
A BILL FOR AN ACT

RELATING TO PUBLIC FINANCING FOR CANDIDATES TO ELECTED OFFICE.

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

1 SECTION 1. The legislature finds that providing a
2 mechanism to fully fund the elections of candidates for state
3 and county offices who voluntarily agree to abide by campaign
4 fundraising and expenditure guidelines will have significant
5 public benefit. The common belief is that the current campaign
6 finance system used in Hawaii (and most other states) unfairly
7 favors a small handful of wealthy donors who use their donations
8 to buy access to candidates and elected officials.

9 Comprehensive publicly-funded campaign programs are
10 intended to improve the process by allowing candidates to
11 compete without reliance on private funds and by also allowing
12 elected officials to make decisions without the influence, or
13 appearance thereof, of private individuals, lobbyists, political
14 parties, political action committees, unions, corporations, and
15 other entities. Candidates who choose to participate in
16 Hawaii's comprehensive public funding program established by
17 this Act, after obtaining a minimum of \$5 donations from voters,



1 would be barred from soliciting, accepting, or using
2 contributions from any source other than the program's public
3 funds. This restriction on funding would apply during each
4 participating candidate's campaign and, if elected, throughout
5 the candidate's term in office. By demonstrating support from
6 voters in the relevant district, the participating candidate
7 justifies receipt of public funding sufficient to run in a
8 primary election and, if successful, the general election.

9 The legislature further finds that public financing of
10 campaigns in some form has existed since the 1970s and was
11 enacted in response to the Watergate scandal. Hawaii became a
12 leader in public funding programs when it added language to the
13 Hawaii State Constitution in 1978 that established the partial
14 public funding program that candidates may continue to use.
15 Comprehensive public financing programs, sometimes termed "clean
16 elections," were established in 1996 in Maine, in 1998 in
17 Arizona, and have since also been adopted in Connecticut and New
18 Mexico.

19 The legislature further finds that the statewide
20 comprehensive public funding program established by this Act is
21 modeled after the Hawaii county council's comprehensive public



1 funding pilot project that disbursed \$363,060 in public funds to
2 a total of sixteen candidates in the 2010 and 2012 county
3 council elections within Hawaii county. The statewide program
4 proposed by this Act is also informed by Maine's Clean Election
5 Act, which since 2000 has supported legislative and
6 gubernatorial candidates in a state with a population similar to
7 that of Hawaii. Under Maine's program, a state senate candidate
8 would need to obtain at least one hundred seventy-five
9 qualifying contributions in order to be eligible to receive up
10 to \$70,000 in public funds, and a gubernatorial candidate would
11 need at least three thousand two hundred qualifying
12 contributions for up to \$3,000,000 in public funds. Comparable
13 levels of public funding will be necessary to ensure that
14 Hawaii's program is practicable for participating candidates.
15 The legislature notes that the annual cost of operating a
16 program to publicly fund candidates is dwarfed in comparison to
17 the state budget of several billion dollars. The cost is
18 equally eclipsed by the projected increase in public confidence
19 in the State's candidates and elected officials.

20 Therefore, the purpose of this Act is to establish a
21 comprehensive system of public financing for all candidates



1 seeking election to state and county public offices in the
2 State, beginning with the 2028 general election year.

3 SECTION 2. Chapter 11, Hawaii Revised Statutes, is amended
4 by adding a new subpart to part XIII to be appropriately
5 designated and to read as follows:

6 " . Comprehensive Public Funding for Candidates to State
7 and County Offices

8 **§11-A Purpose.** The purpose of the comprehensive public
9 financing program, which is a voluntary program, is to improve
10 the electoral process for state and local offices by:

- 11 (1) Allowing candidates to compete without relying on
12 money from special interests;
- 13 (2) Allowing elected officials to make decisions free from
14 the influence of, or the appearance that they have
15 been influenced by, donations from special interests;
- 16 (3) Restoring public confidence in the electoral and
17 legislative processes; and
- 18 (4) Increasing meaningful citizen participation.

19 **§11-B Definitions.** Except for terms specifically defined
20 in this subpart, terms that are defined under section 11-302
21 shall apply to this subpart. As used in this subpart:



1 "Candidate" means an individual who seeks nomination for
2 election or seeks election to a state or county office in the
3 State.

4 "Certification for comprehensive public funding" means the
5 decision by the commission that a candidate is certified to
6 receive comprehensive public funding in accordance with this
7 subpart.

8 "Certified candidate" or "comprehensive publicly-funded
9 candidate" means a candidate who the commission has certified to
10 be eligible for comprehensive public funding under this subpart,
11 and who agrees to abide by the requirements of this subpart.

12 "Declaration of intent to seek comprehensive public
13 funding" means the form completed by a candidate seeking public
14 funding.

15 "Excess expenditure" means the amount of public funds spent
16 or obligated to be spent by a comprehensive publicly-funded
17 candidate in excess of one hundred per cent of the allocated
18 funds for a primary election, general election, or both.

19 "General election" means a general, subsequent special, or
20 subsequent nonpartisan election.



1 "General election campaign period" means the period
2 beginning the day after the primary election and ending on
3 general election day.

4 "General election year" means the period commencing
5 January 1 of an even-numbered year in which a general election
6 is held and ending on the general election day.

7 "Primary election" means a primary, initial special, or
8 initial nonpartisan election.

9 "Primary election campaign period" means the period in a
10 primary election year beginning with the certification for
11 public funding under this subpart and ending on the primary
12 election day.

13 "Public funding", "public funds", "comprehensive public
14 funding", or "comprehensive public funds" means campaign funds
15 from the Hawaii election campaign fund's subaccount for the
16 comprehensive public funding program under section 11-421 that
17 are received by a certified candidate pursuant to this subpart.

18 "Qualifying contribution" means a monetary contribution
19 that complies with section 11-F.



1 "Seed money" means contributions made to a candidate by an
2 individual and expended for the purpose of determining campaign
3 viability in accordance with section 11-E.

4 "Surplus campaign funds" means any campaign contributions
5 not spent during a prior election period by a candidate who
6 previously sought election as a privately-funded candidate.

7 **§11-C Establishment.** There is established a comprehensive
8 public funding program for candidates for state and county
9 public offices in the State, beginning with the 2028 general
10 election year.

11 **§11-D Qualifications for comprehensive public funding.**

12 (a) A candidate is eligible to seek comprehensive public
13 funding for the primary election campaign period if the
14 candidate:

15 (1) Resides in the respective district from which election
16 is sought as of the date of the filing of nomination
17 papers for the primary election in the general
18 election year in which the candidate seeks to be
19 nominated or elected;

20 (2) Is a registered voter in the district from which
21 election is sought;



- 1 (3) Files a declaration of intent to seek comprehensive
2 public funding with the commission between December 1
3 of the year prior to the general election year and
4 thirty days before the closing date to file nomination
5 papers to run for the office for which the candidate
6 intends to seek election;
- 7 (4) Collects qualifying contributions and names in
8 accordance with section 11-F;
- 9 (5) Accepts, for the office for which the candidate
10 intends to seek election, only the following
11 contributions before applying for certification as a
12 comprehensive publicly-funded candidate:
- 13 (A) Seed money contributions, until the candidate
14 files a declaration of intent to seek
15 comprehensive public funding; and
- 16 (B) Qualifying contributions that shall be accepted
17 only after filing the declaration of intent to
18 seek comprehensive public funding;
- 19 (6) Files an application for certification for
20 comprehensive public funding with the commission; and



1 (7) Agrees to comply with contribution and expenditure
2 restrictions in accordance with section 11-I and with
3 other program requirements, if certified pursuant to
4 this subpart.

5 (b) A candidate is qualified to seek comprehensive public
6 funding for the general election campaign period if the
7 candidate:

8 (1) Was certified as a comprehensive publicly-funded
9 candidate during the primary election campaign period
10 immediately preceding the general election in which
11 the funds under this subpart are provided;

12 (2) Continues to meet the requirements of this subpart;
13 and

14 (3) Received a sufficient number of votes to appear on the
15 ballot in the general election or is otherwise
16 certified by the county clerk to be placed on the
17 ballot in the general election.

18 **§11-E Seed money contributions; limitations on use of seed**
19 **money; penalties.** (a) The use of seed money shall be limited
20 to expenditures necessary to determine whether sufficient



1 support exists for a candidate to run for office as a
2 comprehensive publicly-funded candidate.

3 (b) The amount of seed money received, expended, or both,
4 by a candidate seeking eligibility for comprehensive public
5 funding shall not exceed \$5,000, or five per cent of the maximum
6 amount of funds to be distributed to a certified candidate for
7 the office sought, whichever is greater. Seed money shall
8 include any personal funds, surplus campaign funds, or
9 contributions received from individuals in an aggregate amount
10 no greater than \$250 each that the candidate may choose to use.
11 A candidate seeking eligibility for comprehensive public funding
12 shall not accept contributions of seed money from any individual
13 whose contributions are prohibited under subpart E. A candidate
14 shall issue a receipt to all contributors whose seed money the
15 candidate has accepted.

16 (c) An individual who uses seed money to determine whether
17 sufficient support exists to campaign for office as a
18 comprehensive publicly-funded candidate who is not already
19 registered with the commission shall register as a candidate by
20 filing the organizational report required by section 11-321



1 within ten days of receiving more than \$100 in seed money from
2 either contributions or personal funds.

3 (d) Seed money shall not be collected after the candidate
4 has filed the declaration of intent to seek comprehensive public
5 funding. The candidate shall spend seed money only until the
6 candidate is certified by the commission as a comprehensive
7 publicly-funded candidate, or the closing date to file
8 nomination papers to run for the office for which the candidate
9 intends to seek election, or whichever occurs first.

10 (e) Any unspent seed money shall be deducted from the
11 amount of comprehensive public funding allocated to the
12 certified candidate; provided that the certified candidate does
13 not donate the unspent seed money to the Hawaii election
14 campaign fund's subaccount for the comprehensive public funding
15 program.

16 (f) A certified candidate who has surplus campaign funds
17 from a previous election is prohibited from using those funds
18 for any purpose except as seed money pursuant to this section.
19 The surplus campaign funds shall be frozen and maintained in a
20 separate depository account from that established for the public
21 funds under section 11-K. The candidate shall continue to file



1 reports on the surplus campaign funds in accordance with
2 subpart D, or as may otherwise be required by the commission.

3 **§11-F Application for comprehensive public funds;**
4 **qualifying contributions.** (a) Each candidate who seeks
5 comprehensive public funding shall submit an application for
6 certification that contains the minimum number of qualifying
7 contributions, as specified in subsection (b). Each qualifying
8 contribution shall be a monetary contribution of exactly \$5 in
9 the form of cash, a check, or money order payable to the Hawaii
10 election campaign fund and signed by the contributor in support
11 of a candidate. An electronic form of payment made in support
12 of a candidate may be counted as a qualifying contribution, if
13 it adheres to procedures established by the commission.

14 Further, each qualifying contribution shall be accompanied by a
15 form provided in both physical and electronic formats by the
16 commission that includes:

17 (1) The contributor's printed name, address, signature,
18 date of birth, the contributor's acknowledgement that
19 the contribution was made with the contributor's
20 personal funds in support of the candidate, and was
21 not given in exchange for anything of value; and



1 (2) The candidate's acknowledgement that the contribution
2 was obtained with the candidate's knowledge and
3 approval and that nothing of value was given in
4 exchange for the contribution. Only registered voters
5 who reside within the respective district from which
6 the candidate seeks nomination or election at the time
7 the contribution is given shall be considered for
8 certification purposes. Nothing of value shall be
9 given to the individual in exchange for the qualifying
10 contribution.

11 (b) The minimum number of qualifying contributions shall
12 be as follows:

13 (1) For the office of governor – 6,250 qualifying
14 contributions;

15 (2) For the office of lieutenant governor – three thousand
16 qualifying contributions;

17 (3) For the office of state senator – two hundred fifty
18 qualifying contributions;

19 (4) For the office of state representative – one hundred
20 twenty-five qualifying contributions;



- 1 (5) For the office of Hawaiian affairs – one hundred
- 2 qualifying contributions;
- 3 (6) For the office of mayor of the city and county of
- 4 Honolulu – 5,750 qualifying contributions;
- 5 (7) For the office of mayor of the county of Hawaii – nine
- 6 hundred qualifying contributions;
- 7 (8) For the office of mayor of the county of Maui – one
- 8 thousand five hundred qualifying contributions;
- 9 (9) For the office of mayor of the county of Kauai – eight
- 10 hundred seventy-five qualifying contributions;
- 11 (10) For the office of prosecuting attorney of the city and
- 12 county of Honolulu – five hundred sixty-three
- 13 qualifying contributions;
- 14 (11) For the office of prosecuting attorney of the county
- 15 of Hawaii – one hundred qualifying contributions;
- 16 (12) For the office of prosecuting attorney of the county
- 17 of Kauai – sixty-three qualifying contributions;
- 18 (13) For the office of county council of the city and
- 19 county of Honolulu – three hundred thirty-eight
- 20 qualifying contributions;



1 (14) For the office of county council of the county of
2 Hawaii – fifty qualifying contributions;

3 (15) For the office of county council of the county of Maui
4 – one hundred thirty-eight qualifying contributions;
5 and

6 (16) For the office of county council of the county of
7 Kauai – seventy-five qualifying contributions.

8 (c) No qualifying contribution shall be collected for a
9 candidate before the candidate files a declaration of intent to
10 seek comprehensive public funding with the commission. A
11 contribution received before the filing of a declaration of
12 intent to seek public funds shall not be considered a qualifying
13 contribution.

14 (d) Any receipt for a qualifying contribution shall be
15 made in a form prescribed by the commission pursuant to
16 section 11-N.

17 (e) All qualifying contributions collected by a candidate,
18 whether or not the candidate is certified, shall be deposited
19 into the Hawaii election campaign fund's subaccount for the
20 comprehensive public funding program.



1 (f) The application for certification shall be submitted
2 to the commission no later than thirty days before the primary
3 election and shall be signed by the candidate and the
4 candidate's campaign treasurer under penalty of perjury. The
5 application shall contain any other information deemed necessary
6 by the commission.

7 (g) Use of voter registration information to obtain
8 qualifying contributions and seek comprehensive public funds
9 shall constitute election purposes pursuant to section 11-97 and
10 applicable rules.

11 **§11-G Certification of qualification for comprehensive**
12 **public funds.** (a) The clerk for the county that includes the
13 district from which election is sought shall verify that the
14 candidate received the minimum required qualifying contributions
15 from registered voters in the district from which the candidate
16 seeks office, that the candidate resides in the district from
17 which election is sought as of the date of the filing of
18 nomination papers, and that the candidate is a registered voter
19 in the district from which election is sought. The clerk for
20 the county that includes the district from which election is
21 sought shall provide to the commission the information needed



1 for verification, including the names, addresses, dates of
2 birth, and signatures of registered voters in that district.

3 (b) The commission shall issue a decision to certify or
4 deny the certification of a candidate as a comprehensive
5 publicly-funded candidate within ten business days following
6 receipt of the candidate's completed application for
7 certification to receive comprehensive public funds.

8 (c) After a candidate is certified, the candidate's
9 certification shall apply to both the primary and the general
10 elections.

11 (d) The certifications and all determinations made by the
12 commission under this section shall be final and conclusive,
13 except to the extent that they are subject to examination and
14 audit by the commission under section 11-434.

15 **§11-H Comprehensive public funds to be distributed to**
16 **certified candidates.** (a) Each certified candidate who has an
17 opponent in the primary election and an opponent in the general
18 election shall receive the following amounts of public funding,
19 as adjusted pursuant to subsection (d), and distributed at a
20 rate of sixty-seven per cent for the primary election and
21 thirty-three per cent for the general election:



- 1 (1) For the office of governor – \$1,675,000 in the
2 primary, \$825,000 in the general, for a maximum of
3 \$2,500,000;
- 4 (2) For the office of lieutenant governor – \$804,000 in
5 the primary, \$396,000 in the general, for a maximum of
6 \$1,200,000;
- 7 (3) For the office of state senator – \$67,000 in the
8 primary, \$33,000 in the general, for a maximum of
9 \$100,000;
- 10 (4) For the office of state representative – \$33,500 in
11 the primary, \$16,500 in the general, for a maximum of
12 \$50,000;
- 13 (5) For the office of Hawaiian affairs – \$26,800 in the
14 primary, \$13,200 in the general, for a maximum of
15 \$40,000;
- 16 (6) For the office of mayor of the city and county of
17 Honolulu – \$1,541,000 in the primary, \$759,000 in the
18 general, for a maximum of \$2,300,000;
- 19 (7) For the office of mayor of the county of Hawaii –
20 \$241,200 in the primary, \$118,800 in the general, for
21 a maximum of \$360,000;



- 1 (8) For the office of mayor of the county of Maui –
2 \$402,000 in the primary, \$198,000 in the general, for
3 a maximum of \$600,000;
- 4 (9) For the office of the county of Kauai – \$234,500 in
5 the primary, \$115,500 in the general, for a maximum of
6 \$350,000;
- 7 (10) For the office of prosecuting attorney of the city and
8 county of Honolulu – \$150,750 in the primary, \$74,250
9 in the general, for a maximum of \$225,000;
- 10 (11) For the office of prosecuting attorney of the county
11 of Hawaii – \$26,800 in the primary, \$13,200 in the
12 general, for a maximum of \$40,000;
- 13 (12) For the office of prosecuting attorney of the county
14 of Kauai – \$16,750 in the primary, \$8,250 in the
15 general, for a maximum of \$25,000;
- 16 (13) For the office of county council of the city and
17 county of Honolulu – \$90,450 in the primary, \$44,550
18 in the general, for a maximum of \$135,000;
- 19 (14) For the office of county council of the county of
20 Hawaii – \$13,400 in the primary, \$6,600 in the
21 general, for a maximum of \$20,000;



1 (15) For the office of county council of the county of Maui
2 - \$36,850 in the primary, \$18,150 in the general, for
3 a maximum of \$55,000; and

4 (16) For the office of county council of the county of
5 Kauai - \$20,100 in the primary, \$9,900 in the general,
6 for a maximum of \$30,000.

7 Any certified candidate who is unopposed in the primary election
8 shall receive thirty per cent of the primary allotment above;
9 provided that the certified candidate shall have a general
10 election opponent. Certified candidates who are unopposed in
11 the general election shall not receive the general election
12 allotment above.

13 (b) Upon the certification for comprehensive public
14 funding, the commission shall direct the comptroller to
15 distribute the public funds allowed by this section from the
16 Hawaii election campaign fund's subaccount for the comprehensive
17 public funding program by check, or when possible, by an
18 automatic transfer of funds. Public funds for the primary
19 election shall be distributed to the candidate within twenty
20 days from the date that the candidate's initial application and
21 qualifying contribution statement is approved by the commission



1 and, for the general election, within ten days after the date of
2 the primary election.

3 (c) The commission shall be under no obligation to provide
4 moneys to a certified candidate if moneys in the Hawaii election
5 campaign fund's subaccount for the comprehensive public funding
6 program are near depletion as determined by the commission
7 pursuant to section 11-0.

8 (d) The amounts of public funding specified in subsection
9 (a) shall be adjusted by the commission no later than January 15
10 of a general election year in accordance with any change in the
11 consumer price index for all urban consumers as published by the
12 United States Department of Labor, Bureau of Labor Statistics,
13 during the period ending on December 31 in the year preceding
14 the general election year for which the adjustment is to be
15 made.

16 **§11-I Certified candidates; continuing obligation;**
17 **restrictions; penalties.** (a) A certified candidate shall
18 comply with this subpart through the end of the general election
19 campaign period, regardless of whether the certified candidate
20 maintains eligibility for public funding in the general election
21 campaign period.



1 (b) Upon certification for comprehensive public funding
2 and through the end of the general election campaign period, a
3 certified candidate shall not accept any money for campaign
4 purposes, except public funds issued by the commission.
5 Contributions and loans from any person and any campaign
6 material purchased or held from a date before filing the
7 declaration of intent to seek comprehensive public funds shall
8 not be accepted.

9 (c) Upon certification for comprehensive public funding
10 and through the end of the general election period, a certified
11 candidate shall not expend for campaign purposes any money
12 except public funds issued by the commission. Public funds
13 shall be used only for the purpose of defraying expenses
14 directly related to the certified candidate's campaign during
15 the election campaign period for which the public funds are
16 allocated and shall comply with subpart G. A certified
17 candidate receiving funds under this subpart or the candidate's
18 campaign treasurer shall not transfer any portion of the funds
19 provided under this subpart to any other candidate for another
20 campaign. Public funds shall not be expended outside the
21 applicable campaign period.



1 (d) A certified candidate who is elected to the office
2 sought shall continue to be subject to the contribution and
3 expenditure restrictions of subsections (b) and (c) and shall
4 comply with other provisions of this subpart for the duration of
5 the term in office to which the candidate was elected. An
6 elected certified candidate who intends to seek office in the
7 next general election and apply for comprehensive public funding
8 may raise and spend seed money for the next election pursuant to
9 section 11-E; provided that the candidate notifies the
10 commission in writing of their intent to seek reelection. An
11 elected certified candidate who intends to seek office in the
12 next general election and will not apply for comprehensive
13 public funding, upon notification in writing to the commission
14 of their intent, shall no longer be subject to the contribution
15 and expenditure restrictions of subsections (b) and (c) in the
16 next general election, effective January 1 of the next general
17 election year. In either case, the candidate shall return all
18 unexpended public funds received to the Hawaii election campaign
19 fund's subaccount for the comprehensive public funding program
20 within thirty days after the election in which the candidate was
21 successful.



1 (e) If a certified candidate withdraws from seeking the
2 nomination for or from the election, all unexpended public funds
3 received by the candidate under this subpart shall be returned
4 to the Hawaii election campaign fund's subaccount for the
5 comprehensive public funding program within thirty days after
6 the candidate's withdrawal.

7 (f) A certified candidate who is successful in the primary
8 election may carry over any unexpended public funds to the
9 general election, provided that the certified candidate has an
10 opponent in the general election. If the certified candidate is
11 successful in the general election, the certified candidate
12 shall return all unexpended public funds received under this
13 subpart to the Hawaii election campaign fund's subaccount for
14 the comprehensive public funding program within thirty days
15 after the general election. If the certified candidate does not
16 have an opponent in the general election, the certified
17 candidate shall return all unexpended public funds received
18 under this subpart to the Hawaii election campaign fund's
19 subaccount for the comprehensive public funding program within
20 thirty days after the primary election.



1 (g) A certified candidate who is not successful in the
2 primary or general election shall return all unexpended public
3 funds received under this subpart to the Hawaii election
4 campaign fund's subaccount for the comprehensive public funding
5 program within thirty days after the election in which the
6 candidate was not successful.

7 (h) A certified candidate who accepts contributions in
8 violation of this section shall be subject to a fine equal to
9 three times the amount of public funding the candidate received,
10 in addition to any other action, fines, or prosecution under
11 section 11-M and subpart I, or any provision of the Hawaii penal
12 code.

13 (i) A certified candidate who makes expenditures of more
14 than one hundred per cent of the public funds allocated to the
15 candidate shall repay to the Hawaii election campaign fund's
16 subaccount for the comprehensive public funding program an
17 amount equal to three times the excess expenditures.

18 **§11-J Comprehensive public-funded candidates; reporting.**

19 (a) A certified candidate and the certified candidate's
20 committee shall furnish complete campaign records to the
21 commission, including all records of seed money contributions,



1 qualifying contributions, and expenditures. A certified
2 candidate shall fully cooperate with any audit or examination by
3 the commission.

4 (b) The reporting requirements for certified candidates
5 under this subpart, or as may be required by the commission,
6 shall be in addition to any other reporting requirement under
7 this part.

8 (c) All reports required by subpart D, seed money reports,
9 and post-election reports shall be filed with the commission.

10 (d) Seed money reports shall be filed with the commission
11 no later than:

- 12 (1) January 31 of a general election year;
13 (2) April 30 of a general election year; and
14 (3) Twenty days prior to the primary election.

15 (e) Each report shall be current through:

- 16 (1) The six-month period ending on December 31 for the
17 report filed on January 31;
18 (2) The three-month period ending on March 31 for the
19 report filed on April 30; and



- 1 (3) Thirty days prior to the primary election for the
2 report filed twenty days prior to the primary
3 election.
- 4 (f) The seed money reports shall include:
- 5 (1) The candidate committee's name and address;
- 6 (2) The amount of cash on hand at the beginning of the
7 reporting period;
- 8 (3) The reporting period and aggregate total for each of
9 the following categories:
- 10 (A) Contributions;
- 11 (B) Expenditures; and
- 12 (C) Other receipts; and
- 13 (4) The cash on hand at the end of the reporting period.
- 14 (g) Schedules filed with the seed money reports shall also
15 include:
- 16 (1) The amount and date of deposit of each contribution
17 and the name and address of each contributor who makes
18 contributions aggregating more than \$100 in an
19 election period; provided that if all the information
20 is not on file, the contribution shall be returned to
21 the contributor within thirty days of deposit;



1 (2) All expenditures made, including the name and address
2 of each payee and the amount, date, and purpose of
3 each expenditure. Expenditures for consultants,
4 advertising agencies and similar firms, credit card
5 payments, salaries, and candidate reimbursements shall
6 be itemized to permit a reasonable person to determine
7 the ultimate intended recipient of the expenditure and
8 its purpose; and

9 (3) The amount, date of deposit, and description of other
10 receipts, and the name and address of the source of
11 each of the other receipts.

12 (h) Post-election reports shall be submitted to the
13 commission no later than twenty days after a primary election
14 and no later than thirty days after a general election,
15 certifying that all public funds paid to the certified candidate
16 have been used as required by this subpart. The reports shall
17 include information regarding all expenditures made, including
18 the name and address of each payee and the amount, date, and
19 purpose of each expenditure. Expenditures for consultants,
20 advertising agencies and similar firms, credit card payments,
21 salaries and candidate reimbursements shall be itemized to



1 permit a reasonable person to determine the ultimate intended
2 recipient of the expenditure and its purpose.

3 (i) All certified candidates shall file the reports
4 required under this subpart by electronic means in the manner
5 prescribed by the commission.

6 **§11-K Deposit of, and access to, public funds.** (a) All
7 public funds and seed money received by a certified candidate
8 shall be deposited directly into a depository institution as
9 provided under section 11-351(a) and accessed through the use of
10 debit cards and bank checks. No expenditure of public funds
11 received under this subpart shall be made except by debit cards
12 or checks drawn on a checking account.

13 (b) All reports required under subpart D and this subpart
14 for financial disclosure shall include the most recent,
15 available bank statement from the financial depository holding
16 the public funds, as attested to by the candidate's committee.

17 **§11-L Deposit of money into the Hawaii election campaign
18 fund's subaccount for the comprehensive public funding program.**

19 The following moneys shall be deposited into the subaccount of
20 the Hawaii election campaign fund established under section
21 11-421:



- 1 (1) Appropriations made by the legislature for the
- 2 purposes of this subpart;
- 3 (2) Excess seed money contributions;
- 4 (3) Qualifying contributions, including any excess
- 5 qualifying contributions of certified candidates;
- 6 (4) Unspent public funds distributed to any certified
- 7 candidate;
- 8 (5) Fines levied by the commission for violation of this
- 9 subpart; and
- 10 (6) Voluntary donations made for the purposes of this
- 11 subpart.

12 **§11-M Violations; penalties.** Any candidate who knowingly
13 attempts to fraudulently qualify for or receive public funding
14 shall:

- 15 (1) Have the candidate's certification for comprehensive
- 16 public funding revoked. Upon revocation of
- 17 certification, the certified candidate shall repay all
- 18 public funds received within ten business days to the
- 19 Hawaii election campaign fund's subaccount for the
- 20 comprehensive public funding program; and



1 (2) Be subject to fines and penalties as specifically
 2 provided in this subpart and other fines or penalties
 3 pursuant to sections 11-410 and 11-412 and the Hawaii
 4 Penal Code.

5 **§11-N Forms; receipts; candidate guide and trainings.** The
 6 commission shall create and publish all forms and receipts
 7 required to operate the comprehensive public funding program.
 8 The commission shall create and publish a candidates' guide to
 9 the comprehensive public funding program that shall include an
 10 explanation of rules and procedures applicable to candidates and
 11 shall be updated annually.

12 Prior to the 2028 general election year and any subsequent
 13 general election year for which the comprehensive public funding
 14 program shall be operative, the commission shall provide at
 15 least four trainings on the program for candidates and other
 16 interested individuals.

17 **§11-O Sufficiency of funding for the comprehensive public**
 18 **funding program.** On September 1 of each odd-numbered year
 19 preceding a general election year, the commission shall
 20 determine whether there is a minimum of \$30,000,000 in the
 21 Hawaii election campaign fund's subaccount for the comprehensive



1 public funding program established under section 11-421 to
2 certify candidates during the next election and provide funding
3 for the comprehensive public funding program authorized under
4 this subpart.

5 Within five business days of the commission's
6 determination, the commission shall publish a notice statewide,
7 pursuant to section 1-28.5, stating whether the comprehensive
8 public funding program shall become effective on January 1 of
9 the following year. If there is insufficient funding, this
10 subpart shall be inoperative for that general election year."

11 SECTION 3. Section 11-421, Hawaii Revised Statutes, is
12 amended by amending subsections (b) and (c) to read as follows:

13 "(b) The fund shall consist of:

14 (1) All moneys collected from persons who have designated
15 a portion of their income tax liability to the fund as
16 provided in section 235-102.5(a);

17 (2) Any general fund appropriations; [~~and~~]

18 (3) All moneys designated for deposit into the subaccount
19 for the comprehensive public funding program pursuant
20 to section 11-L; and

21 [~~3~~] (4) Other moneys collected pursuant to this part.



1 (c) Moneys in the fund shall be paid to candidates by the
2 comptroller as prescribed in [~~section~~] sections 11-431 and 11-H
3 and may be used for the commission's operating expenses,
4 including staff salaries and fringe benefits."

5 SECTION 4. The campaign spending commission shall submit a
6 progress report on the implementation of this Act and any
7 findings and recommendations, including any proposed legislation
8 that may be necessary to facilitate the implementation of this
9 Act, to the legislature no later than forty days prior to the
10 convening of the regular sessions of 2025, 2026, and 2027.

11 SECTION 5. The campaign spending commission shall submit a
12 final report of its findings and recommendations, including any
13 proposed legislation that may be necessary to facilitate the
14 implementation of this Act, to the legislature no later than
15 forty days prior to the convening of the 2028 regular session.

16 SECTION 6. In codifying the new sections added by section
17 2 of this Act, the revisor of statutes shall substitute
18 appropriate section numbers for the letters used in designating
19 the new sections in this Act.

20 SECTION 7. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 8. This Act shall take effect on July 1, 2024.



Report Title:

Comprehensive Public Funding; CSC; Report to Legislature

Description:

Establishes a comprehensive system of public financing for all candidates seeking election to state and county public offices in the State of Hawaii, to begin with the 2028 general election year. Requires the Campaign Spending Commission to submit a progress and final report to the Legislature. (SD2)

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

