# A BILL FOR AN ACT

RELATING TO CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS AND GRANTEES OF THE STATE.

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

- 1 SECTION 1. Section 11-355, Hawaii Revised Statutes, is
- 2 amended to read as follows:
- 3 "[+] §11-355[+] Contributions by state and county
- 4 contractors, and grantees of the State; prohibited. (a) It
- 5 shall be unlawful for any person who enters into any contract
- 6 with the State, any of the counties, or any department or agency
- 7 thereof either for the rendition of personal services, the
- 8 buying of property, or furnishing of any material, supplies, or
- 9 equipment to the State, any of the counties, any department or
- 10 agency thereof, or for selling any land or building to the
- 11 State, any of the counties, or any department or agency thereof,
- 12 if payment for the performance of the contract or payment for
- 13 material, supplies, equipment, land, property, or building is to
- 14 be made in whole or in part from funds appropriated by the
- 15 legislative body, at any time between the execution of the
- 16 contract through the completion of the contract, to:

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1	(1)	Directly or indirectly make any contribution, or
2		promise expressly or impliedly to make any
3		contribution to any candidate committee or
4		noncandidate committee, or to any candidate or to any
5		person for any political purpose or use; or
6	(2)	Knowingly solicit any contribution from any person for
7		any purpose during any period.
8	(b)	It shall be unlawful for any person who receives a
9	grant or	subsidy from the State pursuant to chapter 42F, at any
10	time betw	een the execution of the contract for the grant or
11	subsidy t	hrough the completion of the contract, to:
12	(1)	Directly or indirectly make any contribution, or
13	:	promise expressly or impliedly to make any
14	÷	contribution to any candidate committee or
15		noncandidate committee, or to any candidate or to any
16		person for any political purpose or use; or
17	(2)	Knowingly solicit any contribution from any person for
18		any purpose during any period.
19	(c)	During the contract period wherein a state or county
20	contracto	r, or grantee of the State, shall not make a
21	contribut	ion, the officers of any state or county contractor, or

- 1 grantee of the State, and their immediate family members, are
- 2 prohibited from directly or indirectly making any contribution
- 3 to a candidate committee or noncandidate committee.
- 4 [\(\frac{(b)}{}\)] \(\frac{(d)}{}\) Except as provided in [\(\frac{\text{subsection}}{}\)] \(\text{subsections}\)
- 5 (a), (b), and (c), this section does not prohibit or make
- 6 unlawful the establishment or administration of, or the
- 7 solicitation of contributions to, any noncandidate committee by
- 8 any person other than the state or county contractor, or grantee
- 9 of the State, or their officers and immediate family members,
- 10 for the purpose of influencing the nomination for election, or
- 11 the election of any person to office.
- 12 [<del>(c)</del>] (e) For purposes of this section, "completion of the
- 13 contract" means that the parties to the government contract have
- 14 either terminated the contract prior to completion of
- 15 performance or fully performed the duties and obligations under
- 16 the contract, no disputes relating to the performance and
- 17 payment remain under the contract, and all disputed claims have
- 18 been adjudicated and are final."
- 19 SECTION 2. 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.

- 1 SECTION 3. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 4. This Act shall take effect upon its approval.

### Report Title:

Hawaii Campaign Spending Commission Package; State and County Contractors; Grantees, Chapter 42F; Prohibited Contributions

## Description:

Extends the ban on campaign contributions from state and county contractors to grantees of the State under chapter 42F, Hawaii Revised Statutes, and to the owners, officers, and immediate family of the government contractor or state grantee. (SD1)

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