JAN 1 8 2019

### A BILL FOR AN ACT

RELATING TO VIOLATIONS OF CAMPAIGN FINANCE LAW.

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

1 SECTION 1. Section 11-410, Hawaii Revised Statutes, is 2 amended as follows:

3 1. By amending subsection (a) to read:

4 "(a) The commission may make a decision or issue an order,
5 affecting any person violating any provision of this part [or

 $6 \quad \frac{\text{section-281-22}}{\underline{\prime}}$  that may provide for the assessment of an

7 administrative fine as follows:

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- (1) If [an individual,] a person other than a person

  described in paragraph (2) below, an amount not to

  exceed \$1,000 for each occurrence or an amount

  [equivalent] not to exceed three times the amount of
  an unlawful contribution or expenditure; or
- 13 (2) If a [corporation, organization, association, or labor

  14 union, noncandidate committee that makes only

  15 independent expenditures and has either received at

  16 least one contribution of more than \$10,000 from any

  17 one person or has made expenditures of more than

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1	\$10,000 in the aggregate, in an election period, an
2	amount not to exceed $[\$1,000]$ $\$5,000$ for each
3	occurrence[+] or an amount not to exceed three times
4	the amount of an unlawful contribution or expenditure;
5	provided that whenever a corporation, organization, association,
6	or labor union violates this part, the violation may be deemed
7	to be also that of the individual directors, officers, or agents
8	of the corporation, organization, association, or labor union,
9	who have knowingly authorized, ordered, or done any of the acts
10	constituting the violation."
11	2. By amending subsection (c) to read:
12	"(c) If an administrative fine is imposed upon a
13	candidate[ $ au$ ] or noncandidate committee, the commission may order
14	that the fine, or any portion[ $_{7}$ ] of the fine, be paid from the
15	[candidate's] personal funds[-] of the candidate or officers of
16	the noncandidate committee."
17	3. By amending subsection (h) to read:
18	"(h) This section shall not apply to any person who,
19	[prior to] before the commencement of proceedings under this
20	section, has paid or agreed to pay the fines prescribed by
21	sections 11-340 and 11-391(b)."

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- 1 SECTION 2. This Act does not affect rights and duties that
- 2 matured, penalties that were incurred, and proceedings that were
- 3 begun before its effective date.
- 4 SECTION 3. Statutory material to be repealed is bracketed
- 5 and stricken. New statutory material is underscored.
- 6 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

By Request

# S.B. NO. 137

### Report Title:

Hawaii Campaign Spending Commission Package; Fines; Noncandidate Committees; Independent Expenditures

### Description:

Increases the fine that may be assessed, for campaign spending law violations, against a noncandidate committee making only independent expenditures and that has received at least 1 contribution of more than \$10,000, or spent more than \$10,000 in an election period. Allows the Campaign Spending Commission to order that payment of a fine assessed against a noncandidate committee, or any portion thereof, be paid from the personal funds of an officer of the noncandidate committee.

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