A BILL FOR AN ACT

RELATING TO CAMPAIGN SPENDING.

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

SECTION 1. The legislature finds that noncandidate committees spend money for the purpose of influencing public opinion on ballot issues and questions. The legislature further finds that the public should have clear and easily accessible information concerning any ballot issue or question that a noncandidate committee is expending money on. Under the current law, a noncandidate committee that is a ballot issue committee is required to disclose the specific ballot issue or question only in its organizational report and not in the various expenditure reports that are publicly filed. A noncandidate committee that is not formed to exclusively advocate on a ballot issue or question may nonetheless advocate for or against a ballot issue or question, but is not required to indicate its advocacy position in its organizational report or any other report. In order to make clear to the public when a noncandidate committee is expending money related to a ballot issue or question, the legislature finds that any noncandidate committee
committee shall identify and disclose its advocacy for or against a ballot issue or question in its expenditure reports.

The purpose of this Act is to increase campaign spending transparency by broadening the reporting requirements of noncandidate committees when they engage in ballot issue advocacy.

SECTION 2. Section 11-302, Hawaii Revised Statutes, is amended by amending the definition of "independent expenditure" to read as follows:

"Independent expenditure" means an expenditure by a person expressly advocating [the]:

(1) The election or defeat of a clearly identified candidate that is not made in concert or cooperation with or at the request or suggestion of the candidate, the candidate committee, a party, or their agents;

or

(2) For or against any question or issue appearing on the ballot in the next applicable election."

SECTION 3. Section 11-335, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:
"(b) Schedules filed with the reports shall include the following additional information:

(1) The amount and date of deposit of each contribution received and the name, address, occupation, and employer of each contributor making a contribution aggregating more than $100 during an election period, which was not previously reported; provided that if all the information is not on file, the contribution shall be returned to the contributor within thirty days of deposit;

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

(3) All expenditures, including the name and address of each payee and the amount, date, and purpose of each expenditure; provided that:

(A) Expenditures for advertisements or electioneering communications shall include the names of the candidates supported, opposed, or clearly identified;
(B) Expenditures for consultants, advertising agencies and similar firms, credit card payments, salaries, and candidate reimbursements shall be itemized to permit a reasonable person to determine the ultimate intended recipient of the expenditure and its purpose;

(C) Independent expenditures shall include the name of any candidate supported, opposed, or clearly identified; and

[D][+] The purpose of an independent expenditure shall include [the]:

(i) The name of the candidate who is supported or opposed by the expenditure, and whether the expenditure supports or opposes the candidate; and

(ii) Identification of the ballot issue or question, if any, that is supported or opposed by the expenditure, and whether the expenditure supports or opposes the ballot issue or question.
(4) For noncandidate committees making only independent expenditures, certification that no expenditures have been coordinated with a candidate, candidate committee, or any agent of a candidate or candidate committee;

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

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

(7) The date of disposition of a durable asset, value at the time of disposition, method of disposition, and name and address of the person receiving the asset."

SECTION 4. Section 11-338, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) A noncandidate committee that makes independent expenditures in an aggregate amount of more than $500 within the period between fourteen and four calendar days prior to any election shall file a late expenditure report by means of the
commission's electronic filing system on or before the third calendar day prior to the election. The late expenditure report shall include the following information for each expenditure:

1. The amount and date made;
2. The vendor name, address, and contact information;
3. The purpose, including the name of any candidate supported, opposed, or clearly identified by the expenditure; and
4. Identification of the ballot issue or question, if any, that is supported or opposed by the expenditure, and whether the expenditure supports or opposes the ballot issue or question."

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

SECTION 6. This Act shall take effect upon its approval.
Report Title:
Campaign Spending; Noncandidate Committee Reporting; Ballot Issue

Description:
Amends the reporting requirements to include the disclosure of the noncandidate committees' position for or against a ballot issue or question. Amends the definition of "independent expenditure" to include reference to an identifiable ballot issue or question. (SB202 HD1)

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