

JAN 21 2026

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# A BILL FOR AN ACT

RELATING TO ELECTIONS.

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

1       SECTION 1. The Hawaii Revised Statutes is amended by  
2 adding a new chapter to title 23 to be appropriately designated  
3 and to read as follows:

4                               **"CHAPTER**

5                   **UNAUTHORIZED ELECTION AND CAMPAIGN FINANCE ACTIVITIES BY**

6                               **BUSINESS ENTITIES**

7       §   **-A Definitions.** As used in this chapter, unless the  
8 context requires otherwise:

9       "Business entity" means a corporation, association,  
10 partnership, limited liability company, or other non-natural  
11 person regulated by this title or title 23A.

12       "Campaign finance activity" means the funding of activity  
13 promoting or opposing a political candidate or position on a  
14 ballot question.

15       "Covered business entity" means a business entity whose  
16 owners, shareholders, members, or managers are protected under



1 this title or title 23A by some limitation of liability for  
2 actions of the business entity.

3 "Department" means the department of commerce and consumer  
4 affairs.

5 "Election activity" means activity promoting or opposing a  
6 political candidate or position on a ballot question.

7 § -B Election and campaign finance activities; business  
8 entities; prohibited. (a) Notwithstanding any provision of  
9 this title, title 23A, or any other law to the contrary, a  
10 covered business entity shall not engage in any election  
11 activity or campaign finance activity.

12 (b) If a covered business entity engages in election  
13 activity or campaign activity in violation of this  
14 section:

15 (1) The covered business entity shall be subject to  
16 involuntary dissolution or dissociation pursuant to  
17 rules adopted by the department under chapter 91; and

18 (2) From the date of the prohibited activity, the entity's  
19 owners, shareholders, members, and managers, as  
20 applicable, shall be subject to the same liability for



1           that entity's actions as general partners would be for  
2           the actions of a general partnership.

3           (c) This chapter shall not be construed to prohibit the  
4 election activities or campaign finance activities of candidate  
5 committees and noncandidate committees regulated by part XIII of  
6 chapter 11, or similar entities regulated by federal campaign  
7 spending laws."

8           SECTION 2. This Act does not affect rights and duties that  
9 matured, penalties that were incurred, and proceedings that were  
10 begun before its effective date.

11          SECTION 3. If any provision of this Act, or the  
12 application thereof to any person or circumstance, is held  
13 invalid, the invalidity does not affect other provisions or  
14 applications of the Act that can be given effect without the  
15 invalid provision or application, and to this end the provisions  
16 of this Act are severable.

17          SECTION 4. This Act shall take effect upon its approval  
18 and upon ratification during the 2026 general election of a  
19 amendment to article I, section 4, of the Constitution of the  
20 State of Hawaii to provide that the participation of non-natural



1 persons in election and campaign finance activities may be  
2 regulated, restricted, or prohibited as provided by law.  
3

INTRODUCED BY: 



# S.B. NO. 2039

**Report Title:**

DCCA; Corporations; Business Entities; Regulation; Elections

**Description:**

Prohibits certain business entities from engaging in election and campaign finance activities.

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

