

JAN 20 2012

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# A BILL FOR AN ACT

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RELATING TO CAMPAIGNS.

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

1       SECTION 1.   Section 11-355, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:

3       "(a)   It shall be unlawful for any person who enters into  
4 any contract with the State, any of the counties, or any  
5 department or agency thereof either for the rendition of  
6 personal services, the buying of property, or furnishing of any  
7 material, supplies, or equipment to the State, any of the  
8 counties, any department or agency thereof, or for selling any  
9 land or building to the State, any of the counties, or any  
10 department or agency thereof, if payment for the performance of  
11 the contract or payment for material, supplies, equipment, land,  
12 property, or building is to be made in whole or in part from  
13 funds appropriated by the legislative body, at any time between  
14 the execution of the contract through the completion of the  
15 contract, to:

- 16       (1)   Directly or indirectly make any contribution, or  
17             promise expressly or impliedly to make any  
18             contribution to any candidate committee or



1 noncandidate committee, or to any candidate or to any  
2 person for any political purpose or use; or

3 (2) Knowingly solicit any contribution from any person for  
4 any purpose during any period.

5 Any public contract subject to chapter 103D shall include a  
6 provision documenting that the person entering into the contract  
7 agrees to be subject to these prohibitions and possible  
8 penalties under this part for any violations."

9 SECTION 2. Section 103D-101, Hawaii Revised Statutes, is  
10 amended by amending subsection (b) to read as follows:

11 "(b) Any actual or prospective bidder, offeror,  
12 [{}contractor[{}], or business taking part in the conduct of  
13 public procurement, shall act in good faith to practice  
14 purchasing ethics, and when applicable, display business  
15 integrity as a responsible offeror through the public  
16 procurement process, including but not limited to the following:

17 (1) Avoiding the intent and appearance of unethical  
18 behavior or business practices;

19 (2) Refraining from any activity that would create the  
20 appearance of impropriety or conflicts of personal  
21 interest and the interests of the State or counties;



(3) Identifying and eliminating any conflicts of interest;  
and

(4) Ensuring that all persons are afforded an equal  
opportunity to compete in a fair and open environment.

To display business integrity, all public contracts subject to  
this chapter shall include a provision documenting that the  
contractor or business taking part in the conduct of public  
procurement agrees to be subject to the prohibitions under  
section 11-355 at any time between the execution through the  
completion of the contract and the penalties for any violations  
under chapter 11, part XIII."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY:



# S.B. NO. 2566

**Report Title:**

Campaign Contributions; State Contracts; Procurement Code

**Description:**

Clarifies that public contractors are prohibited from making a campaign contribution during the duration of the contract by requiring all public contractors to explicitly agree through a provision in their public contracts to be subject to the prohibition and penalties for any violations.

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

