

Honolulu, Hawaii

**APR 09**, 2026

RE: S.B. No. 1032  
S.D. 2  
H.D. 2

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Finance, to which was referred S.B. No. 1032, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CAMPAIGN FINANCE,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Prohibit foreign entities and foreign-influenced business entities from making contributions, expenditures, electioneering communications, or donations for election purposes;
- (2) Allow every business entity that contributes or expends funds in a state election to certify that the entity is not and will not be a foreign corporation or foreign-influenced business entity if the entity intends to make contributions or expenditures within an election cycle;
- (3) Specify 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) Require 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.

Your Committee received testimony in support of this measure from the Hawai'i Alliance for Progressive Action; HULI PAC; Indivisible Hawai'i; and numerous individuals. Your Committee received comments on this measure from the Department of the Attorney General; Campaign Spending Commission; Matson, Inc.; and Free Speech For People.

Your Committee has amended this measure by:

- (1) Amending the definitions of "foreign-influenced business entity" and "foreign investor";
- (2) Requiring, rather than allowing, every for-profit 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 and establishing an alternate certification requirement for business entities that intend to make more than one contribution to or expenditure on behalf of a candidate, candidate committee, or noncandidate committee;
- (3) Requiring a business entity that makes the alternate certification and later in the same election cycle determines that it has become a foreign corporation or foreign-influenced business entity to file a statement with the Campaign Spending Commission indicating so;
- (4) Requiring contributions made by an entity that received funds from a foreign national, foreign corporation, or foreign-influenced business entity in violation of the prohibition, in addition to contributions made by a foreign national, foreign corporation, or foreign-influenced business entity, to escheat to the Hawaii Election Campaign Fund;



- (5) Exempting entities engaged in transporting cargo and subject to section 27 of the Merchant Marine Act of 1920;
- (6) Amending the statement to be included in an advertisement listing a top contributor to a noncandidate committee making only independent expenditures where the noncandidate committee did not receive a statement of certification that none of the contributor's contributions were derived from a foreign national, foreign corporation, or foreign-influenced business entity; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1032, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1032, S.D. 2, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



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CHRIS TODD, Chair



