
A BILL FOR AN ACT

RELATING TO PUBLIC FINANCING OF ELECTIONS.

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 existing 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 number of \$5 donations from



1 voters, 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 financing program that is still used by candidates.
15 Comprehensive public financing programs, sometimes termed "clean
16 elections," were established in 1996 in Maine and 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 2026 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 "SUBPART . COMPREHENSIVE PUBLIC FUNDING FOR CANDIDATES TO
7 STATE 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 is certified by the commission
10 as eligible for comprehensive public funding under this subpart
11 and who agrees to abide by the requirements of this subpart.

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

17 "Declaration of intent to seek comprehensive public
18 funding" means the form completed by a candidate seeking public
19 funding.

20 "Excess expenditure" means the amount of public funds spent
21 or obligated to be spent by a comprehensive publicly funded



1 candidate in excess of one hundred per cent of the allocated
2 funds for a primary election, general election, or both.

3 "General election" means a general election, subsequent
4 special election, or subsequent nonpartisan election.

5 "General election campaign period" means the period
6 beginning the day after the primary election and ending on
7 general election day.

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

11 "Primary election" means a primary election, initial
12 special election, or initial nonpartisan election.

13 "Primary election campaign period" means the period in a
14 primary election year beginning with the certification for
15 comprehensive public funding under this subpart and ending on
16 the primary election day.

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

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



1 "Surplus campaign funds" means any campaign contributions
2 not spent during a prior election period by a candidate who
3 previously sought election as a privately funded candidate.

4 **§11-C Establishment.** There shall be established a
5 comprehensive public funding program for candidates for state
6 and county public offices in the State, beginning with the 2026
7 general election year.

8 **§11-D Qualifications for comprehensive public funding.**

9 (a) A candidate shall be eligible to seek comprehensive public
10 funding for the primary election campaign period if the
11 candidate:

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

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

19 (3) Files a declaration of intent to seek comprehensive
20 public funding with the commission between December 1
21 of the year before the general election year and



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



1 (b) A candidate shall be qualified to seek comprehensive
2 public funding for the general election campaign period if the
3 candidate:

4 (1) Was certified as a comprehensive publicly funded
5 candidate during the primary election campaign period
6 immediately preceding the general election in which
7 the funds under this subpart are provided;

8 (2) Continues to meet the requirements of this subpart;
9 and

10 (3) Received a sufficient number of votes to appear on the
11 ballot in the general election or is otherwise
12 certified by the county clerk to be placed on the
13 ballot in the general election.

14 **§11-E Seed money contributions; limitations on use of seed**

15 **money.** (a) The use of seed money shall be limited to
16 expenditures necessary to determine whether sufficient support
17 exists for a candidate to run for office as a comprehensive
18 publicly funded candidate.

19 (b) The amount of seed money received, expended, or both,
20 by a candidate seeking eligibility for comprehensive public
21 funding shall not exceed \$5,000, or five per cent of the maximum



1 amount of funds to be distributed to a certified candidate for
2 the office sought, whichever is greater. Seed money shall
3 include any personal funds, surplus campaign funds, or
4 contributions received from individuals in an aggregate amount
5 no greater than \$250 each that the candidate may choose to use.
6 A candidate seeking eligibility for comprehensive public funding
7 shall not accept contributions of seed money from any individual
8 whose contributions are prohibited under subpart E. A candidate
9 shall issue a receipt to all contributors whose seed money the
10 candidate accepts.

11 (c) An individual who uses seed money to determine whether
12 sufficient support exists to campaign for office as a
13 comprehensive publicly funded candidate who is not already
14 registered with the commission shall register as a candidate by
15 filing the organizational report required by section 11-321
16 within ten days of receiving more than \$100 in seed money from
17 either contributions or personal funds.

18 (d) Seed money shall not be collected after the candidate
19 has filed the declaration of intent to seek comprehensive public
20 funding. The candidate shall spend seed money only until the
21 candidate is certified by the commission as a comprehensive



1 publicly funded candidate, or the closing date to file
2 nomination papers to run for the office for which the candidate
3 intends to seek election, whichever occurs first.

4 (e) Any unspent seed money shall be deducted from the
5 amount of comprehensive public funding allocated to the
6 certified candidate; provided that the certified candidate does
7 not donate the unspent seed money to the Hawaii election
8 campaign fund's subaccount for the comprehensive public funding
9 program.

10 (f) A certified candidate who has surplus campaign funds
11 from a previous election shall be prohibited from using those
12 funds for any purpose except as seed money pursuant to this
13 section. The surplus campaign funds shall be frozen and
14 maintained in a separate depository account from that
15 established for the public funds under section 11-K. The
16 candidate shall continue to file reports on the surplus campaign
17 funds in accordance with subpart D, or as may otherwise be
18 required by the commission.

19 **§11-F Application for comprehensive public funds;**
20 **qualifying contributions.** (a) Each candidate who seeks
21 comprehensive public funding shall submit an application for



1 certification that contains the minimum number of qualifying
2 contributions, as specified in subsection (b). Each qualifying
3 contribution shall be a monetary contribution of exactly \$5 in
4 the form of cash, a check, or a money order payable to the
5 Hawaii election campaign fund and signed by the contributor in
6 support of a candidate. An electronic form of payment made in
7 support of a candidate may be counted as a qualifying
8 contribution, if it adheres to procedures established by the
9 commission. Further, each qualifying contribution shall be
10 accompanied by a form provided in both physical and electronic
11 formats by the commission that includes:

- 12 (1) The contributor's printed name, address, signature,
13 date of birth, and acknowledgement that the
14 contribution was made with the contributor's personal
15 funds in support of the candidate and was not given in
16 exchange for anything of value; and
- 17 (2) The candidate's acknowledgement that the contribution
18 was obtained with the candidate's knowledge and
19 approval and that nothing of value was given in
20 exchange for the contribution. Only registered voters
21 who reside within the respective district from which



1 the candidate seeks nomination or election at the time
2 the contribution is given shall be considered for
3 certification purposes. Nothing of value shall be
4 given to the individual in exchange for the qualifying
5 contribution.

6 (b) The minimum number of qualifying contributions shall
7 be as follows:

- 8 (1) For the office of governor – 6,250 qualifying
9 contributions;
- 10 (2) For the office of lieutenant governor – three thousand
11 qualifying contributions;
- 12 (3) For the office of state senator – two hundred fifty
13 qualifying contributions;
- 14 (4) For the office of state representative – one hundred
15 twenty-five qualifying contributions;
- 16 (5) For the office of Hawaiian affairs – one hundred
17 qualifying contributions;
- 18 (6) For the office of mayor of the city and county of
19 Honolulu – 5,750 qualifying contributions;
- 20 (7) For the office of mayor of the county of Hawaii – nine
21 hundred qualifying contributions;



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



1 (c) No qualifying contribution shall be collected for a
2 candidate before the candidate files a declaration of intent to
3 seek comprehensive public funding with the commission. A
4 contribution received before the filing of a declaration of
5 intent to seek comprehensive public funding shall not be
6 considered a qualifying contribution.

7 (d) Any receipt for a qualifying contribution shall be
8 made in a form prescribed by the commission pursuant to section
9 11-N.

10 (e) All qualifying contributions collected by a candidate,
11 regardless of whether the candidate is certified, shall be
12 deposited into the Hawaii election campaign fund's subaccount
13 for the comprehensive public funding program.

14 (f) The application for certification shall be submitted
15 to the commission no later than thirty days before the primary
16 election and shall be signed by the candidate and the
17 candidate's campaign treasurer under penalty of perjury. The
18 application shall contain any other information deemed necessary
19 by the commission.

20 (g) Use of voter registration information to obtain
21 qualifying contributions and seek comprehensive public funds



1 shall constitute election purposes pursuant to section 11-97 and
2 applicable rules.

3 **§11-G Certification of qualification for comprehensive**
4 **public funds.** (a) The clerk for the county that includes the
5 district from which election is sought shall verify that the
6 candidate received the minimum required qualifying contributions
7 from registered voters in the district from which the candidate
8 seeks office, that the candidate resides in the district from
9 which election is sought as of the date of the filing of
10 nomination papers, and that the candidate is a registered voter
11 in the district from which election is sought. The clerk for
12 the county that includes the district from which election is
13 sought shall provide to the commission the information needed
14 for verification, including the names, addresses, dates of
15 birth, and signatures of registered voters in that district.

16 (b) The commission shall issue a decision to certify or
17 deny the certification of a candidate as a comprehensive
18 publicly funded candidate within ten business days following
19 receipt of the candidate's completed application for
20 certification for comprehensive public funding.



1 (c) After a candidate is certified, the candidate's
2 certification shall apply to both the primary election and the
3 general election.

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

8 **§11-H Comprehensive public funds to be distributed to**

9 **certified candidates.** (a) Each certified candidate who has an
10 opponent in the primary election and an opponent in the general
11 election shall receive the following amounts of public funding,
12 as adjusted pursuant to subsection (d), and distributed at a
13 rate of sixty-seven per cent for the primary election and
14 thirty-three per cent for the general election:

15 (1) For the office of governor – \$1,675,000 in the primary
16 election, \$825,000 in the general election, for a
17 maximum of \$2,500,000;

18 (2) For the office of lieutenant governor – \$804,000 in
19 the primary election, \$396,000 in the general
20 election, for a maximum of \$1,200,000;



- 1 (3) For the office of state senator – \$67,000 in the
2 primary election, \$33,000 in the general election, for
3 a maximum of \$100,000;
- 4 (4) For the office of state representative – \$33,500 in
5 the primary election, \$16,500 in the general election,
6 for a maximum of \$50,000;
- 7 (5) For the office of Hawaiian affairs – \$26,800 in the
8 primary election, \$13,200 in the general election, for
9 a maximum of \$40,000;
- 10 (6) For the office of mayor of the city and county of
11 Honolulu – \$1,541,000 in the primary election,
12 \$759,000 in the general election, for a maximum of
13 \$2,300,000;
- 14 (7) For the office of mayor of the county of Hawaii –
15 \$241,200 in the primary election, \$118,800 in the
16 general election, for a maximum of \$360,000;
- 17 (8) For the office of mayor of the county of Maui –
18 \$402,000 in the primary election, \$198,000 in the
19 general election, for a maximum of \$600,000;



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



1 (15) For the office of county council of the county of
2 Maui - \$36,850 in the primary election, \$18,150 in the
3 general election, for 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 election, \$9,900 in the
6 general election, 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 election allotment
9 above; provided that the certified candidate shall have a
10 general election opponent. Certified candidates who are
11 unopposed in the general election shall not receive the general
12 election 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 are 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 funding shall
8 not be accepted.

9 (c) Upon certification for comprehensive public funding
10 and through the end of the general election campaign period, a
11 certified candidate shall not expend for campaign purposes any
12 money except public funds issued by the commission. Public
13 funds 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 publicly 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 examination or audit 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 before the primary election.

15 (e) Each seed money 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

20 (3) Thirty days before the primary election for the report
21 filed twenty days before the primary election.



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



1 advertising agencies and similar firms, credit card
2 payments, salaries, and candidate reimbursements shall
3 be itemized to permit a reasonable person to determine
4 the ultimate intended recipient of the expenditure and
5 its purpose; and

6 (3) The amount, date of deposit, and description of other
7 receipts, and the name and address of the source of
8 each of the other receipts.

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



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

4 **§11-K Deposit of, and access to, public funds.** (a) All
5 public funds and seed money received by a certified candidate
6 shall be deposited directly into a depository institution as
7 provided under section 11-351(a) and accessed through the use of
8 debit cards or bank checks. No expenditure of public funds
9 received under this subpart shall be made except by debit cards
10 or bank checks drawn on the checking account.

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

15 **§11-L Deposit of money into the Hawaii election campaign**
16 **fund's subaccount for the comprehensive public funding program.**

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

20 (1) Appropriations made by the legislature for the
21 purposes of this subpart;



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

10 **§11-M Violations; penalties.** Any candidate who knowingly
11 attempts to fraudulently qualify for or receive public funding
12 shall:

- 13 (1) Have the candidate's certification for comprehensive
- 14 public funding revoked. Upon revocation of
- 15 certification, the certified candidate shall repay all
- 16 public funds received within ten business days to the
- 17 Hawaii election campaign fund's subaccount for the
- 18 comprehensive public funding program; and
- 19 (2) Be subject to fines and penalties as specifically
- 20 provided in this subpart and other fines or penalties



1 pursuant to sections 11-410 and 11-412 and the Hawaii
2 Penal Code.

3 **§11-N Forms; receipts; candidate guide and trainings.** The
4 commission shall create and publish all forms and receipts
5 required to operate the comprehensive public funding program.
6 The commission shall create and publish a candidates' guide to
7 the comprehensive public funding program that shall include an
8 explanation of rules and procedures applicable to candidates and
9 shall be updated annually.

10 Before the 2026 general election year and any subsequent
11 general election year for which the comprehensive public funding
12 program shall be operative, the commission shall provide at
13 least four trainings on the comprehensive public funding program
14 for candidates and other interested individuals.

15 **§11-O Sufficiency of funding for the comprehensive public**
16 **funding program.** On September 1 of each odd-numbered year
17 preceding a general election year, the commission shall
18 determine whether there is a minimum of \$30,000,000 in the
19 Hawaii election campaign fund's subaccount for the comprehensive
20 public funding program established under section 11-421 to
21 certify candidates during the next election and provide funding



1 for the comprehensive public funding program authorized under
2 this subpart.

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

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

11 "(b) The fund shall consist of:

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

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

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

19 [~~(3)~~] (4) Other moneys collected pursuant to this part.

20 (c) Moneys in the fund shall be paid to candidates by the
21 comptroller as prescribed in [~~section~~] sections 11-431 and 11-H



1 and may be used for the commission's operating expenses,
2 including staff salaries and fringe benefits."

3 SECTION 4. The campaign spending commission shall submit a
4 progress report on the implementation of this Act and any
5 findings and recommendations, including any proposed legislation
6 that may be necessary to facilitate the implementation of this
7 Act, to the legislature no later than forty days prior to the
8 convening of the regular sessions of 2026, 2027, and 2028.

9 SECTION 5. The campaign spending commission shall submit a
10 final report of its findings and recommendations, including any
11 proposed legislation that may be necessary to better facilitate
12 the implementation of this Act, to the legislature no later than
13 forty days prior to the convening of the regular session of
14 2029.

15 SECTION 6. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$30,200,000 or so
17 much thereof as may be necessary for fiscal year 2025-2026 for
18 deposit into the Hawaii election campaign fund established under
19 section 11-421, Hawaii Revised Statutes.

20 The sum appropriated shall be expended by the campaign
21 spending commission for the purposes of this Act.



1 SECTION 7. There is appropriated out of the Hawaii
2 election campaign fund established under section 11-421, Hawaii
3 Revised Statutes, the sum of \$200,000 or so much thereof as may
4 be necessary for fiscal year 2025-2026 and the same sum or so
5 much thereof as may be necessary for fiscal year 2026-2027 in
6 preparing for the comprehensive public funding of candidates in
7 elections taking place in 2026, including the hiring of two
8 full-time equivalent (2.0 FTE) temporary positions.

9 The sums appropriated shall be expended by the campaign
10 spending commission for the purposes of this Act.

11 SECTION 8. In codifying the new sections added by section
12 2 of this Act, the revisor of statutes shall substitute
13 appropriate section numbers for the letters used in designating
14 the new sections in this Act.

15 SECTION 9. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 10. This Act shall take effect on July 1, 2025.

18

INTRODUCED BY:

Debra A. Beletti

JAN 17 2025



H.B. NO. 766

Report Title:

CSC; Comprehensive Public Funding; Report; Appropriations

Description:

Establishes a comprehensive system of public financing for all candidates seeking election to state and county public offices in Hawaii, to begin with the 2026 general election year. Requires the Campaign Spending Commission to submit reports to the Legislature. Appropriates funds.

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

