

---

---

# A BILL FOR AN ACT

RELATING TO FALSE CLAIMS.

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

1           SECTION 1. The legislature finds that the house of  
2 representatives adopted House Resolution No. 9, Regular Session  
3 of 2022, to establish the commission to improve standards of  
4 conduct. The resolution requests that the commission ensure  
5 state laws and rules relating to standards of conduct of public  
6 officers and employees contain clear standards, enforcement, and  
7 penalties and provide recommendations to increase awareness of,  
8 compliance with, and deterrent effects of the code of ethics,  
9 lobbying laws, campaign finance laws, and other relevant laws  
10 and rules.

11           Pursuant to House Resolution No. 9, the commission to  
12 improve standards of conduct convened regularly throughout 2022  
13 to diligently review, discuss, and consider the issues  
14 presented; submit an interim report to the house of  
15 representatives outlining areas of immediate and long-term  
16 focus; receive input from the public and invited individuals and



1 agencies; and issue a final report with various recommendations  
2 and accompanying proposed legislation.

3       The legislature also finds that the strength and stability  
4 of our democratic government rely upon the public's trust in  
5 government institutions, including the expectation that officers  
6 act ethically with prudence, integrity, and sound judgement.  
7 Therefore, an essential goal of the commission was to provide  
8 recommendations that would help restore public trust in state  
9 government and increase the level of transparency in its  
10 operations and accountability of individuals.

11       Accordingly, the purpose of this Act is to implement  
12 recommendations of the commission to improve standards of  
13 conduct relating to combatting fraud, waste, and corruption by  
14 establishing the offense of making a false, fictitious, or  
15 fraudulent claim against the State or a county. This Act also  
16 disqualifies a person convicted of making a false, fictitious,  
17 or fraudulent claim against the State or a county from receiving  
18 public financing for elections for a period of ten years. This  
19 Act is patterned after the federal false, fictitious, or  
20 fraudulent claims statute, 18 United States Code section 287,



1 and therefore, the State courts and counsel should look to  
2 federal case law and precedent for direction.

3 SECTION 2. Chapter 710, Hawaii Revised Statutes, is  
4 amended by adding a new section to be appropriately designated  
5 and to read as follows:

6 "§710- False, fictitious, or fraudulent claims. (1) A  
7 person commits the offense of making a false, fictitious, or  
8 fraudulent claim against the State or a county if the person  
9 makes or presents to any agent of the State, any of the  
10 counties, or any department or agency thereof, any claim  
11 material upon or against the State, a county, or any department  
12 or agency thereof, that the person knows to be false,  
13 fictitious, or fraudulent.

14 (2) Application of this section shall be based on title 18  
15 United States Code section 287 and any relevant federal case law  
16 and precedent.

17 (3) As used in this section, "claim" and "material" shall  
18 have the same meaning as those terms are defined in section  
19 661-21.

20 (4) Making a false, fictitious, or fraudulent claim  
21 against the State or a county is a class C felony. A person



1 charged under this section shall be eligible for a deferred  
2 acceptance of guilty plea or nolo contendere plea under chapter  
3 853. A person who is convicted under this section shall be  
4 disqualified from receiving public financing under part XIII,  
5 subpart J of chapter 11 for a period of ten years from the date  
6 of conviction."

7 SECTION 3. Section 11-428, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 **"[+]§11-428[+] Eligibility requirements for public funds.**

10 (a) In order to be eligible to receive public funds for an  
11 election, a candidate shall certify that the candidate will meet  
12 all the following requirements:

13 (1) The candidate and any candidate committee authorized  
14 by the candidate shall not incur campaign expenses in  
15 excess of the expenditure limitations imposed by  
16 section 11-423;

17 (2) The candidate has qualified to be on the election  
18 ballot in a primary or general election;

19 (3) The candidate has filed a statement of intent to seek  
20 qualifying contributions. A contribution received  
21 before the filing of a statement of intent to seek



- 1 public funds shall not be considered a qualifying  
2 contribution;
- 3 (4) The candidate or candidate committee authorized by the  
4 candidate has received the minimum qualifying  
5 contribution amounts for the office sought by the  
6 candidate as set forth in section 11-429;
- 7 (5) The aggregate of contributions certified with respect  
8 to any person under paragraph (4) does not exceed  
9 \$100;
- 10 (6) The candidate agrees to obtain and furnish any  
11 evidence relating to expenditures that the commission  
12 may request;
- 13 (7) The candidate agrees to keep and furnish records,  
14 books, and other information that the commission may  
15 request;
- 16 (8) The candidate agrees to an audit and examination by  
17 the commission pursuant to section 11-434 and to pay  
18 any amounts required to be paid pursuant to that  
19 section; and
- 20 (9) Each candidate and candidate committee in receipt of  
21 qualifying contributions that may be taken into



1 account for purposes of public funding shall maintain,  
2 on a form prescribed by the commission, records that  
3 show the date and amount of each qualifying  
4 contribution and the full name and mailing address of  
5 the person making the contribution. The candidate and  
6 the candidate committee authorized by the candidate  
7 shall transmit to the commission all reports with  
8 respect to these contributions that the commission may  
9 require.

10 (b) A person who is convicted for making a false,  
11 fictitious, or fraudulent claim under section 710- shall be  
12 disqualified from receiving public financing under this subpart  
13 for a period of ten years from the date of conviction."

14 SECTION 4. This Act does not affect rights and duties that  
15 matured, penalties that were incurred, and proceedings that were  
16 begun before its effective date.

17 SECTION 5. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.

19 SECTION 6. This Act shall take effect upon its approval.



**Report Title:**

Commission to Improve Standards of Conduct; False, Fictitious, or Fraudulent Claims; State; Counties; Penalties; Disqualification; Public Financing; Conviction

**Description:**

Makes it a class C felony to make false, fictitious, or fraudulent claims against the State or a county, or any of their departments or agencies. Disqualifies a person convicted of making a false, fictitious, or fraudulent claim from receiving public financing for elections for a period of ten years. (HD1)

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

