**S.B. NO.** <sup>3074</sup> S.D. 1

## A BILL FOR AN ACT

RELATING TO CAMPAIGN FINANCE.

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

1 SECTION 1. Section 11-423, Hawaii Revised Statutes, is 2 amended to read as follows:

"§11-423 Voluntary expenditure limits; filing affidavit. Any candidate may voluntarily agree to limit the 4 (a) 5 candidate's expenditures and those of the candidate's candidate committee or committees and the candidate's party on the 6 7 candidate's behalf by filing an affidavit with the campaign 8 spending commission.

9 The affidavit shall state that the candidate knows the (b) 10 voluntary campaign expenditure limitations as set out in this part and that the candidate is voluntarily agreeing to limit the 11 candidate's expenditures and those made on the candidate's 12 13 behalf by the amount set by law. The affidavit shall be 14 subscribed to by the candidate and notarized and filed no later 15 than the time of filing nomination papers with the chief 16 election officer or county clerk.

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(c) The affidavit shall remain effective until the
termination of the candidate committee or the opening of filing
of nomination papers for the next succeeding election, whichever
occurs first. An affidavit filed under this section may not be
rescinded.

6 (d) From January 1 of the year of any primary, special, or general election, the aggregate expenditures for each election 7 by a candidate who voluntarily agrees to limit campaign 8 9 expenditures, inclusive of all expenditures made or authorized by the candidate alone, all treasurers, the candidate committee, 10 and noncandidate committees on the candidate's behalf, shall not 11 exceed the following amounts expressed, respectively multiplied 12 13 by the number of voters in the last preceding general election registered to vote in each respective voting district: 14 15 For the office of governor  $- [\frac{2.50}{2.50}]$  \$2.75; (1)For the office of lieutenant governor - [\$1.40;]16 (2) 17 \$1.54; For the office of mayor  $- [\frac{2.00}{2}]$  \$2.20; 18 (3) 19 (4) For the offices of state senator, state 20 representative, county council member, and prosecuting 21 attorney - [\$1.40; ] \$1.54; and



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1 (5) For all other offices - [20] 22 cents. 2 Beginning on January 1, 2021, the maximum aggregate (e) 3 expenditure limit for each respective office shall be increased 4 by ten per cent from the previous year's limit and compounded 5 annually starting in 2022 and for each year thereafter." 6 SECTION 2. Section 235-102.5, Hawaii Revised Statutes, is 7 amended by amending its title and subsection (a) to read as 8 follows: 9 "§235-102.5 Income check-off authorized[-]; liability; 10 refund. (a) Any individual whose state income tax liability 11 for any taxable year is [\$3] \$5 or more may designate [\$3] \$5 of 12 the liability to be paid over to the Hawaii election campaign 13 fund, any other law to the contrary notwithstanding, when 14 submitting a state income tax return to the department [-]; 15 provided that any individual with a gross income of \$200,000 or 16 more for the taxable year and whose state income tax liability 17 is \$8 or more may designate \$8 be paid to the fund. In the case 18 of a joint return [of a husband and wife] having a state income 19 tax liability of [<del>\$6</del>] \$10 or more, each [<del>spouse</del>] taxpayer may 20 designate that [\$3] \$5 be paid to the fund [-]; provided that in 21 the case of a joint return with a gross income of \$200,000 or

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1 more having a state income tax liability of \$16 or more, each taxpayer may designate \$8 be paid to the fund. The director of 2 taxation shall revise the individual state income tax form to 3 allow the designation of contributions to the fund on the face 4 5 of the tax return and immediately above the signature lines. An explanation shall be included which clearly states that the 6 7 check-off does not constitute an additional tax liability. If 8 no designation was made on the original tax return when filed, a designation may be made by the individual on an amended return 9 10 filed within twenty months and ten days after the due date for 11 the original return for such taxable year. A designation once made whether by an original or amended return may not be 12 13 revoked."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

17 SECTION 4. Statutory material to be repealed is bracketed18 and stricken. New statutory material is underscored.

19 SECTION 5. This Act, upon its approval, shall apply to20 taxable years beginning after December 31, 2020.

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#### **Report Title:** Hawaii Election Campaign Fund; Campaign Finance; Income Tax Check-off; Contributions

#### Description:

Increases the maximum amount of public funds available in each election to certain state candidates by ten percent annually. Increases the amount of voluntary state income tax check-off contributions that may be designated for the Hawaii election campaign fund beginning on January 1, 2021. (SD1)

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

