



HAWAI'I STATE ETHICS COMMISSION

State of Hawai'i · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawai'i

Committee: House Committee on Judiciary & Hawaiian Affairs
Bill Number: SB 2219 SD1
Hearing Date/Time: March 14, 2024, 2:00 p.m.
Re: Testimony of the Hawai'i State Ethics Commission in **SUPPORT** of SB 2219 SD1, Relating to Lobbying

Aloha Chair Tarnas, Vice Chair Takayama, and Committee Members:

The Hawai'i State Ethics Commission (“Commission”) **supports** SB 2219 SD1, which makes pivotal updates to Hawaii’s lobbyist law. Importantly, this bill expands the definition of lobbying to include procurement matters outside of those communications already allowed for under Haw. Rev. Stat. chapters 103D or 103F. This proposal is informed by other jurisdictions and is principally focused on “pre-procurement” communications where someone actively communicates with high-level government officials to induce or shape the procurement process. This expansion increases transparency and oversight over state procurements, which directly reduces the potential for corruption, waste, and fraud.

This bill also creates a new presumption to simplify regulatory oversight. This measure presumes that a lobbyist submitting testimony relevant to an employer or an owned business is doing so on behalf of that employer/business, versus submitting that testimony in an unemployed or personal capacity. This addresses situations where an employee claims they are not paid to lobby but are transparently advocating in their employer’s interests.

This measure reflects a thoughtful and iterative approach to expanding Hawaii’s lobbying law that ensures greater transparency, accountability, and fair competition in government contracts. This proposal strengthens the regulatory framework, preventing undue influence and promoting a level playing field that benefits both taxpayers and businesses alike.

Mahalo for the opportunity to submit testimony on SB 2219 SD1.

Very truly yours,

/S/ Robert D. Harris
Robert D. Harris
Executive Director and General Counsel

TO: Members of the Committee on Judiciary & Hawaiian Affairs

FROM: Natalie Iwasa, CPA, CFE
808-395-3233

HEARING: 2 p.m. Thursday, March 14, 2024

SUBJECT: SB2219, SD1, Related to Lobbying - **COMMENTS**

Aloha Chair Tarnas and Committee Members,

Thank you for allowing the opportunity to provide testimony on SB2219, SD1, which revises the definition of lobbying as well as makes other changes.

The impact of proposed changes in Section 2 on Page 2 (lines 8 - 13) is not clear. If a professional who owns a corporation that may benefit from certain legislation testifies regarding that matter, would this revised section apply to that person?

Is the intent of this change that more people be required to register as lobbyists?

Please review this amended bill carefully to ensure that good public policy is followed and that members of the public are not needlessly discouraged from providing input.

SB-2219-SD-1

Submitted on: 3/13/2024 8:44:08 AM

Testimony for JHA on 3/14/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Erendira Aldana	Individual	Support	Written Testimony Only

Comments:

I support more transparency and presumptions when testimonies are paid as indicated in SB2219

SB-2219-SD-1

Submitted on: 3/13/2024 6:37:28 PM

Testimony for JHA on 3/14/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Denise Yamaguchi	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Takayama and Members of the Judiciary Committee:

I am testifying in opposition to SB2219 SD1 which would require anyone that communicates with any state office, agency, department, etc., to have to register as a lobbyist and report to the Ethics Commission any communications that takes place.

SB2219 will have unintended consequences and will make it more difficult for anyone to communicate with public officials. Furthermore, it will require, not only businesses, but every single entity in the state that receives funding to register as a lobbyist. It is more red tape and more regulation that doesn't help create efficiencies in government.

Thank you for allowing me to testify in opposition of SB2219, SD1.

Denise Yamaguchi

SB-2219-SD-1

Submitted on: 3/13/2024 7:50:59 PM

Testimony for JHA on 3/14/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Williams	Individual	Oppose	Written Testimony Only

Comments:

Strongly oppose. Stop trying to make weird useless bills..

SB-2219-SD-1

Submitted on: 3/13/2024 8:18:53 PM

Testimony for JHA on 3/14/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elmer Domingo	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill.

SB-2219-SD-1

Submitted on: 3/13/2024 9:38:45 PM

Testimony for JHA on 3/14/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lora Santiago	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose Bill #SB2219.

SB-2219-SD-1

Submitted on: 3/13/2024 11:22:24 PM

Testimony for JHA on 3/14/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lionel Delos Santos	Individual	Oppose	Written Testimony Only

Comments:

Aloha legislater i strongly opposed this bill it go againt the 1 amendment freedom of spech.

thank you

SB-2219-SD-1

Submitted on: 3/14/2024 8:06:38 AM

Testimony for JHA on 3/14/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dennis Lin	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill. This takes away the right of a private citizen who would be communicating with government officials. There are many civically active individuals in our community, and this would make an unnecessary roadblock for those individuals.

SB-2219-SD-1

Submitted on: 3/14/2024 11:13:06 AM

Testimony for JHA on 3/14/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
K. Piltz	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Tarnas & Committee Members:

I am testifying in very strong opposition to SB2219 Relating to Lobbying.

Lobbying is “to educate lawmakers and their staff about the effect any proposed legislation or regulation will have on their client. This process is addressed in the First Amendment of the Constitution:

“Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.”

Lobbying is advocacy of a point of view, either by groups or individuals.” [National Institute for Lobbying & Ethics]

This measure goes beyond what is considered lobbying. This measure takes everyday conversation about the running of business, which may include working with state government, and turns it into lobbying. That makes no sense.

This measure raises more questions than it does to clarify what is considered lobbying. What is the intent of this measure? How is the state supposed to work jointly with the private sector, if there is paranoia about the conversations between businesses and government workers? How is economic development and economic progress supposed to work, if everyone is constantly worried about the conversations that they are having? How are we supposed to measure the threshold amounts of what constitutes lobbying in the State of Hawaii? With a measure like this, how are we all supposed to help Maui rebuild? Government cannot do it by itself without input from businesses and everyday folks.

Further, the measure creates a new section titled “Presumption of lobbying on behalf of private clients...” and presumes any individual with a substantial ownership interest in or a paid employee, officer, or director of an organization, who actively participates in lobbying activities that directly benefit that organization, shall be presumed to be receiving compensation from the organization for their lobbying efforts. What does that mean?

“Presumption” is defined to mean “assumption of something as true.” Everyone that owns or invests in a company, everyone that works for a company, gets paid. Just because people get paid and may have to talk with someone in government, does not mean that they are lobbying. The presumption or assumption that everyone in a company is lobbying is overly broad and erodes the constitutional right to free speech.

Thank you for this opportunity to testify in strong opposition to this measure.

SB-2219-SD-1

Submitted on: 3/14/2024 12:04:21 PM

Testimony for JHA on 3/14/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kim Cordery	Individual	Oppose	Written Testimony Only

Comments:

I Appose SB 2219 as it violates the 1st amendment! Free speech is not limited to a certain amount of times to speak up! This is idea that there will be a limit of times to express ones opinions on a Bill or a measure proposed is Criminal! IF WE DONT HAVE FREE SPEECH, WE HAVE LOST ALL FREEDOMS!