

STAND. COM. REP. NO.

2429

Honolulu, Hawaii

FEB 19 2026

RE: S.B. No. 2471
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2471 entitled:

"A BILL FOR AN ACT RELATING TO THE POWERS OF ARTIFICIAL PERSONS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Reaffirm that artificial persons created under state law possess only those powers that are necessary or convenient to carry out lawful business and charitable or organizational purposes, and that those powers do not include the power to spend money or contribute anything of value to influence elections or ballot measures; and
- (2) Grant only the corporate and entity powers that the State determines to be necessary or convenient to conduct lawful business under the constitution and laws of this State.

Your Committee received testimony in support of this measure from the Center for American Progress, Hawai'i Alliance for Progressive Action, Indivisible Hawai'i, Life of the Land, Imua Alliance, Democratic Party of Hawai'i, League of Women Voters of Hawaii, LIMBY Hawai'i, and sixty-seven individuals.



Your Committee received comments on this measure from the Business Registration Division of the Department of Commerce and Consumer Affairs, Department of the Attorney General, and Hawaii Credit Union League.

Your Committee finds that political power in the State is inherent in the people, not artificial corporations. Accordingly, under article I, section 21, of the Hawaii State Constitution, the Legislature has the authority to define or withdraw powers it has conferred on corporations or other entities. Following the campaign finance decision of *Citizens United v. Federal Elections Commission*, corporations and other entities have spent large sums of money on elections, creating imbalances in political influence and undermining public trust in the democratic process. This measure would enhance public trust in democracy by clarifying that political speech, activity, and expenditures are not rights inherently held by corporations chartered in the State.

Your Committee has amended this measure by:

- (1) Repealing language in existing law that allowed a corporation or partnership to make donations;
- (2) Deleting language that would have made foreign entities subject to the prohibitions of this measure;
- (3) Inserting additional legislative findings to demonstrate the relevance to the State of the principles prohibiting electioneering by certain entities under federal law; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency, including amendments to move certain substantive provisions from definitions into appropriate sections of the measure.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2471, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2471, S.D. 1, and be referred to your Committee on Judiciary.



Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,



JARET KESHOKALOLE, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:
SB 2471	CPN, JDC	2/10/26
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
'Nay	Excused	
KEOHOKALOOLE, Jarrett (C)	✓	
FUKUNAGA, Carol (VC)	✓	
LAMOSAO, Rachele		✓
MCKELVEY, Angus L.K.		✓
AWA, Brenton	✓	
TOTAL	3	2
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Committee	Pink Drafting Agency

*Only one measure per Record of Votes