S.B. NO. <sup>2219</sup> S.D. 1 Proposed

### A BILL FOR AN ACT

RELATING TO LOBBYING.

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

1 SECTION 1. The legislature finds that transparent 2 disclosure of lobbying activities is in the public interest. 3 Under the lobbying law, chapter 97, Hawaii Revised Statutes, 4 "lobbying" an administrative agency only regards formal 5 rulemaking or other actions governed by section 91-3, Hawaii 6 Revised Statutes. Including procurement discussions in the 7 definition of "lobbying" promotes government transparency by 8 providing the public with additional information regarding 9 lobbying at the administrative agency level and promotes a level 10 playing field for all businesses.

Accordingly, the purpose of this Act is to expand the definition of "lobbying" in section 97-1, Hawaii Revised Statutes, to include certain communications regarding procurement decisions with high-level government officials.

15 SECTION 2. Chapter 97, Hawaii Revised Statutes, is amended 16 by adding two new sections to be appropriately designated and to 17 read as follows:



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1	"§97- Presumption of lobbying on behalf of private			
2	clients. Unless the testimony pertains to a subject not			
3	relevant to the paying person, an individual submitting			
4	testimony or engaging in lobbying activities is presumed to act			
5	on behalf of a paying person rather than in an individual			
6	capacity.			
7	<b>§97-</b> Contracts voidable. In addition to any other			
8	penalty provided by law, any contract or other action entered			
9	into by the State in violation of this chapter is voidable on			
10	behalf of the State; provided that in any action to avoid a			
11	contract pursuant to this section the interests of third parties			
12	who may be damaged thereby shall be taken into account, and the			
13	action to void the transaction is initiated within sixty days			
14	after the determination of a violation under this chapter. The			
15	attorney general shall have the authority to enforce this			
16	section."			
17	SECTION 3. Section 97-1, Hawaii Revised Statutes, is			
18	amended by amending the definitions of "lobbying" and "lobbyist"			
19	to read as follows:			
20	""Lobbying" means communicating directly or through an			
21	agent, or soliciting others to communicate, with any official in			

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1	the legislative or executive branch, for the purpose of				
2	attempting to influence legislative or administrative action or				
3	a ballot issue. Lobbying also includes communicating with any				
4	person identified in section 84-17(d) concerning the				
5	solicitation or award of a contract or proposal before an				
6	administrative agency, or a potential future vendor relationship				
7	with an administrative agency, if any of the communications are				
8	not governed by section 103D or section 103F. Communications				
9	about a request for proposals, contract, or vendor relationship				
10	are not considered lobbying if they are initiated by a				
11	legislator or state employee.				
12	"Lobbying" shall not include the preparation and submission				
13	of a grant application pursuant to chapter 42F by a				
14	representative of a nonprofit organization.				
14	representative of a nonprofit organization.				
14 15	representative of a nonprofit organization. "Lobbyist" means any individual who:				
15	"Lobbyist" means any individual who:				
15 16	"Lobbyist" means any individual who: (1) Receives or expects to receive, either by employment				
15 16 17	"Lobbyist" means any individual who: (1) Receives or expects to receive, either by employment or contract, \$1,000 or more in monetary or in-kind				

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1	(2) For	pay or other consideration, on behalf of another	
2	person:		
3	(A)	Engages in lobbying in excess of five hours in	
4		any month of any reporting period described in	
5		section 97-3;	
6	(B)	Engages in lobbying in excess of ten hours during	
7		any calendar year; [ <del>or</del> ]	
8	<u>(C)</u>	Submits testimony ten or more times during any	
9		calendar year; or	
10	[ <del>-(C)</del>	-] (D) Makes expenditures of \$1,000 or more of the	
11		person's or any other person's money lobbying	
12		during any reporting period described in	
13		section 97-3;	
14	provided that an employee of a nonprofit organization who spends		
15	fewer than ten hours in any month lobbying on a grant		
16	application submitted pursuant to chapter 42F is not a lobbyist		
17	if the employee does not engage in lobbying on matters that are		
18	unrelated to the grant application."		
19	SECTION 4. This Act does not affect rights and duties that		
20	matured, penalties that were incurred, and proceedings that were		
21	begun before its effective date.		

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1 SECTION 5. If any provision of this Act, or the 2 application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or 3 4 applications of the Act that can be given effect without the 5 invalid provision or application, and to this end the provisions of this Act are severable. 6 7 SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. 8

9 SECTION 7. This Act shall take effect on January 1, 2027.





#### Report Title:

Ethics Commission Package; Lobbying; Presumptions; Testimony

#### Description:

Amends the definition of "lobbying" to include communications regarding procurement decisions with certain high-level government officials. Includes among lobbyists certain persons who submit testimony 10 or more times in any calendar year. Establishes certain presumptions regarding testimony when given by a paid person. Makes certain contracts voidable when entered into in violation of lobbying law. Takes effect 1/1/2027. (Proposed SD1)

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

