligation bonds authorized for that fiscal
- year for the purposes of the state educational
- 10 facilities improvement special fund shall be deposited
- in the state treasury in each fiscal year to the
- credit of the state educational facilities improvement
- 13 special fund;
- 14 (2) A sum, not to exceed \$5,000,000, from all general
- excise tax revenues realized by the State shall be
- deposited in the state treasury in each fiscal year to
- the credit of the compound interest bond reserve fund;
- 18 [and]
- 19 (3) A sum, not to exceed \$2,000,000, from all general
- 20 excise tax revenues realized by the State shall be
- deposited in the state treasury in each fiscal year to
- the credit of the Hawaii election campaign fund; and

1	$\left[\frac{(3)}{(4)}\right]$ A sum, not to exceed the amount necessary to meet
2	the obligations of the integrated tax information
3	management systems performance-based contract may be
4	retained and deposited in the state treasury to the
5	credit of the integrated tax information management
6	systems special fund. The sum retained by the
7	director of taxation for deposit to the integrated tax
8	information management systems special fund for each
9	fiscal year shall be limited to amounts appropriated
10	by the legislature. This paragraph shall be repealed
11	on July 1, 2005."
12	SECTION 17. There is appropriated out of the Hawaii
13	election campaign fund the sum of \$200,000, or so much thereof
14	as may be necessary for fiscal year 2006-2007, for the campaign
15	spending commission to provide three additional staff positions
16	and other assistance to support comprehensive publicly funded
17	elections for the state house of representatives as follows:
18	(1) Two staff positions for computer analysis of campaign
19	contributions for auditing and monitoring and the
20	creation of an online digital filing system for
21	campaign spending reports for all candidates running
22	for state house of representatives;

1	(2) One staff position to administer the comprehensive				
2	public funding program; and				
3	(3) Funding for the office of elections, or its designate,				
4	to verify the qualifying contributions from registered				
5	voters in a candidate's district.				
6	The sum appropriated shall be expended by the department of				
7	accounting and general services for the purposes of this Act.				
8	SECTION 18. The campaign spending commission shall create				
9	and publish all forms and receipts required as well as a				
10	candidates' guide to the comprehensive public funding program				
11	that shall include an explanation of rules and procedures				
12	applicable to candidates. In addition to the reports required				
13	by section 11-210, Hawaii Revised Statutes, the campaign				
14	spending commission shall establish and provide administrative				
15	and staff support to an independent, nonpartisan review				
16	committee to undertake a substantive review of the functioning				
17	of the comprehensive public funding program established under				
18	this Act following each election in which the comprehensive				
19	public funding option is used. The review committee shall				
20	report to the legislature no later than twenty days prior to the				
21	convening of the next regular session following each election				
22	when the comprehensive public funding option is made available:				

1	(1)	suggested amendments to this Act that may address the
2		need to improve equalizing public funding to match
3		independent expenditures and any excess expenditures
4		of publicly funded and nonparticipating candidates;
5	(2)	Suggested amendments to this Act that will extend
6		publicly funded campaigns to other state and county
7		elections;
8	(3)	A summary and evaluation of the commission's
9		activities and recommendations to enhance the
10		effective and timely administration and enforcement of
11		this Act; and
12	(4)	An examination of mechanisms for increasing revenues
13		of the Hawaii election campaign fund, including
14		methods used in other states.
15	The I	legislative reference bureau shall assist the campaign
16	spending o	commission in drafting any proposed amendments to this
17	Act.	
18	SECT	ION 19. In codifying the new sections added by section
19	2 of this	Act, the revisor of statutes shall substitute
20	appropriat	te section numbers for the letters used in designating
21	the new se	ections in this Act.

- 1 SECTION 20. If any provision of this Act, or the
- 2 application thereof to any person or circumstance is held
- 3 invalid, the invalidity does not affect other provisions or
- 4 applications of the Act which can be given effect without the
- 5 invalid provision or application, and to this end the provisions
- 6 of this Act are severable.
- 7 SECTION 21. Statutory material to be repealed is bracketed
- 8 and stricken. New statutory material is underscored.
- 9 SECTION 22. This Act shall take effect on July 1, 2006.

10

INTRODUCED BY:

JAN 2 5 2006

Report Title:

Campaign Financing; Comprehensive Public Funding

Description:

Establishes a comprehensive public financing program for qualified candidates seeking election to the state house of representatives who voluntarily agree to abide by campaign contribution and expenditure limits and other criteria.