

JAN 20 2012

A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

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

1 SECTION 1. Section 11-331, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§11-331 Filing of reports, generally.** (a) Every report
4 required to be filed by a candidate or candidate committee shall
5 be certified by the candidate and treasurer.

6 (b) Every report required to be filed by a noncandidate
7 committee shall be certified by the chairperson and treasurer.

8 (c) Every report required to be filed by a corporation
9 shall be certified by an officer of the corporation.

10 ~~[(e)]~~ (d) All reports required to be filed under this part
11 shall be filed on the commission's electronic filing system.

12 (d) For purposes of this part, whenever a report is
13 required to be filed with the commission, "filed" means that a
14 report shall be filed with the commission's electronic filing
15 system by the date and time specified for the filing of the
16 report by:

17 (1) The candidate or candidate committee of a candidate
18 who is seeking election to the:



- 1 (A) Office of governor;
- 2 (B) Office of lieutenant governor;
- 3 (C) Office of mayor;
- 4 (D) Office of prosecuting attorney;
- 5 (E) County council;
- 6 (F) Senate;
- 7 (G) House of representatives; or
- 8 (H) Office of Hawaiian affairs; [~~or~~]
- 9 (2) A noncandidate committee required to be registered
- 10 with the commission pursuant to section 11-323[~~-~~]; or
- 11 (3) A corporation.
- 12 (e) To be timely filed, a committee's reports shall be
- 13 filed with the commission's electronic filing system on or
- 14 before 11:59 p.m. Hawaiian standard time on the filing date
- 15 specified.
- 16 (f) All reports filed under this part are public
- 17 records[~~-~~], and shall be made available for public inspection on
- 18 the commission's website in a searchable database.
- 19 (g) For the purposes of this part, "searchable database"
- 20 shall mean an online database that allows a person to, among
- 21 other things:



- 1 (1) Search any report required under this part by any
2 identifying element required in the reports;
3 (2) Ascertain through a single search the total amount of
4 contributions or expenditures for a person, party,
5 candidate, candidate committee, or noncandidate
6 committee for the applicable reporting period or
7 election period; and
8 (3) Download reports and data maintained in the data
9 base."

10 SECTION 2. Section 11-332, Hawaii Revised Statutes, is
11 amended to read as follows:

12 "~~[§]~~**§11-332**~~[§]~~ **Filing report by corporations.** (a) [A]
13 An officer of a corporation shall file a report with the
14 commission for contributions or expenditures from its own
15 treasury that aggregate more than \$1,000 per two year election
16 period made directly to or on behalf of a candidate ~~[or]~~,
17 candidate committee~~[,]~~, or noncandidate committee; provided that
18 this section shall not authorize contributions or expenditures
19 to or on behalf of a candidate ~~[or]~~, candidate committee, or
20 noncandidate committee where otherwise prohibited by this part.
21 The reporting shall be made pursuant to the time requirements
22 contained in section 11-336 and section 11-338.



(b) The filing shall include the name of the corporation, business address, ~~[a contact individual, and]~~ the filing officer for the corporation, amounts contributed that are more than \$100 to ~~[each]~~ any individual candidate ~~[or]~~, candidate committee[-], or noncandidate committee, and the name of each individual candidate, candidate committee, or noncandidate committee for whom or on whose behalf the contribution or expense was ultimately intended, and its purpose including any advertisement or electioneering communication.

(c) For the purposes of this section, "electioneering communication" shall have the same meaning as in section 11-341.

SECTION 3. Section 11-335, Hawaii Revised Statutes, is amended to read as follows:

"[+]§11-335[+] Noncandidate committee reports. (a) The authorized person in the case of a party, or treasurer in the case of a noncandidate committee that is not a party, shall file preliminary, final, and supplemental reports that disclose the following information:

(1) The noncandidate committee's name and address;

(2) The cash on hand at the beginning of the reporting period and election period;



(3) The reporting period and election period aggregate totals for each of the following categories:

(A) Contributions;

(B) Expenditures; and

(C) Other receipts;

(4) The cash on hand at the end of the reporting period; and

(5) The surplus or deficit at the end of the reporting period.

(b) Schedules filed with the reports shall include the following additional information:

(1) The amount and date of deposit of each contribution and the name, address, occupation, and employer of each contributor making a contribution aggregating more than \$100 during an election period, which was not previously reported; provided that if all the information is not on file, the contribution shall be returned to the contributor within thirty days of deposit;

(2) All expenditures, including the name and address of each payee, and the amount, date, and purpose of each expenditure. Expenditures for advertisements or



1 electioneering communication shall include the names,
2 if known, of the candidates identified or to be
3 identified. Expenditures for consultants, advertising
4 agencies and similar firms, credit card payments,
5 salaries, and candidate reimbursements shall be
6 itemized to permit a reasonable person to determine
7 the ultimate intended recipient of the expenditure and
8 its purpose;

9 (3) The amount, date of deposit, and description of other
10 receipts and the name and address of the source of
11 each of the other receipts;

12 (4) A description of each durable asset, the date of
13 acquisition, value at the time of acquisition, and the
14 name and address of the vendor or contributor of the
15 asset; and

16 (5) The date of disposition of a durable asset, value at
17 the time of disposition, method of disposition, and
18 name and address of the person receiving the asset.

19 (c) No loan may be made or received by a noncandidate
20 committee.

21 (d) The authorized person in the case of a party, or
22 treasurer in the case of a noncandidate committee that is not a



1 party, shall file a late contribution report as provided in
2 section 11-338 if the committee receives late contributions from
3 any person aggregating more than \$500 or makes late
4 contributions aggregating more than \$500.

5 (e) For the purposes of this section, "electioneering
6 communication" shall have the same meaning as in section 11-
7 341."

8 SECTION 4. Section 11-340, Hawaii Revised Statutes, is
9 amended by amending subsection (a) to read as follows:

10 "(a) True and accurate reports shall be filed with the
11 commission on or before the due dates specified in this part.
12 The commission may assess a fine against a person, party,
13 candidate, candidate committee, or noncandidate committee that
14 is required to file a report under this part if the report is
15 not filed by the due date or if the report is substantially
16 defective or deficient, as determined by the commission."

17 SECTION 5. The campaign spending commission shall enhance
18 its website to make all reports required by part XIII of chapter
19 11, Hawaii Revised Statutes, available to the public by a
20 searchable database as defined in section 1 of this Act, within
21 three hundred and sixty days of the effective date of this Act.



1 SECTION 6. The campaign spending commission shall adopt,
2 amend, or repeal rules, pursuant to chapter 91, Hawaii Revised
3 Statutes, to ensure proper disclosure of contributions and
4 expenditures consistent with part XIII of chapter 11, Hawaii
5 Revised Statutes, and shall prescribe the methods and
6 requirements for a "person", as defined in section 11-302,
7 Hawaii Revised Statutes, to include both noncandidate committees
8 and corporations, to file a statement of information for each
9 disbursement for electioneering communications in an aggregate
10 amount of \$2,000 or more during any calendar year pursuant to
11 section 11-341, Hawaii Revised Statutes, within three hundred
12 and sixty days of the effective date of this Act.

13 SECTION 7. The comptroller shall promptly notify the
14 legislature in writing upon the adoption, amendment, or repeal
15 of administrative rules ensuring proper disclosure of
16 contributions and expenditures consistent with part XIII of
17 chapter 11, Hawaii Revised Statutes, and prescribing the methods
18 and requirements for a "person", as defined in section 11-302,
19 Hawaii Revised Statutes, to include both noncandidate committees
20 and corporations, to file a statement of information for each
21 disbursement for electioneering communications in an aggregate
22 amount of \$2,000 or more during any calendar year pursuant to



1 section 11-341, Hawaii Revised Statutes. The comptroller shall
2 also provide statewide public notice of the adoption, amendment,
3 or repeal of rules pursuant to section 1-28.5, Hawaii Revised
4 Statutes.

5 SECTION 8. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 9. This Act shall take effect upon its approval.

8

INTRODUCED BY:





Report Title:

Campaign Finance; Electioneering Communications; Reporting

Description:

Requires the Campaign Spending Commission to maintain public records in a searchable database. Amends reporting requirements by, amongst other things, requiring corporations and noncandidate committees to disclose the name of a candidate identified in any advertisement or electioneering communication which they have funded directly or indirectly. Penalizes all persons failing to report to the Commission. Mandates that the Commission implement rules for campaign spending consistent with Hawaii Revised Statutes within 360 days of the effective date of this Act.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

