

***PARTIAL PUBLIC FUNDING GUIDEBOOK
FOR CANDIDATE COMMITTEES***

2012 Elections



*State of Hawaii
Campaign Spending Commission*

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This guidebook is provided as a reference and informational source. It should not be construed to constitute legal advice or authority. Readers should consult the Hawaii Revised Statutes and other sources for a complete and legal basis of the law or seek assistance from the Commission or a Hawaii licensed attorney.

PUBLIC FUND CHECKLIST

The following checklist is provided to ensure that all the necessary campaign spending forms have been filed and the ballot requirements have been met before an Application for Public Funds is filed:

- Manually file the **Statement of Intent to Seek Public Funds**

- Notarize and manually file the **Affidavit to Voluntarily Agree with Campaign Expenditure Limits**

- File Nomination Papers with the Office of Elections

- Qualified Opponent filed Nomination Papers with the Office of Elections

- Collect Minimum Amount of Qualifying Contributions established for respective office

- Electronically file the **Statement of Qualifying Campaign Contributions**

- Notarize and manually file the **Application for Public Funds** and attach a copy of the Statement of Qualifying Campaign Contributions

I. QUALIFYING FOR PUBLIC FUNDS

Statement of Intent to Seek Public Funds

The **Statement of Intent to Seek Public Funds** form ("Statement of Intent") must be manually filed before a candidate can receive qualifying contributions. There is no deadline for filing the Statement of Intent. Filing the Statement of Intent does not obligate you to take partial public funds.

Affidavit to Voluntarily Agree with Campaign Expenditure Limits

Any candidate intending to apply for public funds must voluntarily agree to limit their campaign expenditures by mailing or delivering a notarized **Affidavit to Voluntarily Agree with Campaign Expenditure Limits** form ("Affidavit") to the Commission. The Commission's staff may notarize your Affidavit at no cost. The Affidavit cannot be rescinded once it has been filed with the Commission. The Affidavit shall remain effective until the termination of the candidate's committee or the opening of filing of nomination papers for the next succeeding election.

Expenditure limits differ and are based on the office sought by the candidate. The limits are determined by multiplying the number of voters registered to vote in each respective voting district in the last preceding general election by the following amounts:

Governor	\$2.50
Lieutenant Governor	\$1.40
Mayor	\$2.00
State Senator and State House of Representative	\$1.40
County Council	\$1.40
All Other Offices	\$0.20

Ballot Requirements and Qualified Opponent

To be eligible to receive public funds, the candidate and at least one other qualified candidate for the same elective seat must have their names on the election ballot in the same election for which public funds are sought. (For example, two Democrats seeking the nomination in the Primary Election for the 1st House district are opponents.) The primary and general election are distinct elections.

Minimum Amount of Qualifying Contributions

A candidate must receive a minimum amount of qualifying contributions before submitting an Application for Public Funds.

A qualifying contribution means an aggregate monetary contribution of \$100 or less by an individual Hawaii resident during a matching payment period that is received after the candidate files a Statement of Intent. Qualifying contributions do not include loans, in-kind contributions, or the candidate's own funds.

The minimum amount of qualifying contributions for the different offices is listed as follows:

Governor	\$100,000
Lieutenant Governor	\$ 50,000
Mayor	
County of Honolulu	\$ 50,000
County of Hawaii	\$ 15,000
County of Maui	\$ 10,000
County of Kauai	\$ 5,000
Prosecuting Attorney	
County of Honolulu	\$ 30,000
County of Hawaii	\$ 10,000
County of Kauai	\$ 5,000
County Council	
County of Honolulu	\$ 5,000
County of Hawaii	\$ 1,500
County of Maui	\$ 5,000
County of Kauai	\$ 3,000
State Senate	\$ 2,500
State House of Representative	\$ 1,500
Office of Hawaiian Affairs	\$ 1,500

For example, a candidate for Governor must receive a minimum of \$100,000 in qualifying contributions for the primary election to be eligible for \$100,000 in public funds for the primary election. Thereafter, qualifying contributions received by this candidate will be matched dollar for dollar, up to the maximum amount of public funds available for the primary and general election.

A candidate must obtain the minimum amount of qualifying contributions only once for the election period. The candidate, however, shall not receive public funds for a primary election if the candidate does not obtain the minimum amount of qualifying contributions before the date of the primary election.

Maximum Amount of Public Funds

The maximum amount of public funds available to a candidate is based on the office sought and is listed below:

- Ten percent of the expenditure limit for the primary and general election for:
 - Governor;
 - Lieutenant Governor; and
 - Mayor.
- Fifteen percent of the expenditure limit for the primary and general election for:
 - Prosecuting Attorney;
 - County Council;
 - State Senate; and
 - State House of Representatives.
- \$1,500 in the general election for an Office of Hawaiian Affairs candidate.

II. APPLYING FOR PUBLIC FUNDS

Requirements before an Application is Filed

- **The Affidavit to Voluntarily Agree with Campaign Expenditure Limits** must be notarized and filed with the Commission;
- **The Statement of Intent to Seek Public Funds** must be manually filed with the Commission. Contributions received before filing the Statement of Intent are not qualifying contributions;
- The candidate has received the minimum amount of qualifying contributions; and
- The candidate and at least one other qualified candidate for the same elective seat qualify to have their names on the election ballot in the same election for which funds are sought. For purposes of qualifying for public funds, the primary and general election are distinct elections.

Application Must Include a Statement of Qualifying Campaign Contributions

- The **Application for Public Funds** must be: (1) signed by the candidate and notarized; (2) filed in-person or by mail with the Commission; and (3) include a hard copy of the “Statement of Qualifying Campaign Contributions” from the Candidate Filing System (“CFS”). For the initial Application, the total amount of qualifying contributions must be equal to or greater than the minimum amount of qualifying contributions required for the office being sought.
- The CFS will generate a copy of the **Statement of Qualifying Campaign Contributions** by following these steps:
 - (1) Enter contributions, including qualifying contributions, on Schedule A of the CFS;
 - (2) Click the box “Qualifying Campaign Contribution” and attribute the qualifying contribution to either the Primary or General election;
 - (3) After entering qualifying contributions, print a copy of the “Statement of Qualifying Campaign Contributions” for your records and a copy to submit with the Application for Public Funds. Print a copy as follows:
 - Click “Preview/Print Report”;
 - Click “Special Report”;
 - Select “Primary or “General”;
 - Select “Statement of Qualifying Campaign Contributions”;
 - Then click the “Preview’ button to preview and print a copy.
- You also must electronically file the Statement of Qualifying Campaign Contributions as follows: (1) click “File Report” then select “Special Report”; (2) select Primary or General; (3) select “Statement of Qualifying Campaign Contributions”; (4) click “File Report” and wait for confirmation that the report was filed.
- An Application for additional funds shall not be filed unless more than fourteen (14) calendar days have passed since the filing of the last Application.

- The last day to file an Application for Public Funds for the primary and general election is December 6, 2012.

First-stage Audit of Application for Public Funds

Every Application is reviewed to confirm that:

- The Affidavit to Voluntarily Agree with Campaign Expenditure Limits form has been filed and the expenditure limit has not been exceeded;
- The Statement of Intent to Seek Public Funds form has been filed;
- The candidate and at least one other qualified candidate for the same elective seat qualify to have their names on the election ballot in the election for which funds are sought;
- The Application for Public Funds has been properly completed, signed, notarized, and filed by delivering or mailing it to the Commission or the county clerk's office with a hard copy of the Statement of Qualifying Campaign Contributions; and
- The Statement of Qualifying Campaign Contributions is electronically filed and the contributions listed are eligible qualifying contributions.

Approved Application

Approved applications are processed and funds disbursed within twenty (20) days from the date the Commission receives the application. Public funds are disbursed within two (2) weeks from the date the Commission receives a subsequent application for additional funds.

Receipt of Public Funds

- Public funds received by a candidate shall be promptly deposited in the candidate committee's financial institution account.

III. EXPENDITURE OF PUBLIC FUNDS

Candidates are required to maintain complete records of all public funds received and payments for authorized campaign expenses.

Public funds received during a primary or general election must be used only for expenses during the election for which the funds were received. For example, funds received during a primary election may not be used for expenses incurred during a general election.

Any unused funds for a primary or general election must be returned to the Commission prior to the deadline for the filing of a final report for the primary or general election, whichever is applicable. The

final report for the primary election is the Final Primary Report which is due on August 31, 2012; the final report for the general election is the Final Election Period Report which is due December 6, 2012.

Authorized Campaign Expenditures

Candidates are authorized to use public funds only for the following expenses:

- Candidate filing fees;
- Television or radio broadcast costs (broadcast cost means the costs for on-air time and costs for production of a radio spot, video, or television advertising.);
- Newspaper advertising, mail-outs, bumper stickers, signs and banners;
- Sundry items such as pens, pencils, magnets and stickers;
- Banners and signs;
- Printing costs and postage (printing includes the costs for shirts, hats, other articles of clothing and paper.);
- T-shirts;
- Loan repayment if the proceeds of the loan were used to pay for authorized campaign expenses provided above; and
- Airfare, ferryfare, and ground transportation for candidates with multi-island constituencies.

Expenditures of Public Funds Report

The **Expenditures of Public Funds Report** must be electronically filed on the CFS:

- No later than 20 days after the primary election (August 31, 2012); and
- No later than 30 days after the general election (December 6, 2012).

Additionally, copies of all paid vendor invoices, receipts, cancelled checks, and/or bank statements must be filed by mail or in-person with the Commission within ten (10) days of filing each Expenditures of Public Funds Report.

IV. PENALTIES, EXAMINATION and AUDIT

Penalties

- A candidate who exceeds the expenditure limit is ineligible to receive public funds, and if a candidate has received any public funds, all funds received shall be returned to the Commission within fourteen (14) days of exceeding the expenditure limit.
- If the Commission determines that any public funds received were used for noncampaign or improper expenses, the Commission shall:
 - Report such findings to the attorney general;

- Order the candidate to return all or part of the public funds received; and
- Require the candidate to pay up to three times the amount determined to have been spent improperly, in addition to any fines.
- Any person who knowingly or intentionally falsifies any report with the intent to circumvent the law or deceive the Commission shall be guilty of a class C felony.

Examination and Audit

Within sixty (60) days after the general election, the Commission shall examine and audit all public funds received by all candidates, qualifying contributions, and the public fund expenditures made by these candidates.