
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 transparency and
2 accountability in the political process are essential to
3 preserving the integrity of democracy and ensuring that voters
4 have access to clear and accurate information about the sources
5 of funding behind election-related advertisements. However, the
6 proliferation of "dark money" in politics exacerbated by
7 unlimited corporate spending following the Citizens United
8 decision has undermined this foundational promise. Wealthy
9 special interests, often operating through complex networks of
10 shell organizations, obscure the true sources of their campaign
11 contributions, depriving voters of critical information
12 necessary for informed decision-making.

13 These challenges can be addressed by requiring individuals
14 and organizations acting as conduits for significant political
15 expenditures to disclose the original sources of funds and the
16 identities of the top contributors behind electioneering
17 communications. It establishes consistent reporting standards



1 for entities involved in independent expenditures and ensures
2 transparency in digital advertisements, recognizing the unique
3 challenges posed by modern technologies.

4 The legislature also finds that while protecting the rights
5 to free speech and political participation, it is essential to
6 curb deceptive practices that exploit loopholes in campaign
7 finance laws. As modern technology and digital platforms expand
8 the reach and influence of election related communications,
9 ensuring that voters have access to information about the
10 origins of these messages has become increasingly important.
11 The legislature believes that voters must be able to discern the
12 financial interests and motives behind political messages,
13 thereby promoting fairness and accountability in the electoral
14 process.

15 The purpose of this Act is to require the full disclosure
16 of original sources of large campaign contributions,
17 particularly when funds are funneled through intermediaries,
18 thereby empowering citizens to make informed decisions when
19 evaluating candidates and holding elected officials accountable.



1 SECTION 2. Chapter 11, Hawaii Revised Statutes, is amended
2 by adding three new sections to part XIII to be appropriately
3 designated and to read as follows:

4 **"§11-A Identification of certain top contributors. (a)**

5 Except as otherwise provided by this section, any expenditure
6 for a communication funded by a noncandidate committee subject
7 to section 11-345 or created through any in-kind contribution
8 received by a noncandidate committee subject to section 11-345
9 shall include a notice that includes:

- 10 (1) Any information required by section 11-391;
11 (2) For any communication that has a visual component, a
12 notice that clearly and conspicuously displays the
13 names of the top three donors who directly or
14 indirectly donated \$10,000 or more in original funds
15 during the two-year election period to the
16 noncandidate committee. This written notice shall
17 start with the words, "The three top contributors who
18 helped pay for this message are", followed by the
19 names of the three top contributors as determined
20 under subsection (d); and



1 (3) For any communication that has an audio component, a
2 notice that clearly and conspicuously states the names
3 of the top three donors who directly or indirectly
4 donated \$10,000 or more in original funds during the
5 two-year election period to the noncandidate
6 committee. This audio notice shall start with the
7 words, "The three top contributors who helped pay for
8 this message are", followed by the names of the three
9 top contributors as determined under subsection (d).

10 (b) For communications disseminated electronically and for
11 which it is technologically impossible to include all of the
12 information required by this section in a clear and conspicuous
13 manner, the communication shall:

14 (1) State the name of the person that paid for the
15 communication; and

16 (2) Include an active link for the recipient of the
17 digital communication to immediately view the
18 remainder of the information required under this
19 section with minimal effort and without receiving or
20 viewing any additional material other than the
21 required information.



1 A communication disseminated by electronic means is not
2 clearly and conspicuously stated or displayed if it is difficult
3 to read or hear or if its placement is easily overlooked.

4 (c) The notice in a communication disseminated
5 electronically is made clearly and conspicuously if the notice
6 meets the following requirements:

7 (1) In the case of a text or graphic communication, the
8 notice:

9 (A) Appears in letters at least as large as the
10 majority of the text in the communication;

11 (B) Is contained in a printed box set apart from the
12 other contents of the communication; and

13 (C) Is printed with a reasonable degree of color
14 contrast between the background and the printed
15 notice;

16 (2) In the case of an audio communication, the notice is
17 spoken in a clearly audible and intelligible manner at
18 the beginning or end of the communication and lasts at
19 least four seconds;

20 (3) In the case of a video communication that also
21 includes audio, the notice:



- 1 (A) Is included at either the beginning or the end of
2 the communication; and
- 3 (B) Is made both in a written format that meets the
4 requirements of paragraph (1) and appears for at
5 least four seconds, and in an audible format that
6 meets the requirements of paragraph (2);
7 provided that if the video communication is shorter
8 than ten seconds, the audible portion of the notice
9 may be omitted; and
- 10 (4) In the case of any other type of communication, the
11 notice is at least as clear and conspicuous as
12 required for a notice under this subsection.
- 13 (d) For the purposes of determining persons that are to be
14 top three contributors as required by subsection (a):
- 15 (1) The top three contributors shall be determined by
16 calculating the three contributors of traceable funds
17 that have directly or indirectly contributed to the
18 noncandidate committee the highest amounts of original
19 funds during the two-year election period;
- 20 (2) Contributions of traceable funds made in prior two-
21 year election periods shall be considered to have been



1 contributed in the current two-year election period if
2 the contributor's aggregate contributions of original
3 funds to the noncandidate committee constituted the
4 majority of the noncandidate committee's traceable
5 funds at the beginning of the two-year election
6 period;

7 (3) If multiple contributors have contributed identical
8 amounts to a noncandidate committee so that there is
9 no difference in the amounts contributed by the third-
10 highest contributor and fourth-highest or lower-level
11 contributor, the contributor that most recently
12 contributed to the noncandidate committee shall be
13 deemed a top three contributor;

14 (4) No contributor of traceable funds shall be deemed a
15 top three contributor if the aggregate amount of the
16 contributor's contributions of original funds to the
17 noncandidate committee during the two-year election
18 period is less than \$10,000; and

19 (5) To the extent that fewer than three contributors meet
20 the \$10,000 threshold in paragraph (4), an
21 intermediary that directly or indirectly transferred,



1 at least \$10,000 in traceable funds to the
2 noncandidate committee during the two-year election
3 period shall be treated as the original source of
4 funds for the purposes of the notice required by this
5 section.

6 **§11-B Structured transactions; prohibited.** No person
7 shall structure or assist in structuring, or attempt to
8 structure or assist in structuring, any solicitation,
9 contribution, expenditure, disbursement, or other transaction to
10 evade the requirements of this chapter.

11 **§11-C Penalties.** In addition to any other penalties, any
12 person who violates this subpart or any rule adopted by the
13 commission pursuant to this subpart shall pay an administrative
14 fine in an amount no less than the amount contributed or spent
15 in violation of this subpart or the reporting requirements, or
16 more than twice the amount contributed or spent in violation of
17 this subpart or the reporting requirements; provided that if the
18 amount contributed or spent in violation of this subpart or the
19 reporting requirements was less than \$5,000, the maximum fine
20 shall be \$10,000."



1 SECTION 3. Section 11-302, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By adding seven new definitions to be appropriately
4 inserted and to read:

5 "Business income" means:

6 (1) Funds received by a person in commercial transactions
7 in the ordinary course of the person's regular trade,
8 business, or investments; or

9 (2) Membership or union dues to the extent that they do
10 not exceed \$5,000 from any person in a calendar year.

11 "Identity" means:

12 (1) In the case of an individual, the name, address,
13 occupation, and employer of the individual; or

14 (2) In the case of a person other than an individual, the
15 full name; address; federal tax status; and state in
16 which the person is registered as a partnership,
17 incorporated, or organized as a limited liability
18 company, if applicable.

19 "Noncandidate committee making only independent
20 expenditures" means a noncandidate committee that makes
21 independent expenditures and does not:



1 (1) Make contributions to any candidate, candidate
2 committee, or noncandidate committee, other than
3 contributions to another noncandidate committee making
4 only independent expenditures or to a ballot issue
5 committee; or

6 (2) Engage in coordinated activity, as defined in section
7 11-363, other than coordinated activity with another
8 noncandidate committee making only independent
9 expenditures or with a ballot issue committee.

10 "Original funds" means the business income of a person or
11 an individual's own funds.

12 "Own funds" means:

13 (1) Any asset over which an individual had legal control
14 and rightful title at the time the individual made
15 expenditures or transferred funds to another person
16 for that spending;

17 (2) Income received by an individual, including:

18 (A) Any salary or other earned income from bona fide
19 employment;

20 (B) Dividends and proceeds from the individual's
21 personal investments; and



1 (C) Bequests to the individual, including income from
2 trusts established by bequests; and

3 (3) Of the assets that are jointly owned by the individual
4 and the individual's spouse, the portion that is:

5 (A) Equal to the individual's share of the asset
6 under the instrument of conveyance or ownership;
7 or

8 (B) The value of one-half of the property, if no
9 specific share is indicated by an instrument of
10 conveyance or ownership.

11 "Own funds" does not include any asset or income received
12 from any person for the purpose of influencing any election.

13 "Traceable funds" means funds that:

14 (1) Have been given to a noncandidate committee making
15 only independent expenditures and over which the donor
16 has not exercised the option under section 11-345(b)
17 to exclude from the use or transfer of funds for
18 independent expenditures; or

19 (2) Are used to finance in-kind contributions to a
20 noncandidate committee making only independent
21 expenditures to enable independent expenditures.



1 "Transfer record" means a written record of identity of the
2 persons who directly or indirectly contributed or transferred
3 original funds used for independent expenditures, the amounts of
4 those contributions or transfers, and how those funds are
5 disbursed."

6 2. By amending the definitions of "donation" and "donor"
7 to read:

8 "'Donation" means all transfers of money, credit or debit
9 card transactions, online payments, payments made through a
10 third party, paid personal services, or transfers of any other
11 thing of value [~~to a nonprofit organization.~~] other than through
12 commercial transactions in the ordinary course of business.

13 "Donor" means a person that makes a donation to [~~a~~
14 ~~nonprofit organization subject to this chapter and operating as]~~
15 a noncandidate committee."

16 3. By amending the definition of "electioneering
17 communication" to read:

18 "'Electioneering communication":

19 (1) Means any paid advertisement that is broadcast from a
20 cable, satellite, television, or radio broadcast



1 station; published in any periodical or newspaper or
2 by electronic means; or sent by mail, and that:

3 (A) Refers to a clearly identifiable candidate;

4 (B) Is made, or scheduled to be made, either within
5 thirty days before a primary or initial special
6 election or within sixty days before a general or
7 special election; and

8 (C) Is [~~not susceptible to any reasonable~~
9 ~~interpretation other than as an appeal to vote~~
10 ~~for or against a specific candidate;~~]

11 disseminated in the jurisdiction where the
12 candidate's election is taking place; and

13 (2) Shall not include communications:

14 (A) In a news story or editorial disseminated by any
15 broadcast station, publisher of periodicals or
16 newspapers, or by electronic means, unless the
17 facilities are owned or controlled by a
18 candidate, candidate committee, or noncandidate
19 committee;

20 (B) In house bulletins; or



1 (C) That constitute a candidate debate or forum, or
2 solely promote a debate or forum and are made by
3 or on behalf of the person or organization
4 sponsoring the debate or forum."

5 4. By amending the definition of "expenditure" to read:
6 ""Expenditure" means:

7 (1) Any purchase or transfer of money or anything of
8 value, or promise or agreement to purchase or transfer
9 money or anything of value, or payment incurred or
10 made, or the use or consumption of a nonmonetary
11 contribution for the purpose of:

12 (A) Influencing the nomination for election, or the
13 election, of any person seeking nomination for
14 election or election to office, whether or not
15 the person has filed the person's nomination
16 papers[?] including:

17 (i) Communications or activities that constitute
18 express advocacy or the functional
19 equivalent of express advocacy;

20 (ii) Communications that advocate or support the
21 nomination, opposition, or election of a



- 1 candidate, regardless of whether the
2 communication expressly advocates the
3 election or defeat of a candidate;
- 4 (iii) Partisan voter activity, partisan voter
5 registration, partisan get-out-the-vote
6 activity, or other partisan campaign-related
7 activity;
- 8 (B) Influencing the outcome of any question or issue
9 that has been certified to appear on the ballot
10 at the next applicable election[~~;~~ or], including
11 communications that advocate the passage or
12 defeat of an issue or question on the ballot
- 13 (C) Use by any party for the purposes set out in
14 subparagraph (A) or (B); or
- 15 (D) Research, design, production, polling, data
16 analytics, mailing or social media list
17 acquisition, or other activities conducted in
18 preparation for or conjunction with
19 communications or activities described in this
20 paragraph;



1 (2) Any payment, by any person other than a candidate,
2 candidate committee, or noncandidate committee, of
3 compensation for the services of another person that
4 are rendered to the candidate, candidate committee, or
5 noncandidate committee for any of the purposes
6 mentioned in paragraph [~~(1)(A)~~] (1); provided that
7 payment under this paragraph shall include provision
8 of services without charge; or

9 (3) The expenditure by a candidate of the candidate's own
10 funds for the purposes set out in [~~paragraph~~]
11 paragraphs (1) (A) [~~∓~~] and (D) regarding the candidate's
12 own election.

13 "Expenditure" does not include:

- 14 (1) Services voluntarily provided without compensation by
15 individuals to or on behalf of a candidate, candidate
16 committee, or noncandidate committee;
- 17 (2) Voter registration efforts that are nonpartisan; or
- 18 (3) An individual, candidate committee, or noncandidate
19 committee engaging in internet activities for the
20 purpose of influencing an election if:



1 (A) The individual, candidate committee, or
2 noncandidate committee is uncompensated for
3 internet activities; or
4 (B) The individual, candidate committee, or
5 noncandidate committee uses equipment or services
6 for uncompensated internet activities, regardless
7 of who owns the equipment and services;
8 provided that the internet activity exclusion does not
9 apply to any payment for an advertisement other than a
10 nominal fee; the purchase or rental of an electronic
11 address list made at the direction of a candidate
12 committee or noncandidate committee; or an electronic
13 mail address list that is transferred to a candidate
14 committee or noncandidate committee."

15 5. By amending the definition of "independent expenditure"
16 to read:

17 ""Independent expenditure" means an expenditure by a person
18 [~~expressly advocating the election or defeat of a clearly~~
19 ~~identified candidate]~~ that is not made in concert or cooperation
20 with or at the request or suggestion of the candidate, the
21 candidate committee, a party, or their agents."



1 SECTION 4. Section 11-335, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) Schedules filed with the reports shall include the
4 following additional information:

5 (1) The amount and date of deposit of each contribution
6 received and the name, address, occupation, and
7 employer of each contributor making a contribution
8 aggregating more than \$100 during an election period,
9 which was not previously reported pursuant to this
10 section; provided that if[÷

11 ~~(A) All the information is not on file, the~~
12 ~~contribution shall be returned to the contributor~~
13 ~~within thirty days of deposit; and~~

14 ~~(B) A noncandidate committee making only independent~~
15 ~~expenditures receives a contribution of more than~~
16 ~~\$10,000 in the aggregate in an election period~~
17 ~~from an entity other than an individual, for-~~
18 ~~profit business entity, or labor union, then the~~
19 ~~schedule shall include:~~

20 ~~(i) The internet address where the contributing~~
21 ~~entity's disclosure report can be publicly~~



1 ~~accessed, if the contributing entity is~~
2 ~~subject to state or federal disclosure~~
3 ~~reporting requirements regarding the source~~
4 ~~of the contributing entity's funds;~~

5 ~~(ii) The name, address, occupation, and employer~~
6 ~~of each funding source that contributed \$100~~
7 ~~or more in the aggregate in an election~~
8 ~~period to that contributing entity; or~~

9 ~~(iii) An acknowledgment that the contributing~~
10 ~~entity is not subject to any state or~~
11 ~~federal disclosure reporting requirements~~
12 ~~regarding the source of the contributing~~
13 ~~entity's funds;]~~

14 all the information is not on file, the contribution
15 shall be returned to the contributor within thirty
16 days of deposit;

17 (2) The amount and date of each contribution made and the
18 name and address of the candidate, candidate
19 committee, or noncandidate committee to which the
20 contribution was made;



- 1 (3) All expenditures, including the [~~name and address~~]
2 identity of each payee, including any subvendors, and
3 the amount, date, and purpose of each expenditure;
4 provided that:
- 5 (A) Expenditures for advertisements or disbursements
6 for electioneering communications shall include
7 the names of the candidates supported, opposed,
8 or clearly identified;
- 9 (B) Expenditures for consultants, advertising
10 agencies and similar firms, credit card payments,
11 and salaries shall be itemized to permit a
12 reasonable person to determine the ultimate
13 intended recipient of the expenditure and its
14 purpose;
- 15 (C) Independent expenditures shall include the name
16 of any candidate supported, opposed, or clearly
17 identified; and
- 18 (D) The purpose of an independent expenditure shall
19 include the name of the candidate who is
20 supported or opposed by the expenditure, and



1 whether the expenditure supports or opposes the
2 candidate;

3 (4) For noncandidate committees making only independent
4 expenditures, certification that no expenditures have
5 been coordinated with a candidate, candidate
6 committee, ~~[or]~~ any agent of a candidate or candidate
7 committee~~[-]~~, a noncandidate committee other than a
8 noncandidate committee making only independent
9 expenditures or a ballot issue committee, or an agent
10 of a noncandidate committee other than a noncandidate
11 committee making only independent expenditures or a
12 ballot issue committee;

13 (5) The amount, date of deposit, and description of other
14 receipts and the name and address of the source of
15 each of the other receipts;

16 (6) A description of each durable asset, the date of
17 acquisition, value at the time of acquisition, and the
18 name and address of the vendor or contributor of the
19 asset;

20 (7) The date of disposition of a durable asset, value at
21 the time of disposition, method of disposition, and



1 name and address of the person receiving the asset;
2 and
3 ~~[(8) For donations received by a nonprofit organization~~
4 ~~subject to this chapter and operating as a~~
5 ~~noncandidate committee, donation received and the name~~
6 ~~and address of each donor making a donation~~
7 ~~individually or aggregating more than \$10,000 during~~
8 ~~an election period, which was not previously reported~~
9 ~~pursuant to this section; provided that a schedule~~
10 ~~filed pursuant to this section shall not include a~~
11 ~~donor if the donor has not provided consent pursuant~~
12 ~~to section 11-345.]~~

13 (8) For a noncandidate committee subject to section 11-
14 345, all of the following:

15 (A) The total amount of traceable funds owned or
16 controlled by the noncandidate committee on the
17 date of the report;

18 (B) Each contributor of original funds that has
19 directly or indirectly contributed more than
20 \$5,000 of traceable funds or funds used to enable
21 in-kind contributions during the two-year



1 election period to the noncandidate committee and
2 the amount and date of deposit of each of the
3 contributor's contribution;

4 (C) The identity of each person that acted as an
5 intermediary and that transferred traceable funds
6 in whole or part from an original source to the
7 noncandidate committee, and the date, amount, and
8 original and intermediate sources, of the
9 transferred funds; and

10 (D) The identity of any person that was the
11 contributor of the majority of the traceable
12 funds in the noncandidate committee's custody at
13 the beginning of the two-year election period."

14 SECTION 5. Section 11-338, Hawaii Revised Statutes, is
15 amended by amending subsections (b) and (c) to read as follows:

16 "(b) The late contribution report shall include the
17 following information:

18 (1) Name, address, occupation, and employer of the
19 contributor;

20 (2) Name of the candidate, candidate committee, or
21 noncandidate committee making or receiving the



1 contribution; [~~provided that, for noncandidate~~
2 ~~committees making only independent expenditures, if a~~
3 ~~late contribution greater than \$5,000 in the aggregate~~
4 ~~is received from an entity other than an individual,~~
5 ~~for-profit business entity, or labor union, then the~~
6 ~~report shall include:~~

7 ~~(A) The internet address where the contributing~~
8 ~~entity's disclosure report can be publicly~~
9 ~~accessed, if the contributing entity is subject~~
10 ~~to any state or federal disclosure reporting~~
11 ~~requirements regarding the source of the~~
12 ~~contributing entity's funds;~~

13 ~~(B) The name, address, occupation, and employer of~~
14 ~~each funding source of more than \$100 in the~~
15 ~~aggregate to that contributing entity; or~~

16 ~~(C) An acknowledgment that the contributing entity is~~
17 ~~not subject to any state or federal disclosure~~
18 ~~reporting requirements regarding the source of~~
19 ~~the contributing entity's funds;]~~

20 (3) The amount of the contribution received;

21 (4) The amount of the contribution made;



- 1 (5) The contributor's aggregate contributions to the
2 candidate, candidate committee, or noncandidate
3 committee; and
- 4 (6) The purpose, if any, to which the contribution will be
5 applied, including, for contributions to a
6 noncandidate committee, the name of any candidate
7 supported, opposed, or clearly identified[; ~~and~~
- 8 ~~(7) For a nonprofit organization filing a late~~
9 ~~contribution report, the amount and date of deposit of~~
10 ~~each donation received and the name and address of~~
11 ~~each donor making a donation individually or~~
12 ~~aggregating more than \$10,000 during an election~~
13 ~~period, which was not previously reported pursuant to~~
14 ~~section 11-335; provided that a schedule filed~~
15 ~~pursuant to this section shall not include a donor if~~
16 ~~the donor has not provided consent pursuant to section~~
17 ~~11-345].~~
- 18 (c) A noncandidate committee that makes independent
19 expenditures in an aggregate amount of more than \$500 within the
20 period between fourteen and four calendar days prior to any
21 election shall file a late expenditure report by means of the



1 commission's electronic filing system on or before the third
2 calendar day prior to the election. The late expenditure report
3 shall include the following information for each expenditure:

4 (1) The amount and date made;

5 (2) The vendor name, address, and contact information;

6 [~~and~~]

7 (3) The purpose, including the name of any candidate
8 supported, opposed, or clearly identified by the
9 expenditure[~~.-~~]; and

10 (4) For a noncandidate committee subject to section 11-
11 345, information regarding original sources of funds
12 as required by section 11-345(e)."

13 SECTION 6. Section 11-341, Hawaii Revised Statutes, is
14 amended as follows:

15 1. By amending subsections (a) and (b) to read:

16 "(a) Each person who makes [~~an expenditure~~] a disbursement
17 for electioneering communications in an aggregate amount of more
18 than [~~\$1,000~~] \$2,000 during any calendar year shall file with
19 the commission a statement of information within twenty-four
20 hours of each disclosure date provided in this section.



1 (b) Each statement of information shall contain the
2 following:

- 3 (1) The name of the person making the [~~expenditure,~~
4 disbursement, name of any person or entity sharing or
5 exercising discretion or control over the person, and
6 the custodian of the books and accounts of the person
7 making the [~~expenditure,~~ disbursement;
- 8 (2) The names and titles of the executives or board of
9 directors who authorized the [~~expenditure,~~
10 disbursement, if the [~~expenditure]~~ disbursement was
11 made by a noncandidate committee, business entity, or
12 an organization;
- 13 (3) The state of incorporation or formation and principal
14 address of the noncandidate committee, business
15 entity, or organization or for an individual, the
16 name, address, occupation, and employer of the
17 individual making the [~~expenditure,~~ disbursement;
- 18 (4) The amount of each [~~expenditure]~~ disbursement during
19 the period covered by the statement of information and
20 the identification of the person to whom the
21 [~~expenditure]~~ disbursement was made;



- 1 (5) The elections to which the electioneering
- 2 communications pertain and the names of any clearly
- 3 identifiable candidates and whether those candidates
- 4 are supported or opposed;
- 5 (6) If the [~~expenditures~~] disbursements were made by a
- 6 noncandidate committee, the names and addresses of all
- 7 persons who contributed to the noncandidate committee
- 8 for the purpose of publishing or broadcasting the
- 9 electioneering communications;
- 10 (7) If the expenditures were made by an organization other
- 11 than a noncandidate committee, the names and addresses
- 12 of all persons who contributed to the organization for
- 13 the purpose of publishing or broadcasting the
- 14 electioneering communications;
- 15 ~~(8) If the expenditures were made by a nonprofit~~
- 16 ~~organization, the amount and date of the deposit of~~
- 17 ~~each donation received and the name and address of~~
- 18 ~~each donor making a donation individually or~~
- 19 ~~aggregating more than \$10,000 during an election~~
- 20 ~~period, which was not previously reported pursuant to~~
- 21 ~~section 11-335; provided that a schedule filed~~



1 ~~pursuant to this section shall not include a donor's~~
2 ~~name or address if the donor has not provided consent~~
3 ~~pursuant to section 11-345;~~

4 ~~(9)]~~ (8) Whether any electioneering communication is made
5 in coordination, cooperation, or concert with or at
6 the request or suggestion of any candidate, candidate
7 committee, or noncandidate committee, or agent of any
8 candidate if any, and if so, the identification of the
9 candidate, candidate committee, or noncandidate
10 committee, or agent involved; and

11 ~~[(10)]~~ (9) The three top contributors as required under
12 section ~~[11-393,]~~ 11-A if applicable."

13 2. By amending subsections (d) and (e) to read

14 "(d) For purposes of this section:

15 "Disclosure date" means, for every calendar year, the first
16 date during the calendar year on which an electioneering
17 communication is publicly distributed, and the date on which any
18 subsequent electioneering communication is publicly distributed;
19 provided that the person making the electioneering communication
20 has made ~~[expenditures]~~ disbursements for electioneering
21 communications of more than \$2,000 in the aggregate.



1 "Disclosure date" for mailers means the date the mailers are
2 first mailed.

3 "Person" shall not include a candidate or candidate
4 committee.

5 (e) For purposes of this section, a person shall be
6 treated as having made [~~an expenditure~~] a disbursement if the
7 person has executed a contract to make the [~~expenditure.~~]
8 disbursement."

9 SECTION 7. Section 11-345, Hawaii Revised Statutes, is
10 amended to read as follows:

11 "[~~+~~]**\$11-345**[~~+~~] **Donors; consent; notice.** [~~(a) A nonprofit~~
12 ~~organization subject to this chapter and operating as a~~
13 ~~noncandidate committee may use a donation for electioneering~~
14 ~~communications, independent expenditures, or contributions only~~
15 ~~upon receipt of written consent from the donor to use the~~
16 ~~donation for electioneering communications, independent~~
17 ~~expenditures, or contributions.]~~

18 (a) A noncandidate committee making only independent
19 expenditures that spends more than \$10,000 in a two-year
20 election period or accepts more than \$10,000 of in-kind



1 contributions in a two-year election period shall maintain
2 transfer records.

3 (b) A ~~[nonprofit organization subject to this chapter and~~
4 ~~operating as a]~~ noncandidate committee subject to subsection (a)
5 shall provide written notice to donors that the donor's donation
6 may be used for independent expenditures in the State and that
7 the donor's name [and], address, and other information may be
8 reported pursuant to this chapter in a public document ~~[if the~~
9 ~~donor provides written consent to use the donation for~~
10 ~~electioneering communications, independent expenditures, or~~
11 ~~contributions]~~. The notice may be provided before, after, or at
12 the same time the noncandidate committee receives the donation
13 and shall inform the donor that the donor may exclude the
14 donation from the intended use or transfer for independent
15 expenditures or electioneering communications by providing a
16 written request within twenty-one days after the donor's receipt
17 of the notice. The donor's donations shall not be used or
18 transferred for independent expenditures or electioneering
19 communications until the twenty-second day after the donor
20 receives the notice or after the donor provides written consent
21 for the intended use or transfer, whichever occurs first.



1 (c) If the donor [~~fails to provide written consent that~~
2 ~~the donation may be used for electioneering communications,~~]
3 notifies the noncandidate committee that the donation must be
4 excluded from use or transfer by the committee for independent
5 expenditures[~~, or contributions,~~ or electioneering
6 communications, the [nonprofit organization] noncandidate
7 committee shall, within thirty days of receipt of the donation,
8 transmit to the donor a written [~~confirmation by the nonprofit~~
9 ~~organization's highest ranking official that the donation will~~
10 ~~not be used for electioneering communications, independent~~
11 ~~expenditures, or contributions; and the name and address of the~~
12 ~~donor will not be reported by the nonprofit organization~~
13 ~~pursuant to this chapter.~~] receipt acknowledging the donor's
14 decision to exclude the donation from such spending.

15 [~~(d) Only a nonprofit organization subject to this chapter~~
16 ~~and operating as a noncandidate committee shall be subject to~~
17 ~~the reporting requirements of this section.~~]

18 (d) Any person that contributes at least \$10,000 in the
19 aggregate in traceable funds in a two-year election period to a
20 noncandidate committee subject to subsection (a) shall inform



1 the noncandidate committee, within ten days of receiving a
2 written request from the noncandidate committee, of:

3 (1) The identities of persons that directly or indirectly
4 contributed at least \$1,000 in original funds
5 transferred;

6 (2) The amounts of the persons' original funds
7 transferred; and

8 (3) Any persons that previously transferred the original
9 funds.

10 If more than one transfer has previously occurred, the
11 contributor shall disclose all the previous transfers and
12 intermediaries. The contributor shall maintain these records
13 for at least five years and shall provide them to the commission
14 upon request.

15 (e) Any person that makes an in-kind contribution to a
16 noncandidate committee subject to subsection (a) of at least
17 \$10,000 in a two-year election period to enable independent
18 expenditures shall inform the noncandidate committee, at the
19 time the in-kind contribution is made or promised to be made,
20 of:



- 1 (1) The identities of persons that directly or indirectly
2 contributed or provided at least \$1,000 in original
3 funds to finance the in-kind contribution;
- 4 (2) The amounts of funds used from each persons' original
5 funds; and
- 6 (3) Any persons who had previously transferred the
7 original funds.

8 If more than one transfer previously occurred, the in-kind
9 contributor shall disclose all the previous transfers and
10 intermediaries. The in-kind contributor shall maintain these
11 records for at least five years and shall provide them to the
12 commission upon request."

13 SECTION 8. Section 11-391, Hawaii Revised Statutes, is
14 amended by amending subsection (a) to read as follows:

15 "(a) Any paid advertisement that is broadcast, televised,
16 circulated, published, distributed, or otherwise communicated,
17 including by electronic means, shall:

- 18 (1) Contain the name and address of the candidate,
19 candidate committee, noncandidate committee, or other
20 person paying for the advertisement;



1 (2) Contain a notice in a prominent location stating
2 either that:

3 (A) The advertisement has the approval and authority
4 of the candidate; provided that an advertisement
5 paid for by a candidate, candidate committee, or
6 ballot issue committee does not need to include
7 the notice; or

8 (B) The advertisement has not been approved by the
9 candidate; and

10 (3) Not contain false information about the time, date,
11 place, or means of voting."

12 SECTION 9. Section 11-393, Hawaii Revised Statutes, is
13 repealed.

14 ~~["§11-393 Identification of certain top contributors to~~
15 ~~noncandidate committees making only independent expenditures.~~

16 ~~(a) An advertisement shall contain an additional notice in a~~
17 ~~prominent location immediately after or below the notices~~
18 ~~required by section 11-391, if the advertisement is broadcast,~~
19 ~~televised, circulated, or published, including by electronic~~
20 ~~means, and is paid for by a noncandidate committee that~~
21 ~~certifies to the commission that it makes only independent~~



1 ~~expenditures. This additional notice shall start with the~~
2 ~~words, "The three top contributors for this advertisement are",~~
3 ~~followed by the names of the three top contributors, as defined~~
4 ~~in subsection (c), who made the highest aggregate contributions~~
5 ~~to the noncandidate committee for the purpose of funding the~~
6 ~~advertisement; provided that:~~

7 ~~(1) If a noncandidate committee is only able to identify~~
8 ~~two top contributors who made contributions for the~~
9 ~~purpose of funding the advertisement, the additional~~
10 ~~notice shall start with the words, "The two top~~
11 ~~contributors for this advertisement are", followed by~~
12 ~~the names of the two top contributors;~~

13 ~~(2) If a noncandidate committee is able to identify only~~
14 ~~one top contributor who made contributions for the~~
15 ~~purpose of funding the advertisement, the additional~~
16 ~~notice shall start with the words, "The top~~
17 ~~contributor for this advertisement is", followed by~~
18 ~~the name of the top contributor;~~

19 ~~(3) If a noncandidate committee is unable to identify any~~
20 ~~top contributors who made contributions for the~~
21 ~~purpose of funding the advertisement, the additional~~



1 ~~notice shall start with the words, "The three top~~
2 ~~contributors for this noncandidate committee are",~~
3 ~~followed by the names of the three top contributors~~
4 ~~who made the highest aggregate contributions to the~~
5 ~~noncandidate committee; and~~

6 ~~(4) If there are no top contributors to the noncandidate~~
7 ~~committee, the noncandidate committee shall not be~~
8 ~~subject to this section.~~

9 ~~In no case shall a noncandidate committee be required to~~
10 ~~identify more than three top contributors pursuant to this~~
11 ~~section.~~

12 ~~(b) If a noncandidate committee has more than three top~~
13 ~~contributors who contributed in equal amounts, the noncandidate~~
14 ~~committee may select which of the top contributors to identify~~
15 ~~in the advertisement; provided that the top contributors not~~
16 ~~identified in the advertisement did not make a higher aggregate~~
17 ~~contribution than those top contributors who are identified in~~
18 ~~the advertisement. The additional notice required for~~
19 ~~noncandidate committees described under this subsection shall~~
20 ~~start with the words "Three of the top contributors for this~~
21 ~~advertisement are" or "Three of the top contributors to this~~



1 ~~noncandidate committee are", as appropriate, followed by the~~
2 ~~names of the three top contributors.~~

3 ~~(c) This section shall not apply to advertisements~~
4 ~~broadcast by radio or television of such short duration that~~
5 ~~including a list of top contributors in the advertisement would~~
6 ~~constitute a hardship to the noncandidate committee paying for~~
7 ~~the advertisement. A noncandidate committee shall be subject to~~
8 ~~all other requirements under this part regardless of whether a~~
9 ~~hardship exists pursuant to this subsection. The commission~~
10 ~~shall adopt rules pursuant to chapter 91 to establish criteria~~
11 ~~to determine when including a list of top contributors in an~~
12 ~~advertisement of short duration constitutes a hardship to a~~
13 ~~noncandidate committee under this subsection.~~

14 ~~(d) Any noncandidate committee that violates this section~~
15 ~~shall be subject to a minimum fine of \$1,000 per violation.~~

16 ~~(e) For purposes of this section, "top contributor" means~~
17 ~~a contributor who has contributed an aggregate amount of \$10,000~~
18 ~~or more to a noncandidate committee within a twelve-month period~~
19 ~~before the purchase of an advertisement."]~~

20 SECTION 10. In codifying the new sections added by section
21 2 of this Act, the revisor of statutes shall substitute



1 appropriate section numbers for the letters used in designating
2 the new sections in this Act.

3 SECTION 11. This Act does not affect rights and duties
4 that matured, penalties that were incurred, and proceedings that
5 were begun before its effective date.

6 SECTION 12. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 13. This Act shall take effect upon its approval.

9

INTRODUCED BY:

Anna A. Belletti

JAN 23 2025



H.B. NO. 1478

Report Title:

Campaign Finance; Noncandidate Commission; Original Sources Disclosures

Description:

Establishes new requirements for identifying certain top contributors for election campaign purposes. Prohibits structuring, assisting in structuring, or attempting to structure or assist in structuring any solicitation, contribution, expenditure, disbursement, or other transactions. Establishes additional penalties regarding campaign finance violations. Adds and amends various definitions for purposes of campaign finances. Amends reporting requirements for schedules filed for noncandidate committee reports. Repeals certain required information for noncandidate committees making only independent expenditures for late contribution reports. Expands information required for a noncandidate committee that makes independent expenditures of more than \$500. Increases the aggregate amount that triggers when a person is required to file a statement of information. Repeals an authorization for a nonprofit organization operating as a noncandidate committee to use a donation for certain expenditures. Requires certain noncandidate committees to maintain transfer records. Requires certain information to be reported to a noncandidate committee. Repeals the requirement to identify certain top contributors.

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

