

JAN 18 2019

A BILL FOR AN ACT

RELATING TO PUBLICLY FUNDED ELECTIONS.

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

1 SECTION 1. The legislature finds that the Hawaii election
2 campaign fund was established pursuant to article II, section 5,
3 of the Hawaii State Constitution to provide funds for the
4 partial public financing of campaigns for public offices of the
5 State and its political subdivisions. Candidates who
6 voluntarily choose to participate in the partial public funding
7 program agree to limit their campaign expenditures in exchange
8 for public funds to conduct a campaign. The goal of these types
9 of programs is to reduce the role of large amounts of private
10 money raised in political campaigns and the obligations that are
11 or can appear to be associated with these contributions.

12 The legislature further finds that Hawaii's partial public
13 funding program has been used less frequently in recent election
14 years. In the 2016 election cycle, only twenty-eight candidates
15 qualified to receive public funds for a total of \$234,864, which
16 is about half the number of participants and public funds
17 provided in 1998, the peak of the program's usage. The partial



1 public funding program does not currently provide sufficient
2 financial incentives for candidates to adequately compete
3 against candidates who conduct privately-funded campaigns, and
4 the amounts are not regularly increased to reflect inflation or
5 cost of living increases.

6 The purpose of this Act is to make the partial public
7 funding program a viable option for candidates seeking office in
8 an election with no incumbent by increasing:

- 9 (1) The expenditure limit to one hundred forty per cent of
10 the median expenditures received by non-publicly
11 financed candidates in the respective voting district
12 in the last preceding general election;
- 13 (2) The maximum amount of public funds available to a
14 participating candidate;
- 15 (3) The maximum amount of qualifying contributions from
16 \$100 to \$200 per contributor; and
- 17 (4) The matching contribution amount from the State from
18 \$1 for each \$1 of qualifying contributions to \$2 for
19 each \$1 of qualifying contributions.

20 SECTION 2. Section 11-423, Hawaii Revised Statutes, is
21 amended by amending subsection (d) to read as follows:



S.B. NO. 640

1 "(d) From January 1 of the year of any primary, special,
2 or general election, the aggregate expenditures for each
3 election by a candidate who voluntarily agrees to limit campaign
4 expenditures, inclusive of all expenditures made or authorized
5 by the candidate alone, all treasurers, the candidate committee,
6 and noncandidate committees on the candidate's behalf, shall not
7 exceed the following amounts expressed, respectively multiplied
8 by the number of voters in the last preceding general election
9 registered to vote in each respective voting district:

- 10 (1) For the office of governor – \$2.50;
- 11 (2) For the office of lieutenant governor – \$1.40;
- 12 (3) For the office of mayor – \$2.00;
- 13 (4) For the offices of state senator, state
14 representative, county council member, and prosecuting
15 attorney – \$1.40; and
- 16 (5) For all other offices – 20 cents[-];

17 provided that for a candidate seeking office in an election with
18 no incumbent, the aggregate expenditures for each election shall
19 not exceed one hundred forty per cent of the median expenditures
20 received by non-publicly financed candidates in the respective
21 voting district in the last preceding general election."



1 SECTION 3. Section 11-425, Hawaii Revised Statutes, is
2 amended by amending subsections (a) and (b) to read as follows:

3 "(a) The maximum amount of public funds available in each
4 election to a candidate for the office of governor, lieutenant
5 governor, or mayor shall not exceed ten per cent of the
6 expenditure limit established in section 11-423(d) for each
7 election[-]; provided that for a candidate seeking such office
8 in an election with no incumbent, the maximum amount of public
9 funds available in each election shall not exceed twenty per
10 cent of the expenditure limit for each election.

11 (b) The maximum amount of public funds available in each
12 election to a candidate for the office of state senator, state
13 representative, county council member, and prosecuting attorney
14 shall not exceed fifteen per cent of the expenditure limit
15 established in section 11-423(d) for each election[-]; provided
16 that for a candidate seeking such office in an election with no
17 incumbent, the maximum amount of public funds available in each
18 election shall not exceed thirty per cent of the expenditure
19 limit for each election."

20 SECTION 4. Section 11-428, Hawaii Revised Statutes, is
21 amended to read as follows:



1 " ~~§~~11-428 ~~§~~ Eligibility requirements for public funds.

2 In order to be eligible to receive public funds for an election,
3 a candidate shall certify that the candidate will meet all the
4 following requirements:

5 (1) The candidate and any candidate committee authorized
6 by the candidate shall not incur campaign expenses in
7 excess of the expenditure limitations imposed by
8 section 11-423;

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

11 (3) The candidate has filed a statement of intent to seek
12 qualifying contributions. A contribution received
13 before the filing of a statement of intent to seek
14 public funds shall not be considered a qualifying
15 contribution;

16 (4) The candidate or candidate committee authorized by the
17 candidate has received the minimum qualifying
18 contribution amounts for the office sought by the
19 candidate as set forth in section 11-429;

20 (5) The aggregate of contributions certified with respect
21 to any person under paragraph (4) does not exceed



S.B. NO. 640

1 \$100; provided that the aggregate of contributions
2 certified with respect to any person seeking an office
3 in an election with no incumbent under paragraph (4)
4 does not exceed \$200;

5 (6) The candidate agrees to obtain and furnish any
6 evidence relating to expenditures that the commission
7 may request;

8 (7) The candidate agrees to keep and furnish records,
9 books, and other information that the commission may
10 request;

11 (8) The candidate agrees to an audit and examination by
12 the commission pursuant to section 11-434 and to pay
13 any amounts required to be paid pursuant to that
14 section; and

15 (9) Each candidate and candidate committee in receipt of
16 qualifying contributions that may be taken into
17 account for purposes of public funding shall maintain,
18 on a form prescribed by the commission, records that
19 show the date and amount of each qualifying
20 contribution and the full name and mailing address of
21 the person making the contribution. The candidate and



S.B. NO. 640

1 the candidate committee authorized by the candidate
2 shall transmit to the commission all reports with
3 respect to these contributions that the commission may
4 require."

5 SECTION 5. Section 11-429, Hawaii Revised Statutes, is
6 amended by amending subsection (b) to read as follows:

7 "(b) A candidate shall obtain the minimum qualifying
8 contribution amount set forth in subsection (a) once for the
9 election period.

10 (1) If the candidate obtains the minimum qualifying
11 contribution amount, the candidate is eligible to
12 receive:

13 (A) The minimum payment in an amount equal to the
14 minimum qualifying contribution amounts[+], or,
15 for a candidate seeking office in an election
16 with no incumbent, an amount equal to double the
17 minimum qualifying contribution amounts; and

18 (B) Payments of \$1 for each \$1 of qualifying
19 contributions in excess of the minimum qualifying
20 contribution amounts[+], or, for a candidate
21 seeking office in an election with no incumbent,



S.B. NO. 640

1 payments of \$2 for each \$1 of qualifying
2 contributions in excess of the minimum qualifying
3 contribution amounts; and

4 (2) A candidate shall have at least one other qualified
5 candidate as an opponent for the primary or general
6 election to receive public funds for that election."

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

9 SECTION 7. This Act shall take effect upon its approval.

10

INTRODUCED BY: *Kal Rhoads*



S.B. NO. 640

Report Title:

Partial Public Funding Program; Expenditure Limits; Qualifying Contributions

Description:

Increases for candidates seeking office in an election with no incumbent, under the partial public funding program: the expenditure limit to one hundred and forty per cent of the median expenditures received by non-publicly financed candidates in the respective voting district in the last preceding general election; the maximum amount of public funds available to a participating candidate; the maximum amount of qualifying contributions; and the matching contribution amount from the State for qualifying contributions.

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

