

Honolulu, Hawaii

MAR 25, 2026

RE: S.B. No. 2530
S.D. 2
H.D. 1

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

Madame:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred S.B. No. 2530, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Prohibit the compensated officers of state or county contractors, and their immediate family members, from making, promising to make, or soliciting certain campaign contributions for the duration of the contract exceeding the small purchase threshold established under the Hawaii Public Procurement Code;
- (2) Prohibit state or county grantees, including the compensated officers of the grantees and their immediate family members, from making, promising to make, or soliciting certain contributions for the duration of the grant or subsidy of \$100,000 or more;
- (3) Require unlawful contributions to be returned to the contributor or escheat to the Hawaii Election Campaign Fund;



- (4) Require the disclosure of the names of compensated officers of state or county contractors and grantees, and their immediate family members, to the Campaign Spending Commission;
- (5) Require the Campaign Spending Commission to make the disclosed information available to candidate committees and noncandidate committees on a password-protected section of the Commission's website; and
- (6) Appropriate funds to the Campaign Spending Commission to establish the password-protected filing system and to provide updates, training, and administrative support.

Your Committee received testimony in support of this measure from the Campaign Spending Commission; Hawai'i Alliance for Progressive Action; Imua Alliance; Indivisible Hawai'i; League of Women Voters of Hawaii; and numerous individuals. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that under existing campaign finance law, only a state or county contractor is prohibited from making campaign contributions. The law does not prohibit the officers or family members of the contractor from making contributions. Nor does the law prohibit state grantees from making campaign contributions even though these entities receive funds appropriated by the Legislature, similar to state or county contractors.

Your Committee further finds that H.B. No. 1519, H.D. 1 (Regular Session of 2026), a substantially similar measure, was previously passed by the House.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of H.B. No. 1519, H.D. 1, a measure that:
 - (A) Requires the disclosure of the names of compensated officers, and their immediate family members, of state contractors with contracts exceeding the small purchase threshold established under the



Hawaii Public Procurement Code and of grantees of state grants exceeding \$250,000;

- (B) Prohibits the compensated officers of state contractors, and their immediate family members, from making, promising to make, or soliciting certain campaign contributions for the duration of the contract exceeding the small purchase threshold;
 - (C) Prohibits state grantees, including the compensated officers of the grantees and their immediate family members, from making, promising to make, or soliciting certain contributions for the duration of the grant exceeding \$250,000;
 - (D) Requires unlawful contributions to be returned to the contributor or escheat to the Hawaii Election Campaign Fund;
 - (E) Requires the Campaign Spending Commission to make the information disclosed by state contractors and grantees available to candidate committees and noncandidate committees on a password-protected section of the Commission's website; and
 - (F) Appropriates funds to the State Procurement Office for system updates, training, and administrative support;
- (2) Clarifying that the prohibitions on contributions do not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any noncandidate committee by any person for the purpose of influencing the outcome of a question or issue on a ballot; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider appropriation amounts of:



- (1) \$18,000 for the State Procurement Office for training, which will be recorded and made available for repeated use by government employees and vendors;
- (2) \$150,000 for the Campaign Spending Commission for one full-time equivalent (1.0 FTE) information technology specialist;
- (3) \$20,000 for the Campaign Spending Commission for equipment, supplies, software, and licenses; and
- (4) \$200,000 for the Campaign Spending Commission for a password-protected filing system and to provide updates, training, and administrative support.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to also consider inserting a delayed implementation date of one year to allow the Campaign Spending Commission and State Procurement Office sufficient time to prepare and develop the necessary systems before operation.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2530, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2530, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,



DAVID A. TARNAS, Chair



