A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

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

1	SECTION 1. Act 244, Session Laws of Hawaii 2008, is
2	amended by adding a new section to read as follows:
3	"SECTION 7A. Matching payments for qualified small dollar
4	contributions. (a) Notwithstanding any other law or provision
5	to the contrary, the commission shall pay to each participating
6	candidate an amount equal to four hundred per cent of the amount
7	of qualified small dollar contributions received by the
8	candidate from individuals who are registered voters who reside
9	in the district in which the participating candidate is seeking
10	nomination or election at the time the contribution is given.
11	(b) The maximum payment under this section shall be two
12	hundred per cent of the base amount of public funding for a
13	primary election or general election, as the case may be, as
14	determined under section 12.
15	(c) The commission shall make payments under this section
16	not later than two business days after the receipt of a report
17	made under subsection (d).



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1	(d) Each participating candidate shall file reports of
2	receipts of qualified small dollar contributions no more
3	frequently than:
4	(1) Once every week after the date that is sixty days
5	prior to the primary election until the date that is
6	twenty one days before the primary election; and
7	(2) Once every other day after the date that is twenty one
8	days before the primary election until one day before
9	the general election."
10	SECTION 2. Act 244, Session Laws of Hawaii 2008, section
11	2, is amended as follows:
12	1. By adding a new definition to read:
13	""Qualified small dollar contribution" means any
14	contribution to a comprehensive publicly funded candidate that:
15	(1) Is not a qualifying contribution;
16	(2) Is received by the candidate beginning on a date that
17	is sixty days before the primary election and ending
18	on a date that is one day before the general election;
19	and
20	(3) The aggregate amount of which does not exceed \$20."
20 21	 (3) The aggregate amount of which does not exceed \$20." 2. By amending the definition of "qualifying period" to



1 ""Qualifying period" means the period in a general election 2 year, beginning [January 1] November 15 of the year prior to the 3 general election year and ending on the deadline for filing 4 candidate nomination papers during which a candidate may collect 5 qualifying contributions to qualify for comprehensive public 6 funding under this part; provided the commission has determined 7 that the Hawaii election campaign fund has sufficient funds to 8 make payments to comprehensive publicly funded candidates during 9 the election period." 10 By repealing the definition of "equalizing funds". 3. ["Equalizing funds" means additional public funds released 11 12 by the commission to a comprehensive publicly funded candidate 13 to allow-the publicly funded candidate to stay financially 14 competitive with a nonparticipating candidate in a contested 15 election and to penalize a nonparticipating candidate for filing 16 false-or-late reports."] 17 SECTION 3. Act 244, Session Laws of Hawaii 2008, section 4, is amended by amending subsection (a) to read as follows: 18 A candidate may seek comprehensive public funding for 19 "(a)

20 the primary election campaign period if the candidate:

21 (1) Resides in the district from which election is sought 22 as of the date of the filing of nomination papers for HB LRB 11-0923-1.doc

Page 3

	the primary election in the general election year in
	which the candidate seeks to be nominated or elected;
(2)	Is a registered voter in the district from which
•	election is sought;
(3)	Files a declaration of intent to seek comprehensive
	public funding with the commission between [January 1
	of] November 15 of the year prior to the election year
	and thirty days before the closing date to file
	nomination papers to run for office for which the
	candidate intends to seek election;
(4)	Collects a \$5 qualifying contribution in accordance
	with section 7;
(5)	Accepts only the following contributions prior to
	applying for certification as a comprehensive publicly
	funded candidate:
	(A) Seed money contributions until the candidate
	files a declaration of intent to seek
	comprehensive public funding; and
	(B) Qualifying contributions that may be accepted
	only after filing the declaration of intent to
	seek comprehensive public funding;
	and
	(3)

HB LRB 11-0923-1.doc

Page 5

H.B. NO. 1575

1	(6) Files an application for certification for
2	comprehensive public funding with the commission."
3	SECTION 4. Act 244, Session Laws of Hawaii 2008, section
4	7, is amended by amending subsection (b) to read as follows:
5	"(b) No qualifying contribution shall be collected prior
6	to a candidate filing a declaration of intent to seek
7	comprehensive public funding with the commission[-] or later
8	than sixty days prior to the primary election."
9	SECTION 5. Act 244, Session Laws of Hawaii 2008, section
10	12, is amended as follows:
11	1. By amending subsections (a) and (b) to read:
1 2	"(a) The commission shall not distribute comprehensive
13	public funding to certified candidates that exceeds the total
14	amount of [\$300,000] <u>\$560,000</u> for all candidates subject to this
15	part in any given election year in which this part is operative.
16	(b) Beginning January 1 of a general election year and
17	ending with the deadline to submit applications for
18	certification, the commission shall post on its website a
19	monthly report stating, by district:
20	(1) The number of declarations of intent to seek
21	comprehensive public funding received;
22	(2) The number of applications for certification received;
	HB LRB 11-0923-1.doc .

Page 6

(3) The number of candidates who have been certified for
 comprehensive public funding;

3 (4) The amount of public funding committed to certified
4 candidates; and

5 (5) The amount of public funding available for additional6 certified candidates.

Notwithstanding any other provisions in this part, if the 7 8 commission determines that the revenues are insufficient to meet 9 distributions to certified candidates under this section or [\$300,000] \$560,000 is distributed, the commission shall permit 10 certified candidates to accept and spend contributions, subject 11 to the campaign contribution limitations set forth in section 12 11-204, Hawaii Revised Statutes, up to the applicable amounts, 13 14 including [equalizing funds] matching payments for qualified 15 small dollar contributions the certified candidate would have 16 received from comprehensive public funding."

17 2. By amending subsection (f) to read:

18 "(f) Public funds, including [equalizing funds,] matching 19 payments for qualified small dollar contributions, shall be paid 20 to a certified candidate by the comptroller in the manner 21 prescribed in section 11-222, Hawaii Revised Statutes."

HB LRB 11-0923-1.doc

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1	SECTION 6. Act 244, Session Laws of Hawaii 2008, is
2	amended by repealing section 3.
3	["SECTION 3. Sufficiency of funding for comprehensive
4	public-funding. On September 1 of each odd-numbered year before
5	the general election years of 2010, 2012, and 2014, the
6	commission-shall determine whether there is a minimum-of
7	\$3,500,000 in the Hawaii-election-campaign fund established
8	under section 11-217, Hawaii Revised Statutes, to certify
9	participating candidates during the next-election and provide
10	funding for comprehensive public funding for elections under
11	this part.
12	If the commission determines that there is sufficient
13	funding, then-within-five business-days, the commission shall
14	publish notice statewide, pursuant to section 1 28.5, Hawaii
15	Revised-Statutes, that the comprehensive public funding-program
16	shall become effective on January 1 of the following year. If
17	there is insufficient funding, then this part shall be
18	inoperative.
19	If-this part is inoperative, candidates may seek public
20	funding as provided under subpart B of part XII of chapter 11,
21	Hawaii-Revised Statutes."]



Page 8

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H.B. NO. 1575

1	SECTION 7. Act 244, Session Laws of Hawaii 2008, is
2	amended by repealing section 13.
3	["SECTION 13. Equalizing funds; sufficiency of funds. (a)
4	Equalizing_funds, subject to the expenditure cap in section
5	12(a), shall be disbursed in the amounts provided in this
6	section to a certified candidate in a contested election
7	whenever that candidate is outspent by an opposing
8	nonparticipating candidate.
9	(b) An opposing nonparticipating candidate is deemed to
10	have-outspent a certified candidate when the campaign report
11	filed pursuant-to-this-subpart-shows-that the nonparticipating
12	candidate's-committee's-expenditures-or-contributions, whichever
13	is greater, added to any independent expenditures-made-in
14	support of that nonparticipating candidate or against the
15	opposing-certified-candidate-reported-by-any-person, minus any
16	independent expenditures made in support of the certified
17	candidate or against the nonparticipating candidate reported by
18	any person-exceeds-one-hundred-per-cent-of-the-base amount for
19	the certified candidate.
20	(c) In a contested election, the aggregate amount of
21	equalizing funds shall be limited to an amount equal to-the base
22	amount allotted to the certified candidate regardless of the
	HB LRB 11-0923-1.doc

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1	amount of contributions received or expenditures made by an
2	opposing nonparticipating-candidate; independent expenditures
3	made in support of that nonparticipating candidate or against
4	the opposing certified candidate; or the failure to file an
5	excess report on or before the due date by the nonparticipating
6	candidate or filing of a false excess report.
7	Twenty five per cent of the base amount shall be paid to
8	the certified participating candidate in the manner prescribed
9	in section 11-222, Hawaii Revised Statutes, if the commission
10	determines that the nonparticipating candidate's committee's
11	expenditures or contributions, whichever is greater, added-to
12	any independent expenditures made in support of that
13	nonparticipating-candidate or against the opposing-certified
14	candidate reported by any person, minus any independent
15	expenditures made in support of the certified candidate or
16	against-the-nonparticipating candidate reported by any person:
17	(1) Exceeds-one-hundred per cent but is-less-than one
18	hundred twenty-five per cent;
19	(2) Is equal to or exceeds one hundred twenty five per
20	cent but is less than one hundred-fifty per cent;
21	-(3) Is equal to or exceeds one hundred-fifty per cent but
22	is less than one hundred seventy five per-cent; or



1	(4) Is equal to or exceeds one hundred seventy five per
2	cent
3	of the certified candidate's base amount."]
4	SECTION 8. Statutory material to be repealed is bracketed
5	and stricken. New statutory material is underscored.
6	SECTION 9. This Act shall take effect upon its approval.
7	INTRODUCED BY:

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JAN 2 6 2011

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Report Title:

Campaign Spending; Island of Hawaii Public Funding Pilot Program

Description:

Amends Hawaii public funding pilot project to raise the program cap, to repeal the requirement of a minimum fund amount, to extend the period for signature collection, and clarify provision of matching funds.

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