A BILL FOR AN ACT

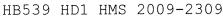
RELATING TO CAMPAIGN CONTRIBUTIONS.

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

1	SECTION 1	. Section 11-204, Hawaii Revised Statutes, is	
2	amended to read as follows:		
3	"§11-20 4	Campaign contributions; limits as to persons.	
4	(a) (1) No p	erson, including a company or any other entity	
5	shal	l make contributions to:	
6	(A)	A candidate seeking nomination or election to a	
7		two-year office or to the candidate's committee	
8		in an aggregate amount greater than \$2,000 during	
9		an election period;	
10	(B)	A candidate seeking nomination or election to a	
11		four-year statewide office or to the candidate's	
12		committee in an aggregate amount greater than	
13		\$6,000 during an election period; and	
14	(C)	A candidate seeking nomination or election to a	
15		four-year nonstatewide office or to the	
16		candidate's committee in an aggregate amount	
17		greater than \$4,000 during an election period.	

1		These limits shall not apply to a loan made to a	
2		candidate by a financial institution in the ordinary	
3		course of business;	
4	(2)	For purposes of this section, the length of term of an	
5		office shall be the usual length of term of the office	
6		as unaffected by reapportionment, a special election	
7		to fill a vacancy, or any other factor causing the	
8		term of the office the candidate is seeking to be less	
9		than the usual length of term of that office.	
10	(b) <u>(1)</u>	[No person or any other entity shall make	
11		contributions to a noncandidate committee, in an	
12		aggregate amount greater than \$1,000 in an election.	
13		A company may contribute an unlimited amount from its	
14		treasury into a noncandidate committee that is	
15		established by the company;	
16	(2)	A company shall make all contributions to candidates	
17		or candidate's committees in accordance with paragraph	
18		(a) (1).	
19	(C)	A candidate's immediate family, in making	
20	contributions to the candidate's campaign, shall be exempt from		
21	the above limitation, but shall be limited in the aggregate to		
22	\$50,000 in any election period. The aggregate amount of \$50,000		
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- 1 shall include any loans made for campaign purposes to the
- 2 candidate from the candidate's immediate family.
- 3 (d) A contribution by a dependent minor shall be reported
- 4 in the name of the minor but shall be counted against the
- 5 contribution of the minor's parent or guardian.
- 6 (e) Any candidate, candidate's committee, or committee
- 7 that receives in the aggregate more than the applicable limits
- 8 set forth in this section in any primary, initial special,
- 9 special, or general election from a person, shall be required to
- 10 return any excess contribution to the original donor within
- 11 thirty days of receipt of the excess contribution. Any excess
- 12 contribution not returned to the original donor within thirty
- 13 days shall escheat to the Hawaii election campaign fund. A
- 14 candidate, candidate's committee, or committee who complies with
- 15 this subsection prior to the initiation of prosecution shall not
- 16 be subject to any penalty under section 11-228.
- 17 (f) All payments made by a person or political party whose
- 18 contributions or expenditure activity is financed, maintained,
- 19 or controlled by any corporation, labor organization,
- 20 association, political party, or any other person or committee,
- 21 including any parent, subsidiary, branch, division, department,
- 22 or local unit of the corporation, labor organization,





- 1 association, political party, political committees established
- 2 and maintained by a national political party, or any other
- 3 person, or by any group of those persons shall be considered to
- 4 be made by a single person or political party.
- 5 (g) An individual and any general partnership in which the
- 6 individual is a partner shall be treated as one person.
- 7 (h) No committee that supports or opposes a candidate for
- 8 public office shall have as officers individuals who serve as
- 9 officers on any other committee which supports or opposes the
- 10 same candidate. No such committee shall act in concert with, or
- 11 solicit or make contributions on behalf of, any other committee.
- 12 (i) No contributions or expenditures shall be made to or
- 13 on behalf of a candidate or committee by a foreign national or
- 14 foreign corporation, including a domestic subsidiary of a
- 15 foreign corporation, a domestic corporation that is owned by a
- 16 foreign national, or a local subsidiary where administrative
- 17 control is retained by the foreign corporation, and in the same
- 18 manner prohibited under 2 United States Code [section] Section
- 19 441e and 11 Code of Federal Regulations 110.20, as amended. No
- 20 foreign-owned domestic corporation shall make contributions
- 21 where:

1	(1)	Foreign national individuals participate in election-	
2		related activities such as decisions concerning the	
3		making of contributions or the administration of a	
4		political committee; or	
5	(2)	The contribution funds are not domestically-derived.	
6	(j)	No person or any other entity other than political	
7	committees established and maintained by a national political		
8	party shall make contributions to a political party in an		
9	aggregate	amount greater than \$25,000 in any two-year election	
10	period.	No political committee established and maintained by a	
11	national	political party, shall make contributions to a	
12	political	party in an aggregate amount greater than \$50,000 in	
13	any two-year election period. A company's noncandidate		
14	committee	may make a contribution to a political party in	
15	accordance with the same conditions and restrictions as		
16	applicable to a "person."		
17	<u>(k)</u>	For the purpose of this section, "company" means a	
18	corporati	on, partnership, limited liability company, limited	
19	liability partnership, financial institution, or any other		
20	entity engaged in business.		

- 1 $\left[\frac{k}{k}\right]$ (1) The contribution limits under this section shall
- 2 apply for the office sought by the candidate. This section
- 3 shall not apply to ballot issue committees."
- 4 SECTION 2. Statutory material to be repealed is bracketed
- 5 and stricken. New statutory material is underscored.
- 6 SECTION 3. This Act shall take effect upon its approval.

Report Title:

Elections; Campaign Contributions

Description:

Allows companies to make contributions to candidates or candidate's committees. Allows companies to contribute an unlimited amount to their own noncandidate committees. Allows a company's noncandidate committee to make a contribution to a political party. Removes the limit on contributions by persons or any other entities to noncandidate committees. (HB539 HD1)