

JAN 23 2015

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# A BILL FOR AN ACT

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RELATING TO PARTIAL PUBLIC FINANCING.

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

1       SECTION 1. The legislature finds that the Hawaii election  
2 campaign fund was established pursuant to article II, section 5,  
3 of the Hawaii State Constitution to provide funds for the  
4 partial public financing of campaigns for public offices of the  
5 State and its political subdivisions. Candidate public  
6 financing programs are voluntary programs in which public funds  
7 are provided to candidates who agree to limit their campaign  
8 spending. The primary purpose of these types of programs is to  
9 reduce the role of large amounts of private money raised in  
10 political campaigns and the obligations that are or can appear  
11 to be associated with these contributions.

12       Hawaii has a partial public funding program established  
13 under subpart J, part XIII, chapter 11, Hawaii Revised Statutes,  
14 to allow candidates running for elective office to be awarded  
15 moneys from the State to run a competitive campaign. To qualify  
16 for partial public financing, a candidate is required to raise a  
17 set minimal amount, which the State will match.



1        In recent election years, the partial public funding  
2 program has been used less frequently by candidates. The  
3 partial public funding program fails to provide sufficient  
4 financial incentives for candidates to adequately compete  
5 against candidates who receive campaign contributions from  
6 private sources. Furthermore, the formula used to determine the  
7 amount of money to be awarded to each qualifying candidate  
8 participating in the partial public funding program fails to  
9 reflect inflation and the rising cost of living. Thus, the  
10 program has a low participation rate.

11        The purpose of this Act is to:

- 12        (1) Amend the maximum amount of public funds available in  
13                each election to a candidate participating in the  
14                partial public funding program for the office of  
15                governor, lieutenant governor, or mayor to not exceed  
16                50 per cent of the established expenditure limit for  
17                each election;
- 18        (2) Increase the matching contribution amount from the  
19                State from \$1 for each \$1 of qualifying contributions  
20                to \$2 for each \$1 of qualifying contributions in



1 excess of the minimum qualifying contribution amounts;

2 and

3 (3) Make an appropriation to increase funds available to  
4 candidates participating in the partial public funding  
5 program.

6 SECTION 2. Section 11-425, Hawaii Revised Statutes, is  
7 amended by amending subsection (a) to read as follows:

8 "(a) The maximum amount of public funds available in each  
9 election to a candidate for the office of governor, lieutenant  
10 governor, or mayor shall not exceed [~~ten~~] 50 per cent of the  
11 expenditure limit established in section 11-423(d) for each  
12 election."

13 SECTION 3. Section 11-429, Hawaii Revised Statutes, is  
14 amended by amending subsection (b) to read as follows:

15 "(b) A candidate shall obtain the minimum qualifying  
16 contribution amount set forth in subsection (a) once for the  
17 election period.

18 (1) If the candidate obtains the minimum qualifying  
19 contribution amount, the candidate is eligible to  
20 receive:



(A) The minimum payment in an amount equal to the minimum qualifying contribution amounts; and

(B) ~~[Payments]~~ For primary and general elections, payments of ~~[\$1]~~ \$2 for each \$1 of qualifying contributions in excess of the minimum qualifying contribution amounts; and

(2) A candidate shall have at least one other qualified candidate as an opponent for the primary or general election to receive public funds for that election."

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2015-2016 and the same sum or so much thereof as may be necessary for fiscal year 2016-2017 to be deposited into the Hawaii campaign election fund under section 11-421, Hawaii Revised Statutes.

SECTION 5. There is appropriated out of the Hawaii campaign election fund the sum of \$ or so much thereof as may be necessary for fiscal year 2015-2016 and the same sum or so much thereof as may be necessary for fiscal year 2016-2017 to increase funds available to candidates participating in the partial public funding program.



# S.B. NO. 602

1       The sums appropriated shall be expended by the department  
2 of accounting and general services for the purposes of this Act.

3       SECTION 6. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5       SECTION 7. This Act shall take effect on July 1, 2015.

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INTRODUCED BY:

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# S.B. NO. 602

**Report Title:**

Campaign Spending; Partial Public Financing; Expenditure Limits; Matching Qualifying Contributions; Hawaii Campaign Election Fund; Appropriation

**Description:**

Amends the partial public financing laws to amend the maximum amount of public funds available in each election to a candidate for the office of governor, lieutenant governor, or mayor to not exceed 50 per cent of the established expenditure limit for each election; and increase the matching contribution amount from the State from \$1 for each \$1 of qualifying contributions to \$2 for each \$1 of qualifying contributions in excess of the minimum qualifying contribution amounts. Makes an appropriation to increase funds available to candidates participating in the partial public funding program.

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

