

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 it is in the public
- 2 interest to have transparent disclosure of lobbying activities.
- 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. Because the vast majority of an
- 7 administrative agency's operations are conducted outside of
- 8 formal rulemaking, the purpose of this Act is to expand the
- 9 definition of "lobbying" in section 97-1, Hawaii Revised
- 10 Statutes, to include certain communications regarding
- 11 procurement decisions, staffing or appointment decisions, the
- 12 development of an administrative agency's written report or
- 13 statement of policy, and ex parte communications regarding
- 14 contested case hearings. Including these matters in the
- 15 definition of "lobbying" promotes government transparency by
- 16 providing the public with additional information regarding
- 17 lobbying at the administrative agency level.



1 SECTION 2. Chapter 97, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to 2 3 read as follows: 4 "§97- Presumption of lobbying on behalf of private 5 clients. Unless the testimony pertains to a subject not 6 relevant to the paying person, an individual submitting testimony or engaging in lobbying activities is presumed to act 7 on behalf of a paying person rather than in an individual 8 9 capacity. §97- Contracts voidable. In addition to any other 10 penalty provided by law, any contract or other action entered 11 into by the State in violation of this chapter is voidable on 12 13 behalf of the State; provided that in any action to avoid a 14 contract pursuant to this section the interests of third parties who may be damaged thereby shall be taken into account, and the 15 16 action to void the transaction is initiated within sixty days 17 after the determination of a violation under this chapter. The 18 attorney general shall have the authority to enforce this 19 section." 20 SECTION 3. Section 84-36, Hawaii Revised Statutes, is

amended to read as follows:

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          "§84-36 Cooperation. The ethics commission may request
     and shall receive from every department, division, board,
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    bureau, commission, or other agency of the State cooperation and
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    assistance in the performance of its duties. Legislators and
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    state employees shall report to the ethics commission potential
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    ethics violations that they know of, or reasonably should know
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    of, including any instance of actual or attempted contact or
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    solicitation by an unregistered lobbyist in violation of
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    chapter 97."
         SECTION 4. Section 97-1, Hawaii Revised Statutes, is
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    amended as follows:
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         1. By amending the definitions of "lobbying" and
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    "lobbyist" to read:
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         ""Lobbying" means communicating directly or through an
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    agent, or soliciting others to communicate[, with]:
         (1) With any official in the legislative or executive
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              branch, for the purpose of attempting to influence
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              [<del>legislative or administrative</del>]:
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              (A) Legislative action;
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              (B) Rules or other actions governed by section 91-3;
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                   or [a]
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1		<u>(C)</u>	A ballot issue[-]; or		
2	(2)	With	the governor, the lieutenant governor,		
3		<u>legi</u>	slators, or the director, deputy director, or		
4		member of the governing board of an administrative			
5		agency, outside of any public hearing, for the purpose			
6		of a	ttempting to influence:		
7		(A)	The solicitation or award of a contract or		
8			proposal before an administrative agency, if any		
9			of the communications are not authorized by		
10			chapter 103D or chapter 103F;		
11		(B)	Staffing or appointment decisions regarding		
12			specific positions at an administrative agency;		
13		<u>(C)</u>	The development or modification of an		
14			administrative agency's written report or		
15			statement of policy; or		
16		(D)	A specific contested case hearing, rate		
17			proceeding, or other quasi-judicial proceeding		
18			before an administrative agency; provided that		
19	•		the communication is not governed by chapter 91		
20			or chapter 269.		

1	"Lobbying" shall not include the preparation and submission					
2	of a grant application pursuant to chapter 42F by a					
3	representative of a nonprofit organization.					
4	"Lobb	"Lobbyist" means any individual who:				
5	(1)	Rece	ives or expects to receive, either by employment			
6		or c	ontract, \$1,000 or more in monetary or in-kind			
7	•	comp	ensation in any calendar year for engaging in			
8		lobb	ying, either personally or through the lobbyist's			
9		agen	ts; or			
10	(2)	For	pay or other consideration, on behalf of another			
11		pers	on:			
12	•	(A)	Engages in lobbying in excess of five hours in			
13			any month of any reporting period described in			
14			section 97-3;			
15		(B)	Engages in lobbying in excess of ten hours during			
16			any calendar year; [or]			
17		<u>(C)</u>	Submits testimony ten or more times during any			
18			calendar year;			
19		[(C)]	(D) Makes expenditures of \$1,000 or more of the			
20			person's or any other person's money lobbying			

1 during any reporting period described in 2 section 97-3; 3 provided that an employee of a nonprofit organization who spends 4 fewer than ten hours in any month lobbying on a grant 5 application submitted pursuant to chapter 42F is not a lobbyist if the employee does not engage in lobbying on matters that are 6 7 unrelated to the grant application." 8 2. By repealing the definition of "administrative action". 9 [""Administrative action" means the proposal, drafting, 10 consideration, amendment, enactment, or defeat by any 11 administrative agency of any rule or other action governed by 12 section 91 3."] 13 SECTION 5. This Act does not affect rights and duties that 14 matured, penalties that were incurred, and proceedings that were 15 begun before its effective date. 16 SECTION 6. If any provision of this Act, or the 17 application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or 18 19 applications of the Act that can be given effect without the 20 invalid provision or application, and to this end the provisions 21 of this Act are severable.

	By Request
	INTRODUCED BY:
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3	SECTION 8. This Act shall take effect on January 1, 2027.
2	and stricken. New statutory material is underscored.
1	SECTION 7. Statutory material to be repealed is bracketed

Report Title:

Ethics Commission Package; Lobbying; Presumptions; Testimony

Description:

Amends the definition of "lobbying" to include certain communications regarding procurement decisions, staffing or appointment decisions, the development of an administrative agency's written report or statement of policy, and ex parte communications regarding contested case hearings. 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. Effective 1/1/2027.

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