JAN 1 7 2020

### A BILL FOR AN ACT

RELATING TO CAMPAIGN FINANCE.

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

- 1 SECTION 1. The legislature finds that communities benefit
- 2 when their elected officials reflect the diversity of the
- 3 State's population. The legislature recognizes that female
- 4 elected officials bring valuable viewpoints to community issues,
- 5 especially those issues that uniquely affect women and children.
- 6 However, fewer women than men serve in elective offices, which
- 7 is due in significant part to the fact that women run for office
- 8 at a lower rate than men. The legislature finds that women
- 9 often bear home and family responsibilities, including the
- 10 raising and care of children, that can discourage their
- 11 involvement in political service.
- 12 The legislature recognizes that the federal election
- 13 commission has generally concluded that campaign funds for
- 14 federal office campaigns may be used to pay for campaign
- 15 expenses incurred as a direct result of campaign activity.
- 16 Although federal law prohibits candidates from using campaign
- 17 funds for personal use, an advisory opinion from the federal



- 1 election commission concluded that childcare expenses incurred
- 2 as a direct result of campaign activity would not exist in the
- 3 absence of that campaign activity. The federal election
- 4 commission therefore concluded that childcare expenses so
- 5 incurred could be paid with campaign funds. The legislature
- 6 believes that in the interest of promoting female leaders, the
- 7 state campaign finance laws that regulate candidates for state
- 8 and county offices should reflect the current application of
- 9 federal campaign finance law to candidates for federal office.
- 10 Accordingly, the purpose of this Act is to specifically
- 11 identify childcare expenses incurred as a direct result of
- 12 campaign activities as legitimate campaign expenditures.
- 13 SECTION 2. Section 11-381, Hawaii Revised Statutes, is
- 14 amended by amending subsection (a) to read as follows:
- 15 "(a) Campaign funds may be used by a candidate, treasurer,
- 16 or candidate committee:
- 17 (1) For any purpose directly related:
- 18 (A) In the case of the candidate, to the candidate's
- own campaign; or
- 20 (B) In the case of a candidate committee or treasurer
- of a candidate committee, to the campaign of the

1		candidate, question, or issue with which they are
2		directly associated;
3	(2)	To purchase or lease consumer goods, vehicles,
4		equipment, and services that provide a mixed benefit
5		to the candidate. The candidate, however, shall
6		reimburse the candidate's candidate committee for the
7		candidate's personal use of these items unless the
8		personal use is de minimis;
9	(3)	To hire an individual or other person to care for a
10		minor child of the candidate; provided that the
11		childcare expenditure is incurred as a direct result
12		of the candidate's campaign activity and would not
13		exist in the absence of that campaign activity;
14	[ <del>(3)</del> ]	(4) To make donations to any community service,
15		educational, youth, recreational, charitable,
16		scientific, or literary organization; provided that in
17		any election period, the total amount of all donations
18		shall be no more than twice the maximum amount that
19		one person may contribute to that candidate pursuant
20		to section 11-357; provided further that no donations

shall be made from the date the candidate files

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1		nomi	nation papers to the date of the general election			
2		unless the candidate is:				
3		(A)	Declared to be duly and legally elected to the			
4			office for which the person is a candidate			
5			pursuant to section 12-41;			
6		(B)	Deemed and declared to be duly and legally			
7			elected to the office for which the person is a			
8			candidate pursuant to section 12-42; or			
9		(C)	Unsuccessful in the primary or special primary			
10			election;			
11	[ <del>(4)</del> ]	<u>(5)</u>	To make donations to any public school or public			
12		libra	ary; provided that in any election period, the			
13		tota:	l amount of all contributions shall be no more			
14		than	twice the maximum amount that one person may			
15		cont	ribute to that candidate pursuant to section			
16		11-35	57; provided further that any donation under this			
17		parag	graph shall not be aggregated with or imputed			
18		towa	ed any limitation on donations pursuant to			
19		parag	graph (3);			
20	[ <del>(5)</del> ]	(6)	To award scholarships to full-time students			
21		atter	nding an institution of higher education or a			

Ţ		vocat	cional education school in a program leading to a
2		degre	ee, certificate, or other recognized educational
3		crede	ential; provided that in any election period, the
4		total	amount of all scholarships awarded shall be no
5		more	than twice the maximum amount that one person may
6		contr	ribute to that candidate pursuant to section
7		11-35	7; provided further that no awards shall be made
8		from	the filing deadline for nomination papers to the
9		date	of the general election unless the candidate is:
10		(A)	Declared to be duly and legally elected to the
11			office for which the person is a candidate
12			pursuant to section 12-41;
13		(B)	Deemed and declared to be duly and legally
14			elected to the office for which the person is a
15			candidate pursuant to section 12-42; or
16		(C)	Unsuccessful in the primary or special primary
17			election;
18	[ <del>(6)</del> ]	<u>(7)</u>	To purchase not more than two tickets for each
19		event	held by another candidate or committee,
20		regai	rdless of whether the event constitutes a
21		fundi	raiser as defined in section 11-342;

1	$\left[\frac{(7)}{(8)}\right]$ To make contributions to the candidate's party so
2	long as the contributions are not earmarked for
3	another candidate; or
4	$[\frac{(8)}{(9)}]$ To pay for ordinary and necessary expenses
5	incurred in connection with the candidate's duties as
6	a holder of an office, including expenses incurred for
7	memberships in civic or community groups."
8	SECTION 3. Statutory material to be repealed is bracketed
9	and stricken. New statutory material is underscored.
10	SECTION 4. This Act shall take effect upon its approval.
11	INTRODUCED BY: Adding
	Some Frank.

SB LRB 20-0644.doc

SB DRB 20-0644.QCC

#### Report Title:

Campaign Finances; Candidates; Childcare; Expenditures

#### Description:

Provides that campaign funds may be used to provide childcare for a minor child of a candidate; provided that the childcare expenditure is incurred as a direct result of the candidate's campaign activity and would not exist in the absence of that campaign activity.

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

SB LRB 20-0644.doc