Honolulu, Hawaii

## APR 0 3 2025

RE: H.B. No. 412

H.D. 1 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 412, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LOBBYING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish certain presumptions regarding lobbying on behalf of private clients;
- (2) Make certain contracts voidable when entered into in violation of the state lobbying law under certain conditions; and
- (3) Expand the definition of "lobbying" in the state lobbying law to include certain communications with certain government officials regarding procurement decisions.

Your Committee received testimony in support of this measure from the Hawai'i State Ethics Commission, Ohana Unity Party, and two individuals.

Your Committee received testimony in opposition to this measure from the Hawai'i Primary Care Association.

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Your Committee finds that transparent disclosure of lobbying activities is in the public interest. Under existing law, "lobbying" an administrative agency only regards formal rulemaking or other actions governed by section 91-3, Hawaii Revised Statutes, but does not include certain communications in the procurement context. Your Committee believes that including procurement discussions in the list of actions subject to influence within the statutory definition of "lobbying" will promote government transparency by providing the public with additional information regarding lobbying at an administrative agency level and promoting a level playing field for all businesses. This measure will enhance transparency and accountability in pre-procurement communications, curb undue influence, and support fairer, more competitive contracting practices that ultimately benefit taxpayers and strengthen public trust.

Your Committee has amended this measure by clarifying that the presumption of lobbying on behalf of private clients established by this measure does not include communications made solely for informational purposes, ceremonial interactions, or routine relationship building that do not involve advocacy for or against specific outcomes.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 412, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 412, H.D. 1, S.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Judiciary,

KARL RHOADS, Chair

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## The Senate Thirty-Third Legislature State of Hawai'i

## Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral:			Date:	
HB 412 HD1 SD1	GNO,	JDC	3	3/25/2	5
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	·	/			
GABBARD, Mike (VC)		_			V
CHANG, Stanley		V			
SAN BUENAVENTURA, Joy A	١.	/			
AWA, Brenton					/
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TOTAL		3			7
Recommendation:  Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Res	Yellow Pink Goldenrod				

\*Only one measure per Record of Votes