THE SENATE
THIRTY-THIRD LEGISLATURE, 2026
STATE OF HAWAII

S.B. NO. 2982

JAN 23 2026

A BILL FOR AN ACT

RELATING TO CAMPAIGN FINANCE.

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

SECTION 1. The legislature finds that the State has a compelling interest in securing its democratic self-governance from foreign influence. The State welcomes immigrants, visitors, and investors from around the world; however, its elections should be decided by the people of Hawaii and not by foreign entities.

The legislature further finds that the United States government has concluded that Russia, China, Iran, and other foreign actors are engaged in ongoing campaigns to undermine democratic institutions, as set forth in the joint statement "Combating Foreign Influence in United States Elections", issued by the Office of the Director of National Intelligence, United States Department of Justice, Federal Bureau of Investigation (FBI), and United States Department of Homeland Security on October 19, 2018. The FBI has also concluded that foreign-influenced activities include "criminal efforts to suppress voting and provide illegal campaign financing", as set forth in

FBI Director Christopher Wray's press briefing on election security on August 2, 2018.

The legislature also finds that the United States Congress recognized the need to protect American elections from foreign influence through the ban on contributions and expenditures by foreign nationals imposed by title 52 United States Code section 30121, upheld in *Bluman v. Federal Election Commission*, 800 F.Supp.2d 281 (D.D.C. 2011), summarily affirmed, 565 U.S. 1104 (2012). Several states, including Hawaii, have enacted similar laws that ban foreign nationals from making contributions or expenditures in connection with state or local elections.

The legislature further finds that former President Barack Obama warned of foreign corporate spending in state elections. Political spending by foreign entities can weaken, interfere with, or disrupt a state's democratic self-government and the trust that the electorate has in its elected representatives. In Hawaii, both foreign nationals and foreign corporations are prohibited from making contributions or expenditures to or on behalf of a candidate, candidate committee, or noncandidate committee. However, more can be done to protect the integrity

of Hawaii's democratic self-government from foreign entities that seek to influence Hawaii's elections through political spending.

The purpose of this Act is to protect the State's democratic self-governance by:

(1) Prohibiting foreign entities and foreign-influenced business entities from making contributions, expenditures, electioneering communications, or donations for election purposes;

(2) Requiring every business entity that contributes or expends funds in a state election to certify that the entity was not a foreign corporation or foreign-influenced business entity when the contribution or expenditure was made;

(3) Specifying that if the conditions that determine whether a business entity qualifies as a foreign-influenced business entity are held unconstitutional by a final judgment, including all appeals, the campaign spending commission is required to establish revised conditions that are constitutional; and

(4) Requiring noncandidate committees making only independent expenditures to obtain a statement of certification from each top contributor required to be listed in an advertisement avowing that none of the funds contributed were derived from foreign entities or foreign-influenced business entities.

SECTION 2. Section 11-302, Hawaii Revised Statutes, is amended by adding three new definitions to be appropriately inserted and to read as follows:

""Business entity" means a for-profit corporation, company, limited liability company, limited partnership, business trust, or business association, or other similar for-profit business entity.

"Foreign-influenced business entity" means a business entity that meets at least one of the following conditions:

(1) A single foreign investor holds, owns, controls, or otherwise has direct or indirect beneficial ownership of one per cent or more of the total equity, outstanding voting shares, membership units, or other applicable ownership interests of the business entity;

(2) Six or more foreign investors, in aggregate, hold, own, control, or otherwise have direct or indirect beneficial ownership of five per cent or more of the total equity, outstanding voting shares, membership units, or other applicable ownership interests of the business entity; or

(3) A foreign investor participates directly or indirectly in the business entity's decision-making process with respect to the business entity's political activities in the United States.

"Foreign investor" means a person or entity that:

(1) Holds, owns, controls, or otherwise has direct or indirect beneficial ownership of equity, outstanding voting shares, membership units, or other applicable ownership interests of a business entity; and

(2) Is:

(A) A government or subdivision of a foreign country;

(B) A foreign political party;

(C) An individual outside the United States who is not a citizen of the United States or a national

of the United States and who is not lawfully admitted for permanent residence; or

(D) A business entity:

(i) That is organized under the laws of or having its principal place of business in a foreign country; or

(ii) In which a person or entity described in subparagraph (A), (B), or (C) holds, owns, controls, or otherwise has directly or indirectly acquired a beneficial ownership of equity, voting shares, membership units, or other applicable ownership interests of the business entity in an amount that is equal to or greater than fifty per cent of the total equity, outstanding voting shares, membership units, or other applicable ownership interests of the business entity."

SECTION 3. Section 11-356, Hawaii Revised Statutes, is amended to read as follows:

"**[~~[~~]§11-356[~~]~~] Contributions and expenditures by a foreign national [~~or~~], foreign corporation, or foreign-influenced**

business entity; prohibited. (a) [~~Except as provided in subsection (b), no~~] No contributions or expenditures shall be made to or on behalf of a candidate, candidate committee, or noncandidate committee[~~,~~] by a foreign national [~~or~~], foreign corporation, or foreign-influenced business entity, including a domestic subsidiary of a foreign corporation, [~~a~~] domestic corporation that is owned by a foreign national, or [~~a~~] local subsidiary where administrative control is retained by the foreign corporation[~~, and in the same manner prohibited under 2 United States Code section 441e and 11 Code of Federal Regulations section 110.20, as amended.~~

~~(b) A foreign-owned domestic corporation may make contributions if:~~

~~(1) Foreign national individuals do not participate in election-related activities, including decisions concerning contributions or the administration of a candidate committee or noncandidate committee; or~~

~~(2) The contributions are domestically derived~~].

(b) No independent expenditures or electioneering communications shall be made by a foreign national, foreign corporation, or foreign-influenced business entity.

(c) No contribution or donation shall be made to any person by a foreign national, foreign corporation, or foreign-influenced business entity if the contribution or donation is earmarked for the recipient to make a campaign finance contribution or expenditure, including independent expenditure or electioneering communication.

(d) Within seven calendar days, a for-profit business entity that makes a contribution or expenditure, including an independent expenditure, shall file with the campaign spending commission a statement of certification signed by the business entity's chief executive officer avowing under penalty of perjury that, after due inquiry, the business entity was not a foreign corporation or foreign-influenced business entity on the date the contribution or expenditure was made.

(e) If a business entity intends to make more than one contribution to or expenditure on behalf of a candidate, candidate committee, or noncandidate committee, including independent expenditures or electioneering communications, within an election cycle, that business entity may, within seven days after making its first contribution or expenditure of an election cycle, file with the commission a statement of

certification signed by the business entity's chief executive officer avowing under penalty of perjury that:

(1) After due inquiry, the business entity was not a foreign corporation or foreign-influenced business entity on the date the contribution or expenditure was made;

(2) The business entity will conduct due inquiry before any future contribution or expenditure to determine if the business entity has become a foreign corporation or foreign-influenced business entity; and

(3) Any future contribution or expenditure shall only be made if the commission determines, after due inquiry, that the business entity is not a foreign corporation or foreign-influenced business entity.

(f) If a business entity does not file a certificate with the campaign spending commission that complies with subsection (e) of this section, then the business entity shall file a certificate that complies with subsection (d) of this section within seven days of each one of its contributions or expenditures, including independent expenditures.

(g) If a business entity files a certificate in compliance with subsection (e) of this section within the course of an election cycle and later in that election cycle determines that it has become a foreign corporation or foreign-influenced business entity, then within seven days it shall file with a commission a statement signed by the business entity's chief executive officer avowing under penalty of perjury that it has become a foreign corporation or foreign-influenced business entity.

(h) For the purposes of certification under subsection (d), the business entity shall ascertain beneficial ownership in a manner:

(1) Consistent with the Hawaii Business Corporation Act, chapter 414; or

(2) If it is registered on a national securities exchange, as set forth in title 17 Code of Federal Regulations sections 240.13d-3 and 240.13d-5.

(i) If the conditions that determine whether a business entity qualifies as a foreign-influenced business entity pursuant to section 11-302 are held to be unconstitutional by a binding final judgment of court, inclusive of all appeals, the

commission shall establish revised conditions that are constitutional and further the State's interest as set forth in Act , Session Laws of Hawaii 2026; provided that the revised conditions shall be relied upon by business entities in determining whether they are foreign-influenced business entities pursuant to this section.

(j) A contribution made by a foreign national, foreign corporation, or foreign-influenced business entity, or a contribution made by any entity that received funds from a foreign national, foreign corporation, or foreign-influenced business entity in violation of subsection (c) of this section, shall escheat to the Hawaii election campaign fund.

(k) For the purposes of this section:

"Chief executive officer" means the highest-ranking officer or individual having authority to make decisions regarding a business entity's affairs.

"Earmarked" means a designation or instruction, whether direct or indirect, express or implied, oral or written, that results in all or any part of the contribution or donation being expended in a manner that would be prohibited by this section if

made by a foreign national, foreign corporation, or foreign-influenced business entity."

SECTION 4. Section 11-393, Hawaii Revised Statutes, is amended to read as follows:

"**§11-393 Identification of certain top contributors to noncandidate committees making only independent expenditures.** (a) An advertisement shall contain an additional notice in a prominent location immediately after or below the notices required by section 11-391, if the advertisement is broadcast, televised, circulated, or published, including by electronic means, and is paid for by a noncandidate committee that certifies to the commission that it makes only independent expenditures. This additional notice shall start with the words, "The three top contributors for this advertisement are", followed by the names of the three top contributors[~~, as defined in subsection (e),~~] who made the highest aggregate contributions to the noncandidate committee for the purpose of funding the advertisement; provided that:

(1) If a noncandidate committee is only able to identify two top contributors who made contributions for the purpose of funding the advertisement, the additional

notice shall start with the words, "The two top contributors for this advertisement are", followed by the names of the two top contributors;

(2) If a noncandidate committee is able to identify only one top contributor who made contributions for the purpose of funding the advertisement, the additional notice shall start with the words, "The top contributor for this advertisement is", followed by the name of the top contributor;

(3) If a noncandidate committee is unable to identify any top contributors who made contributions for the purpose of funding the advertisement, the additional notice shall start with the words, "The three top contributors for this noncandidate committee are", followed by the names of the three top contributors who made the highest aggregate contributions to the noncandidate committee; and

(4) If there are no top contributors to the noncandidate committee, the noncandidate committee shall not be subject to this section.

In no case shall a noncandidate committee be required to identify more than three top contributors pursuant to this section.

(b) If a noncandidate committee has more than three top contributors who contributed in equal amounts, the noncandidate committee may select which of the top contributors to identify in the advertisement; provided that the top contributors not identified in the advertisement did not make a higher aggregate contribution than those top contributors who are identified in the advertisement. The additional notice required for noncandidate committees described under this subsection shall start with the words "Three of the top contributors for this advertisement are" or "Three of the top contributors to this noncandidate committee are", as appropriate, followed by the names of the three top contributors.

(c) This section shall not apply to advertisements broadcast by radio or television of [~~such~~] short duration that including a list of top contributors in the advertisement would constitute a hardship to the noncandidate committee paying for the advertisement. A noncandidate committee shall be subject to all other requirements under this part regardless of whether a

hardship exists pursuant to this subsection. The commission shall adopt rules pursuant to chapter 91 to establish criteria to determine when including a list of top contributors in an advertisement of short duration constitutes a hardship to a noncandidate committee under this subsection.

(d) A noncandidate committee shall obtain a statement of certification, signed under oath as defined in, and on a form as described in, section 710-1000, from each top contributor required to be listed in an advertisement pursuant to this section avowing under penalty of law that, after due inquiry, none of the funds contributed by the top contributor were derived from a foreign national, foreign corporation, or foreign-influenced business entity. If a noncandidate committee does not receive a statement of certification from a top contributor, the advertisement shall include the following statement: "Some of the funds used to pay for this message may have been provided by foreign corporations or foreign-influenced business entities". A noncandidate committee may rely on a statement of certification provided by a top contributor unless the noncandidate committee has actual knowledge that the statement of certification is false.

[~~(d)~~] (e) Any noncandidate committee that violates this section shall be subject to a minimum fine of $1,000 per violation.

[~~(e)~~] (f) For purposes of this section, "top contributor" means a contributor who has contributed an aggregate amount of $10,000 or more to a noncandidate committee within a twelve-month period before the purchase of an advertisement."

SECTION 5. Nothing in this Act shall be construed to diminish or infringe upon any right protected under the First Amendment of the Constitution of the United States or conflict with any federal statute or regulation.

SECTION 6. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 7. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 9. This Act shall take effect upon its approval.

INTRODUCED BY: _____

S.B. NO. 2982

Report Title:
CSC; Campaign Finance; Foreign Entities; Foreign-Influenced Business Entities

Description:
Prohibits foreign entities and foreign-influenced business entities from making contributions, expenditures, electioneering communications, or donations for election purposes. Requires every business entity that contributes or expends funds in a state election to certify that the entity was not a foreign corporation or foreign-influenced business entity when the contribution or expenditure was made. Specifies that if the conditions that determine whether a business entity qualifies as a foreign-influenced business entity are held unconstitutional by a final judgment, including all appeals, the Campaign Spending Commission is required to establish revised conditions that are constitutional. Requires noncandidate committees making only independent expenditures to obtain a statement of certification from each top contributor required to be listed in an advertisement avowing that no funds were derived from foreign entities or foreign-influenced business entities.

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