### **DISTRICT COUNCILS (AMENDMENT) ORDINANCE 2007**

### **CONTENTS**

Section		Page
1.	Short title	A11
2.	Commencement	A11
3.	Who are validly nominated candidates	A11
4.	When election proceedings are terminated or when an election fails	A13
5.	System of voting and counting of votes	A13
6.	Part VA added	
	PART VA	
	Financial Assistance for Candidates in Respect of Election Expenses	
	60A. Interpretation: Part VA	A13
	60B. Financial assistance payable to candidates	A17
	60C. Eligibility for financial assistance	A17
	60D. Amount payable as financial assistance	A17
	60E. Entitlement to financial assistance not affected by failure of election, but financial assistance not payable if election proceedings are terminated	A19
	60F. Financial assistance to be paid out of general revenue	A19
	60G. Recovery of payment of financial assistance	A19
	60H. How financial assistance is to be claimed and paid	A21
	60I. Financial assistance not to be paid until disposal of election petition	A23
7.	Chief Executive in Council may amend Schedule 4 or 5	A23
8.	Schedule 7 added	
	Schedule 7 Financial assistance: specified rate	A23

Section		Page
	<b>Consequential and Related Amendments</b>	
	<b>Electoral Affairs Commission Ordinance</b>	
9.	Long title amended	A23
10.	Regulations	A25
	Legislative Council Ordinance	
11.	Interpretation: Part VIA	A25
12.	Financial assistance payable to list of candidates and candidates for functional constituencies	A25
13.	Amount payable as financial assistance: list of candidates	A25
14.	Amount payable as financial assistance: candidates for functional constituencies	A27
15.	How financial assistance is to be claimed and paid	A29
16.	Financial assistance not to be paid until disposal of election petition	A29

#### HONG KONG SPECIAL ADMINISTRATIVE REGION

Ordinance No. 1 of 2007



Donald TSANG Chief Executive 25 January 2007

An Ordinance to amend the District Councils Ordinance to establish a scheme to provide financial assistance in respect of election expenses incurred by candidates in District Council elections, and to make related amendments to the Legislative Council Ordinance so that the same formula is adopted for calculating the amounts of financial assistance payable to candidates in Legislative Council elections and to candidates in District Council elections, and to make consequential amendments to the Electoral Affairs Commission Ordinance; to require the Returning Officer in a District Council election to be satisfied that there is proof of death or disqualification of a candidate before taking certain actions regarding the election; and to provide for matters necessary for those purposes.

[ ]

Enacted by the Legislative Council.

#### 1. Short title

This Ordinance may be cited as the District Councils (Amendment) Ordinance 2007.

#### 2. Commencement

This Ordinance shall come into operation on a day to be appointed by the Secretary for Constitutional Affairs by notice published in the Gazette.

### 3. Who are validly nominated candidates

Section 36 of the District Councils Ordinance (Cap. 547) is amended—

- (a) in subsection (2), by repealing "it comes to the knowledge" and substituting "proof is given to the satisfaction";
- (b) in subsection (4), by repealing "it comes to the knowledge" and substituting "proof is given to the satisfaction".

# 4. When election proceedings are terminated or when an election fails

Section 40 is amended—

- (a) in subsection (1), by repealing "it comes to the knowledge" and substituting "proof is given to the satisfaction";
- (b) in subsection (2), by repealing "it comes to the knowledge" and substituting "proof is given to the satisfaction".

### 5. System of voting and counting of votes

Section 41(5) is amended by repealing "it comes to the knowledge" and substituting "proof is given to the satisfaction".

#### 6. Part VA added

The following is added—

#### "PART VA

### FINANCIAL ASSISTANCE FOR CANDIDATES IN RESPECT OF ELECTION EXPENSES

### 60A. Interpretation: Part VA

- (1) In this Part—
- "auditor" (核數師) means a certified public accountant (practising) as defined in the Professional Accountants Ordinance (Cap. 50);
- "Chief Electoral Officer" (總選舉事務主任) means the Chief Electoral Officer appointed under section 9 of the Electoral Affairs Commission Ordinance (Cap. 541);
- "claim" (申索) means a claim for financial assistance payable under this Part;
- "declared election expenses" (申報選舉開支) means, in relation to a candidate, the amount set out as election expenses incurred by the candidate in the election return lodged for the relevant election;

- "disqualified candidate" (喪失資格的候選人) means a candidate in respect of whom proof is given to the satisfaction of the Returning Officer under section 40(2) that the candidate is disqualified from being elected:
- "elected as an elected member" (當選為民選議員), in relation to a candidate, means—
  - (a) a candidate who is declared to be duly elected in a notice published under section 46, unless he or she is determined under section 55(1) or (2) to be not duly elected;
  - (b) a deceased candidate who is found to be successful at the election under section 40(3), unless proof is given to the satisfaction of the Returning Officer under section 40(2) that he or she is disqualified from being elected; or
  - (c) a candidate who becomes an elected member under section 60(2);
- "election return" (選舉申報書) has the meaning assigned to it by section 2(1) of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554);
- "eligible candidate" (合資格候選人) means a candidate who is eligible for financial assistance under section 60C(a) or (b);
- "political party" (政黨) means—
  - (a) a political body or organization operating in Hong Kong, that purports to be a political party; or
  - (b) a body or organization the principal function or main object of which is to promote or prepare a candidate for election as a Member of the Legislative Council or as a member of any District Council;
- "specified rate" (指明資助額) means the amount specified in Schedule 7.
- (2) Subject to any determination the Court may make on the validity of a vote in the course of determining an election petition, for the purposes of this Part—
  - (a) the total number of valid votes cast in any constituency is the total number of ballot papers containing valid votes received in that constituency; and
  - (b) the total number of valid votes cast for a candidate for such a constituency is the total number of ballot papers containing valid votes cast for that candidate.
- (3) For the purposes of section 60D(2)(a), the number of registered electors for a constituency is the number of electors registered for that constituency in the final register of geographical constituencies compiled and published by the Electoral Registration Officer under section 32 of the Legislative Council Ordinance (Cap. 542) which is in force at the time the election is held.

### 60B. Financial assistance payable to candidates

- (1) An eligible candidate is entitled to financial assistance in the form of a monetary payment, in accordance with this Part, in respect of the declared election expenses of that candidate for an election.
- (2) Subject to this Part, financial assistance is payable to an eligible candidate whether or not that candidate—
  - (a) represents a political party or an organization that is not a political party; or
  - (b) is an independent candidate.
- (3) An amount payable as financial assistance is payable whether or not the declared election expenses have been paid or are due for payment in whole or in part.
- (4) For the avoidance of doubt, it is stated that financial assistance payable under this Part is not an election donation within the meaning of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554).

### 60C. Eligibility for financial assistance

A candidate for a constituency is eligible for financial assistance only if he is—

- (a) a candidate who is elected as an elected member; or
- (b) a candidate who is not elected as an elected member but who—
  - (i) is not a disqualified candidate; and
  - (ii) obtains at least 5% of the total number of valid votes cast in the constituency concerned.

### 60D. Amount payable as financial assistance

- (1) If the election for a constituency is contested, the amount payable as financial assistance to a candidate is the lower of the following amounts—
  - (a) the amount obtained by multiplying the total number of valid votes cast for the candidate by the specified rate;
  - (b) 50% of the declared election expenses of the candidate.
- (2) If the election for a constituency is uncontested, the amount payable as financial assistance to a candidate is the lower of the following amounts—

- (a) the amount obtained by multiplying 50% of the number of registered electors for the constituency by the specified rate;
- (b) 50% of the declared election expenses of the candidate.

# 60E. Entitlement to financial assistance not affected by failure of election, but financial assistance not payable if election proceedings are terminated

- (1) A declaration by the Returning Officer under section 40(3) that an election has failed does not affect any entitlement to financial assistance under this Part.
- (2) If the proceedings for an election are terminated under section 40(1), financial assistance is not payable in respect of that election.

### 60F. Financial assistance to be paid out of general revenue

An amount payable as financial assistance under this Part is a charge on, and is to be met from, the general revenue.

### 60G. Recovery of payment of financial assistance

- (1) Where a payment of financial assistance is made under this Part and the recipient is not entitled to receive the whole or part of the amount paid—
  - (a) the Chief Electoral Officer shall give a written notice to the recipient requiring repayment of the whole or part, as the case may be, of the amount paid; and
  - (b) the recipient must repay the whole or part, as the case may be, of the amount paid, to the Government within 3 months after the date of the notice,

in accordance with regulations in force under the Electoral Affairs Commission Ordinance (Cap. 541).

- (2) Any amount that is not repaid under subsection (1) may be recovered as a civil debt due to the Government.
- (3) If a person from whom an amount is recoverable as a civil debt under subsection (2) dies before such recovery, the estate of that deceased person is liable to the extent of the deceased person's liability.

(4) In any proceedings for the purposes of subsection (2), a certificate signed by the Chief Electoral Officer, stating, in relation to a payment of financial assistance under this Part, the amount, the date and the recipient of the payment is admissible as evidence of the matters stated in the certificate.

### 60H. How financial assistance is to be claimed and paid

- (1) A claim must be—
  - (a) presented to the Chief Electoral Officer within the period or extended period provided for in section 37 of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554) for lodging an election return; and
  - (b) accompanied by an election return.
- (2) A claim must be made, supported and verified also in accordance with regulations in force under the Electoral Affairs Commission Ordinance (Cap. 541).
- (3) Without limiting the generality of subsection (2), the Chief Electoral Officer may appoint an auditor to assist in verifying any claim (including the auditing of the accounts in the election return accompanying the claim).
- (4) A payment of financial assistance is to be made by the Chief Electoral Officer.
- (5) The manner of payment of financial assistance must also be in accordance with regulations in force under the Electoral Affairs Commission Ordinance (Cap. 541).
- (6) Where a person entitled to financial assistance dies before a claim is made, a claim may be made on behalf of the estate of the deceased person, and any payment of financial assistance in such case is to be made for the benefit of the estate.
- (7) Where a person entitled to financial assistance dies after a claim is made but before a payment of financial assistance is made or the claim is otherwise disposed of, the claim may be continued on behalf of the estate of the deceased person, and any payment of financial assistance in such case is to be made for the benefit of the estate.
- (8) Where a person entitled to financial assistance dies before or after a claim is made, his or her legal personal representative or such other person as specified in regulations in force under the Electoral Affairs Commission Ordinance (Cap. 541) may take any action in respect of the claim that the deceased person may have taken.

# 60I. Financial assistance not to be paid until disposal of election petition

- (1) The Chief Electoral Officer must not make any payment of financial assistance during the period specified in section 53 for lodging an election petition, but may receive or process a claim during that period.
- (2) If an election petition relating to an election for a constituency is lodged, the Chief Electoral Officer must not make any payment of financial assistance to any candidate for that constituency until the determination, abandonment or termination of the petition under Division 4 of Part V.
- (3) In this section, a reference to the abandonment of an election petition includes a reference to withdrawing or ceasing to prosecute an election petition.".

### 7. Chief Executive in Council may amend Schedule 4 or 5

Section 82 is amended—

- (a) in the heading, by repealing "or 5" and substituting ", 5 or 7";
- (b) by repealing "or 5." and substituting ", 5 or 7.".

#### 8. Schedule 7 added

The following is added—

"SCHEDULE 7

[ss. 60A & 82]

FINANCIAL ASSISTANCE: SPECIFIED RATE

The rate of financial assistance for the purposes of Part VA of this Ordinance is \$10.".

#### **Consequential and Related Amendments**

#### **Electoral Affairs Commission Ordinance**

### 9. Long title amended

The long title to the Electoral Affairs Commission Ordinance (Cap. 541) is amended by adding "and under the District Councils Ordinance" after "Legislative Council Ordinance".

#### 10. Regulations

Section 7(1) is amended by adding—

- "(hc) the procedure to implement the scheme for the payment of financial assistance set out in Part VA of the District Councils Ordinance (Cap. 547), including, in particular, the procedure for—
  - (i) making or withdrawing claims for financial assistance;
  - (ii) repaying to the Government amounts or parts of amounts paid as financial assistance;
  - (iii) supporting and verifying claims for financial assistance;
  - (iv) making a payment of financial assistance to a candidate; and
  - (v) making a claim for financial assistance in respect of the estate of a deceased person, the payment of financial assistance on such a claim, and the taking of any action for those purposes by a legal personal representative of a deceased person or by such other person as specified in the regulations;".

#### **Legislative Council Ordinance**

#### 11. Interpretation: Part VIA

Section 60A of the Legislative Council Ordinance (Cap. 542) is amended—

- (a) in subsection (1), by repealing the definition of "declared election donations";
- (b) by repealing subsection (3).

# 12. Financial assistance payable to list of candidates and candidates for functional constituencies

Section 60B is amended by adding—

"(4) For the avoidance of doubt, it is stated that financial assistance payable under this Part is not an election donation within the meaning of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554).".

## 13. Amount payable as financial assistance: list of candidates

Section 60D is amended—

(a) in subsection (1)—

- (i) by repealing "Subject to subsections (3)(a) and (4), if" and substituting "If";
- (ii) by repealing "lowest" and substituting "lower";
- (iii) in paragraph (b), by repealing the semicolon and substituting a full stop;
- (iv) by repealing paragraph (c);
- (b) in subsection (2)—
  - (i) by repealing "Subject to subsections (3)(b) and (4), if" and substituting "If";
  - (ii) by repealing "lowest" and substituting "lower";
  - (iii) in paragraph (b), by repealing the semicolon and substituting a full stop;
  - (iv) by repealing paragraph (c);
- (c) by repealing subsections (3) and (4).

# 14. Amount payable as financial assistance: candidates for functional constituencies

Section 60E is amended—

- (a) in subsection (1)—
  - (i) by repealing "Subject to subsections (3)(a) and (4), if" and substituting "If";
  - (ii) by repealing "is the lowest" and substituting "to a candidate is the lower";
  - (iii) in paragraph (a), in the English text, by repealing "concerned";
  - (iv) in paragraph (b), by repealing the semicolon and substituting a full stop;
  - (v) by repealing paragraph (c);
- (b) in subsection (2)—
  - (i) by repealing "Subject to subsections (3)(b) and (4), if" and substituting "If";
  - (ii) by repealing "is the lowest" and substituting "to a candidate is the lower";
  - (iii) in paragraph (b), by repealing "concerned;" and substituting a full stop;
  - (iv) by repealing paragraph (c);
- (c) by repealing subsections (3) and (4).

### 15. How financial assistance is to be claimed and paid

Section 60I(1)(b) is amended by repealing "and the declared election donations".

# 16. Financial assistance not to be paid until disposal of election petition

Section 60J is amended by adding—

"(4) In this section, a reference to the abandonment of an election petition includes a reference to withdrawing or ceasing to prosecute an election petition.".