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Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Judiciary and Hawaiian Affairs
Wednesday, April 8, 2026
2:00 p.m.
Via Videoconference**

**On the following measure:
S.B. 2471, S.D. 2, H.D. 1, RELATING TO THE POWERS OF ARTIFICIAL PERSONS**

Chair Tarnas and Members of the Committee:

My name is Nadine Ando, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department offers comments on this bill.

The purpose of this bill is to reaffirm that artificial persons, such as corporations, limited liability companies, partnerships, and associations, are entities created under state law and possess only those powers that are necessary or convenient to carry out lawful activities, which do not include election or ballot-issue activity. To that end, this bill seeks to amend chapters 414, 414D, 425, 425E, and 428 of the Hawaii Revised Statutes (HRS), and to add a new chapter 429,¹ to revoke all prior grants of corporate and entity powers and regrant specific powers, excluding the power to spend money or contribute anything of value to influence elections or ballot measures. This bill also provides that the Department shall adopt rules for administrative forfeiture,

¹ The proposed HRS chapter 429 will apply to unincorporated nonprofit associations.

reinstatement upon disgorgement and certification of compliance, and related civil enforcement.

The Department's Business Registration's (BREG) current authority is to register business entities and to file the documents delivered by an entity, if the documents meet the statutory requirements for filing, and the entity pays the required registration fees. Thus, BREG's duties are purely ministerial, and BREG has no regulatory or enforcement authority over an entity's activities. Those tasks are the responsibility and better suited under another governmental regulatory agency such as the Department of Accounting and General Services (DAGS) Campaign Spending Commission. Instead, under the HRS chapters pertaining to each type of business entity, BREG has limited authority only to terminate an entity's registration, and only for specific grounds. For example, BREG may administratively dissolve a business entity that has failed to: a) pay the required fees; b) file its annual report for a period of two years; c) appoint and maintain an agent for service of process; or d) file a statement of a change in the name or address of the agent.

Consequently, BREG's duties, because of this bill will be expanded beyond its current ministerial duty to register businesses, HRS chapters 414, 414D, 425, 425E, and 428 must also be amended to specifically authorize BREG to monitor, investigate, and enforce an entity's compliance with the requirements of this bill.

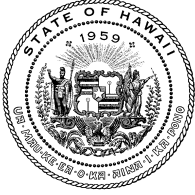
Along with amending the HRS chapters to add these new responsibilities of BREG, new rules must also be adopted, procedures must be implemented, and BREG's existing forms for each type of entity must be revised, and/or new forms created.

BREG handles a high volume of documents on a daily basis. While the user experience appears simple and straightforward, the myriad of documents and transactions that BREG processes are supported by a highly complex "back end" management and documents processing system. Should civil enforcement and other duties contemplated by this bill fall upon BREG, not only will revisions to BREG's forms be required, but system adjustments related to the revised or new forms will also be

necessary. Therefore, an appropriation to contract for the needed services will be required.

This bill will require the establishment of new positions to perform regulatory and enforcement duties. Thus, a general fund appropriation will also be needed to hire and train additional staff.

Thank you for the opportunity to testify on this bill.



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

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GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

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April 7, 2026

TO: HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
Representative David A. Tarnas, Chair
Representative Mahina Poepoe, Vice Chair
Honorable Members

FROM: John C. (Jack) Lewin, MD, Administrator, SHPDA, and Sr. Advisor to
Governor Josh Green, MD on Healthcare Innovation

RE: **SB 2471-SD2-HD1 -- RELATING TO THE POWERS OF ARTIFICIAL
PERSONS**

HEARING: Wednesday, April 8, 2026 @ 2:00 pm; Conference Room 325

POSITION: SUPPORT with COMMENTS

Testimony:

SHPDA strongly supports SB 2471-SD2-HD1, with comments.

This bill is intended to clarify that corporations and other artificial entities are created to carry out business or organizational purposes, not to spend money to influence elections or ballot measures. It seeks to limit corporate political spending so Hawai'i's election process is shaped more by individual voters than by corporate money.

This bill could help support healthier communities by reducing the influence of corporate money in elections and ballot measures, which can affect decisions about health care, environmental protections, worker safety, and other policies that shape people's health. Corporations are, of course, free to participate in our political process, but not to dominate it as seen in the Citizen's United Decision. Corporate overreach is destabilizing healthcare. There needs to be balance. The bill seeks to give more weight to the voices of residents and less to large organizations with financial power, which can help build fairer policy decisions and greater public trust.

Thank you for hearing SB2471-SD2-HD1. Mahalo for the opportunity to testify.

■ -- Jack Lewin, MD, Administrator, SHPDA



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2026**

ON THE FOLLOWING MEASURE:

S.B. NO. 2471, S.D. 2, H.D. 1, RELATING TO THE POWERS OF ARTIFICIAL PERSONS.

BEFORE THE:

HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

DATE: Wednesday, April 8, 2026

TIME: 2:00 p.m.

LOCATION: State Capitol, Room 325

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Christopher T. Han or Christopher J.I. Leong, Deputy Attorneys
General

Chair Tarnas and Members of the Committee:

The Department of the Attorney General (Department) strongly opposes this bill.

The purpose of this bill is to restrict the power of "artificial persons" created under state law by prohibiting corporations and other covered entities from spending money or contributing anything of value to influence elections or ballot measures. The bill effectuates this restriction by withdrawing certain state-conferred charter privileges, designating election activity and ballot-issue activity as *ultra vires* and void, and ordering the forfeiture of all charter privileges as the penalty for exercising prohibited political spending powers.

While the Department greatly sympathizes with the frustration with federal caselaw on this subject, this bill is likely impossible to defend without *Citizens United v. Fed. Election Comm'n*, 558 U.S. 310 (2010), being overturned. While many Americans strongly disagree with the U.S. Supreme Court's holding in *Citizens United*, under our federal system of government, it is our duty to state that this opinion remains the law of the land, irrespective of its merits (or lack thereof).

In *Citizens United*, the U.S. Supreme Court "rejected the argument that political speech of corporations or other associations should be treated differently under the First Amendment simply because such associations are not 'natural persons'." *See id.* at 343. The underlying rationale for the Court's holding that corporations have the right to

speech through political campaign donations is that they are "associations" of individuals. The Court further explained that, by banning corporate expenditures, "certain disfavored associations of citizens—those that have taken on the corporate form—are penalized for engaging in the same political speech." *Id.* at 356.

To apparently work around what is plain in the case, this bill relies on an untested legal theory using an unprecedentedly dangerous mechanism—the *full* revocation of all corporate powers in the state—in defense of a theory that collapses in upon itself upon further examination.

The operative theory behind this bill is that states have the ability to define corporate powers and can strip certain powers to speak based upon the content of that speech that are otherwise protected by the First Amendment and *Citizens United*. This approach alone will likely be subject to strict scrutiny as a form of content-based speech restriction under the First Amendment, as this bill removes only speech related to elections and ballot initiatives from a corporation's powers, while permitting a corporation to retain its ability to speak in other contexts. See *e.g.*, *Pac. Gas & Elec. Co. v. Pub. Utilities Comm'n of Cal.*, 475 U.S. 1, 8 (1986) ("The identity of the speaker is not decisive in determining whether speech is protected."); *First Nat. Bank of Bos. v. Bellotti*, 435 U.S. 765, 777 (1978) ("The inherent worth of the speech in terms of its capacity for informing the public does not depend upon the identity of its source, whether corporation, association, union, or individual.").

The bill purports to revoke all corporate powers granted by Hawaii law in their entirety and then regrant powers pursuant to the new law. This type of drastic legal maneuver alone may create significant unforeseeable impacts from actions regarding all Hawaii corporations at such scale. This bill then contradicts its own theory by saying that foreign corporations authorized to transact business in Hawaii, that are otherwise transacting business in Hawaii, or that own property in Hawaii, are also subject to the provisions of the bill. See, *e.g.*, page 11, lines 1-7, and page 19, lines 8-14. However, Hawaii has no ability to define the corporate powers of foreign corporations, which are governed by the state laws where they are incorporated. The theory simply does not

account for how Hawaii can regulate the speech of foreign corporations when it does not grant the powers of those corporations, and this is logically and legally fatal.¹

This bill may also face an unconstitutional conditions challenge in effectively permitting a corporation to keep certain state-granted benefits only if it refrains from engaging in election activity or ballot-issue activity, activities that a normal corporation is otherwise entitled to engage in under U.S. Supreme Court case law.

Lastly, a legal challenge could result in substantial legal fees for the State's taxpayers, as courts have recognized a corporation's standing to assert constitutional violations under 42 U.S.C. section 1983. See *RK Ventures, Inc. v. City of Seattle*, 307 F.3d 1045, 1057 n.7 (9th Cir. 2002). Pursuant to 42 U.S.C. section 1988(b), "the court, in its discretion, may allow the prevailing party . . . a reasonable attorney's fee as part of the costs[.]"

We understand and appreciate the frustrations with the U.S. Supreme Court case law in this area. The solution, however, is not this bill, which if passed into law, would have the likely result of only further entrenching *Citizens United* into the law. We ask that this bill be held. Thank you for the opportunity to testify.

¹ Ironically, if this bill is passed into law, one possibility is that only *foreign* corporations could be in a position to engage in the activities addressed by this bill in Hawaii, while domestic corporations would be prohibited from doing so.

SB-2471-HD-1

Submitted on: 4/6/2026 7:22:08 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joseph Kohn MD	We Are One, Inc. - www.WeAreOne.cc - WAO	Support	Written Testimony Only

Comments:

Strongly Support SB2471

UNITED FOR HUMANITY

JUSTICE IS NOT A PARTISAN ISSUE

Help Create The Future We Know Is Possible!!!

The [#WeThePeopleAmendment](#) (HJR 54) seeks to end corporate rule by firmly establishing that constitutional rights belong to human beings only, not to corporations, and that money is not a form of protected speech!

[#EliminateCorporateTerrorism](#)

We're all being played.

[#Classism](#) is Enemy #1

[#TaxTheRich](#) (that's where the money is) [#RefuseFascism](#)

“In 1933, German conservatives thought they could control Hitler. Two years later, they were being executed in their own homes. I spent weeks researching this question, desperately looking for counter-examples, for hope, for any time in history where people successfully stopped fascists after they started winning elections.

Here's what I found: Once fascists win power democratically, they have never been removed democratically. Not once. Ever.

I know that sounds impossible. I kept digging, thinking surely someone, somewhere, stopped them. The actual record is so much worse than you think.

Let's start with Germany because everyone thinks they know this story. Franz von Papen, the conservative politician who convinced President Hindenburg to make Hitler Chancellor, said ‘We've hired him’ in January 1933. He thought he was so clever. Within 18 months, the Nazis were machine-gunning von Papen's allies in their homes during the Night of Long Knives. Von

Papen himself barely escaped to Austria with his life. Every single conservative who thought they could 'control' or 'moderate' Hitler was either dead, in exile, or groveling for survival by 1934.

Italy was even dumber, if that's possible. October 1922, Mussolini announces he's marching on Rome with 30,000 blackshirts. Except here's the thing: they were poorly armed, disorganized, and the Italian military could have crushed them in about three hours. The King had his generals ready. He had martial law papers drawn up. The military was waiting for the order. Instead, he invited Mussolini to form a government. Just handed him power. Twenty-three years later, partisans hung Mussolini's corpse upside down at a gas station while crowds beat it with sticks. The king died in exile. Hundreds of thousands of Italians died for that moment of cowardice.

Spain might be the worst because everyone saw it coming. Three years of escalating fascist violence. Actual assassination attempts. Then in 1936, Franco and his generals launch a straight-up military coup. The Spanish Republic begged for help. France said "not our problem." Britain said 'both sides are bad.' America declared neutrality. The result? Franco ruled for 39 years. He died peacefully in his bed in 1975. They're still finding mass graves in Spain. Still. In 2025.

Want something more recent? Look at Hungary. Orbán won democratically in 2010. By 2011 he'd rewritten the constitution. By 2012 he controlled the media. By 2013 he'd gutted the judiciary. It's 2025 and he's still in power. The EU has been 'very concerned' for fourteen fucking years. They've written strongly worded letters. They've held meetings. Hungary is now a one-party state in the middle of Europe and everyone just...accepts it.

Okay, but surely someone, somewhere, stopped them?

Finland 1932 is the only clean win I can find. The fascist Lapua Movement tried an armed coup before they'd secured government power. The military stayed loyal to democracy, crushed the rebellion, and banned the movement. That's it. That's the success story. One time out of roughly fifty attempts, fascists were stopped because they were stupid enough to try violence before winning elections.

France in 1934 looked like a victory for about five minutes. Fascist leagues tried to storm parliament on February 6th. Six days later, twelve million workers went on general strike. Twelve million. The entire country stopped. No trains, no factories, no shops, nothing. The fascists backed down. Great victory, right? Except those exact same fascists enthusiastically collaborated when the Nazis invaded six years later. They just waited.

Portugal's fascist regime finally fell in 1974. After 48 years. How? Military officers launched a coup. Democratic resistance had been crushed for five decades. International pressure meant nothing. The dictator Salazar died in 1970 and his successor just kept going until the military said enough. That's your success story: wait half a century and hope the military gets tired.

The pattern is so consistent it's almost funny if it weren't so terrifying. Every single time it goes like this: Conservatives panic about socialism or progressives or whatever. They ally with fascists as the 'lesser evil.' Fascists take power. Fascists immediately purge the conservatives

who helped them. Then it's 30-50 years of dictatorship. This happened in Germany, Italy, Spain, Chile, Argentina, Brazil, Greece, Portugal, Croatia, Romania, and Hungary.

Want to know how many times conservatives successfully 'controlled' the fascists they allied with? Zero. Want to know how many times fascists purged the conservatives after taking power? All of them. Every single time.

And here's the part that breaks your heart. Violence works. For them. Fascists use violence while claiming to be victims. They create chaos that 'requires' their authoritarian solution. Then they purge anyone who opposes them. Meanwhile, democrats keep insisting on following rules that fascists completely ignore. They file lawsuits. They write editorials. They vote on resolutions. And fascists just laugh and keep consolidating power.

The statistics are brutal. Fascist takeovers prevented after winning power democratically: zero. Average length of fascist rule once established: 31 years. Fascist regimes removed by voting: zero. Fascist regimes removed by asking nicely: zero. Most were removed by war or military coups, and tens of millions died in the process.

I'm not allowed to make the obvious contemporary comparisons, but you're already making them in your head. 'We can control him' is being said right now, in 2025, by people who apparently never cracked a history book.

Based on the historical record, there are exactly three ways this goes. Option one: Stop them before they take power. Option two: War. Option three: Wait for them to die of old age.

But here's the thing: we already missed our chance. The window isn't closing; it's closed.

The Supreme Court declared Trump above the law. He's threatening to arrest political opponents. He's already sent the FBI after elected officials when they haven't committed crimes. Congress is his. Most state governments are his. Billionaire oligarchs openly coordinate with him. The window slammed shut.

So let's stop pretending we're in the 'prevention' phase and start talking about what you do when fascists already control the institutions but haven't fully consolidated power yet. Because historically, nobody's been here before, not like this.

No wealthy democracy with nuclear weapons has ever fallen to fascism. The 1930s examples everyone cites were broken countries. Weimar Germany was weakened by World War I and hyperinflation. Italy was barely industrialized. Spain was largely agrarian. They didn't have the world's reserve currency. They didn't have thousands of nukes. They didn't have surveillance technology that would make the Stasi weep with envy.

America has all of that. Plus geographic isolation that makes external intervention impossible. Plus a population where 30-40% genuinely wants authoritarian rule as long as it hurts the 'right people.' The historical playbook is useless here. We're in unprecedented territory.

But that also means the old rules about what's possible might not apply.

Option 1: The Blue State Coalition

California's economy is bigger than the UK's. New York controls global finance. The blue states collectively represent over 60% of America's GDP. They could, theoretically, make the federal government irrelevant.

Imagine if California, Oregon, Washington, New York, Massachusetts, and others started coordinating directly. Ignoring federal mandates. Creating their own interstate compacts for everything from climate policy to civil rights. They already started this with climate agreements when Trump pulled out of Paris. But I'm talking about going much further.

State-level cryptocurrency to avoid federal monetary control. State-funded healthcare systems that ignore federal restrictions. State-level immigration policies that simply refuse to cooperate with ICE. Make the federal government have to physically enforce every single policy, stretching their resources to breaking.

The precedent? The way Northern states nullified fugitive slave laws in the 1850s. The way states are currently ignoring federal marijuana prohibition. But coordinated and comprehensive.

Option 2: Selective Compliance and Irish Democracy

The Irish called it 'Irish Democracy' when they were under British rule, the silent, dogged resistance of millions who simply ignored laws they found illegitimate. Don't protest. Don't riot. Just don't comply.

Red states need blue state money. Blue state taxes fund red state governments. What if millions of people in blue states simultaneously decided to claim exempt on their W-4s and simply... stopped paying federal taxes? Not as protest but as a coordinated 'forgetting.' Overwhelm the IRS. Make enforcement impossible.

Doctors in blue states could ignore abortion restrictions. Teachers could ignore curriculum mandates. State police could refuse to enforce federal laws. Not dramatically, just... incompetently. 'Sorry, we couldn't find them.' 'The paperwork got lost.' 'Our systems are down.'

Make every single act of authoritarian control require physical enforcement, then make that enforcement impossibly expensive and difficult.

Option 3: Secession

We already have two incompatible visions of what America should be. One side wants a multi-ethnic democracy with a social safety net. The other wants a white Christian ethnostate with unlimited corporate power. These cannot coexist indefinitely.

What if blue states started seriously discussing secession? Not threatened as political theater but actually planned. Constitutional conventions. Referendums. Negotiations for national debt division. Military base transfers. Currency agreements.

Yes, the last time states tried to leave it caused a civil war. But that was over slavery, with clearly defined geographic boundaries and two relatively equal economic systems. This would be the economic powerhouses leaving the welfare states. What would the red states do, invade California? With what money?

The mere serious threat might be enough to force structural changes. Quebec nearly left Canada twice and got massive concessions both times just from credible threats.

Option 4: International Intervention

This has never happened to a nuclear power, but there's a first time for everything. Blue states could request UN election monitoring. They could sign their own climate agreements with the EU. They could create alternate diplomatic channels.

California could request Canadian peacekeepers for 'election security.' New York could invite European observers for 'financial transparency.' Make it embarrassing. Make America's collapse visible to the world. Force the international community to pick sides.

No, the UN can't invade America. But they can isolate it. Sanctions work. Ask Russia. International humiliation works. Ask South Africa under apartheid.

We're past normal. The fascists already won round one. They control the institutions. They have their judges. They have their media ecosystem. They have their army of true believers who will excuse anything.

But they don't have the money. They don't have the cities. They don't have the educated workforce. They don't have the young. And most importantly, they don't have legitimacy in the eyes of the majority.

The historical record says once fascists gain power, they stay for 30-50 years. But the historical record doesn't have examples of fascists taking over a country where their opposition controls most of the economy, technology, and cultural production. We're in uncharted territory, which means we need unprecedented responses.

The question isn't whether these options are extreme. They are. The question is whether we're ready to admit that normal is already gone. The window to prevent fascism closed. But the opportunity for something else, something unprecedented, might just be opening.

The German conservatives who said 'we can control him' were all dead or fled within two years. We're just months into our version of this story. The question is: are we going to be the first generation that finds a new way out, or are we going to be another cautionary tale future historians write about?

At least we're finally asking the right questions.”

- Chris Armitage



APRIL 8, 2026

SENATE BILL 2471 SD2 HD1

CURRENT REFERRAL: JHA

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Corey Rosenlee,
Director

Amy Zhao,
*Policy and Partnerships
Strategist*

POSITION: SUPPORT

Imua Alliance supports SB 2471 SD2 HD1, relating to the powers of artificial persons, which reaffirms 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.

Imua Alliance is a Hawai'i-based organization dedicated to ending all forms of exploitation, including corporate interference in our democracy. This measure reaffirms that artificial persons (including corporations, LLCs, and other business entities) possess only those powers granted by the state, and that the power to spend money on elections or ballot measures is not among them.

SB 2471 acknowledges that political power in Hawai'i is inherent in the people, not artificial corporations. Under Article I, Section 21 of the Hawai'i Constitution, no grant of special privileges or immunities is irrevocable, and the legislature retains full authority to define or withdraw powers it has conferred on corporations or other entities. This bill explicitly removes prior corporate powers that have been broadly interpreted to include political spending and regrants only those powers necessary for the conduct of lawful business.

For decades, the U.S. Supreme Court's decision in *Citizens United v. Federal Election Commission* has enabled corporations and other artificial entities to pour vast sums of money into elections, exposing deep imbalances in political influence and undermining public trust in democratic governance. *Citizens United* held that certain political expenditures are protected speech under the First Amendment, effectively prioritizing corporate spending over individual voter voices. This measure's finding recognizes that these political spending powers were never intended to be

among the powers granted to artificial persons by the state.

SB 2471 offers a systemic and forward-looking framework grounded in corporate law and constitutional theory. The Center for American Progress (CAP) has articulated a novel approach that states can adopt: “Corporations are creatures of state law. They start with zero powers, and states choose which powers to grant.”

CAP explains that if a state rewrites its corporate statutes to remove the power to spend money in elections, “that power simply does not exist. And without the power, there’s no right to protect.” This approach leverages state authority over corporate charters to address the root of corporate political influence, potentially sidestepping constitutional barriers that have limited campaign finance reforms since Citizens United.

SB 2471 builds on this framework by redefining corporate powers in Hawai’i law to exclude campaign spending and electioneering, thereby structurally rebalancing political power between people and corporate entities. This approach is particularly important in an era of dark money, foreign-influenced corporate ownership, and multinational corporations capable of spending extraordinary sums to shape public policy outcomes.

By revoking prior grants of corporate political power and reaffirming the state’s authority, this proposal would reduce the outsized influence of special interest money in Hawai’i policymaking. It clarifies that election expenditure powers are not inherent business matters, and that acts undertaken in violation of this principle are invalid and void.

Passage of SB 2471 can help ensure that political speech and influence in Hawai’i remain grounded in the voices of individuals and communities, rather than being dominated by corporate treasuries. It is a bold, but principled affirmation of democratic governance, responsive to decades of real-world concerns about corporate political influence, dark money, and the erosion of public confidence in electoral integrity.

With aloha,

Kris Coffield

President, Imua Alliance

SB-2471-HD-1

Submitted on: 4/6/2026 8:39:28 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan B Roberts Emery	Green Party of Hawai'i	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe, and Honorable Members of Committee.

My name is Susan RobertsEmery, as Co Chair of the Green Party of Hawaii, and on behalf of our members, we are in VERY STRONG SUPPORT of SB2471 SD2 HD1 ! We first and foremost want to thank the Chair and Vice Chair for bringing this very important bill to a hearing. It takes courage to question our system and to rectify the problem when we see that corporations have taken over our political process.

This bill would allow Hawai'i to take the lead on challenging Citizens United and making it irrelevant in our state.! The Hawai'i legislature needs to show good will towards transparency when it comes to political donations influencing our politicians. This bill would do just that. We ask that you have the courage and faith in our Hawaiian Constitution to stand up to the " dark money " and the corruption of the corporate donors. Corporations are "artificial persons". It is just plain creepy that the corporations use our public officials as puppets, they, the corporations are the puppeteers. Let Hawai'i be on the right side of history and let us be the leadership to tear down Citizens United !

Green Party of Hawai'i, urges you to Pass SB2471 SD2 HD1.

Maholo for your courage!

Susan RobertsEmery

Green Party of Hawai'i

Paauiilo



Environmental Caucus of The Democratic Party of Hawai'i

TESTIMONY OF THE ENVIRONMENTAL CAUCUS OF THE DEMOCRATIC PARTY OF HAWAI'I IN STRONG SUPPORT OF SB2471 SD2 HD1 RELATING TO THE POWERS OF ARTIFICIAL PERSONS

**Chair David Tarnas, Vice Chair Mahina Poepoe
House Committee on Judiciary & Hawaiian Affairs (JHA)**

Date: Wednesday, April 8, 2026

Time: 2:00 PM

Place: Conference Room 325 & Videoconference

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

The Environmental Caucus of the Democratic Party of Hawai'i strongly supports SB2471 SD2 HD1, which reaffirms that artificial persons created under state law possess only those powers that are necessary or convenient to carry out lawful purposes, and that these powers do not include the ability to spend money or contribute anything of value to influence elections or ballot measures.

SB2471 SD2 HD1 revokes all prior grants of entity powers and regrants only those powers the State determines are necessary for lawful business operations. This is a clear, constitutionally grounded restatement of Hawai'i's authority over corporations, LLCs, partnerships, nonprofit associations, cooperatives, and other artificial entities chartered under state law.

Reaffirming State Authority Over Artificial Persons

Artificial persons exist only because the State grants them legal recognition. SB2471 SD2 HD1 reaffirms that: (1) corporate powers are privileges, not inherent rights; (2) the State retains full authority to define, limit, or withdraw those privileges; (3) political spending was never intended to be among the powers granted to artificial persons; and (4) the rights of natural persons remain fully protected. This distinction is essential to maintaining the integrity of Hawai'i's democratic processes.

Clarifying the Relationship to Federal Decisions Such as Citizens United

SB2471 SD2 HD1 operates within the State's longstanding authority to define the powers of the artificial persons it creates. Federal decisions such as Citizens United v.

FEC, 558 U.S. 310, 130 S. Ct. 876, 175 L. Ed. 2d 753 (2010) address federal limits on restricting independent expenditures, but they do not prevent states from determining which powers corporations and other artificial entities possess under state law.

By revoking prior grants of entity powers and regranting only those powers necessary or convenient for lawful business, SB2471 SD2 HD1 ensures that political spending is not among the powers conferred on state-created entities. This approach is grounded in corporate-powers doctrine, not campaign-finance restrictions, and is fully consistent with the State's constitutional authority.

Protecting Elections and Ballot-Issue Campaigns

SB2471 SD2 HD1 strengthens Hawai'i's ability to safeguard elections by ensuring that: (1) corporations and other artificial entities cannot use economic power to influence electoral outcomes; (2) ballot-issue campaigns remain grounded in community voices rather than corporate expenditures; (3) nonprofit and for-profit entities remain focused on their lawful business purposes; and (4) political participation is not distorted by entities that exist solely because the State permits them to. The bill also provides clear definitions of "election activity" and "ballot-issue activity," ensuring consistent enforcement across all entity types.

A Strong, Legally Grounded Framework

SB2471 SD2 HD1: (1) revokes all prior grants of entity powers and regrants only those necessary for lawful business; (2) establishes uniform limitations across corporations, LLCs, LLPs, LPs, nonprofit corporations, nonprofit associations, cooperatives, and state-chartered credit unions; (3) declares election-related expenditures by artificial persons *ultra vires* and void; (4) provides for administrative forfeiture of charter privileges when violations occur; and (5) ensures that foreign entities engaging in election activity are deemed to be transacting business in Hawai'i. This clarity strengthens enforcement, protects public trust, and aligns Hawai'i's statutory framework with its constitutional authority.

Conclusion

SB2471 SD2 HD1 is a prudent, constitutionally grounded measure that protects Hawai'i's democratic processes, reaffirms the State's authority over artificial persons, and ensures that elections and ballot-issue campaigns remain driven by the voices of natural persons. The Environmental Caucus respectfully urges the Committee to pass SB2471 SD2 HD1.

Mahalo nui loa for the opportunity to testify.

Alan Burdick, Co-Chair, burdick808@gmail.com

Mike Ewall, Co-Chair, mike@energyjustice.net

Melodie Aduja, Co-Chair *Emerita*, Legislativepriorities@gmail.com



TESTIMONY IN STRONG SUPPORT OF SB2471 SD2 HD1, RELATING TO THE POWERS OF ARTIFICIAL PERSONS

HOUSE COMMITTEES ON JUDICIARY AND HAWAIIAN AFFAIRS

April 8, 2025

To the Honorable Chair and Members of the Committee:

The Democratic Party of Hawai'i **strongly supports SB2471 SD2 HD1**. This measure represents a vital step in protecting the integrity of Hawaii's elections and asserting that our democracy belongs to living, breathing people—not artificial legal entities.

Hawaii's Legacy of Leadership

Hawai'i has a proud history of leading the nation on this issue. In April 2010—just months after the *Citizens United v. FEC* ruling—**Hawaii became the first state in the nation to pass a legislative resolution (HCR 282)** calling for a U.S. Constitutional Amendment to overturn that decision. Sixteen years later, the "pay-to-play" culture in politics has only deepened. By passing SB2471, this body has the opportunity to move from a call for action to a direct exercise of its sovereign power.

Corporations are "Artificial Persons"

As SB2471 correctly identifies, a corporation is a "legal fiction" created by the State of Hawaii.

- **Creatures of the State:** Because corporations are chartered by the State to facilitate commerce, the State has the **plenary authority** to define their powers.
- **Rights vs. Powers:** Human beings have inherent, God-given rights. Corporations have only the powers granted to them by law. Political participation is a right of citizenship, not a corporate power.

Protecting the Voice of the People

- **Combating Corruption:** *Citizens United* has allowed massive amounts of "dark money" to drown out the voices of ordinary Hawaii residents.
- **The "One Person, One Vote" Principle:** If money is equated with speech, then those with the most wealth have the loudest voices. SB2471 restores the democratic balance

by ensuring that the power to influence our elections rests with voters, not with corporate boardrooms.

- **Sovereignty:** Our island state is particularly vulnerable to out-of-state and multinational interests. This bill ensures that Hawai'i's future is decided by its people, protecting us from foreign or external corporate interference.

By passing SB2471 SD1 HD1, Hawai'i will once again honor the spirit of HCR 282 and lead the nation in declaring that "We the People" means human beings. We must clarify that the artificial entities we create for business do not have a seat at the table of our self-governance.

Mahalo nui loa for the opportunity to testify in strong support of SB 2471 SD2 HD1. Should you have any questions or require further information, please contact the Democratic Party of Hawai'i at legislation@hawaiidemocrats.org.

SB-2471-HD-1

Submitted on: 4/7/2026 7:17:58 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Yvette Kay	Kona Indivisible	Support	Written Testimony Only

Comments:

Aloha, My name is Yvette Kay and I am a resident of Kailua Kona in Hawai'i County. I am on the leadership team for Kona Indivisible and run the protest arm of Kona Indivisible named, Matriarchy Rising. I support this bill.

yvettekay_99@yahoo.com

96740

415-706-9638

[SB2471 SD2 HD1](#)

SB2829/HB2130

This bill affirms the State's authority to limit the powers of artificial persons and would prohibit corporations and similar entities from spending money in elections. The bill removes the power of corporations, nonprofits, labor unions, and other artificial entities to contribute funds or anything of value to influence candidates, PACs, political parties, or ballot questions. These restrictions apply broadly, including to out-of-state entities operating in Hawai'i, while preserving the political rights of individuals.

Elections should reflect people, not corporate money. Artificial entities are state-created privileges, not natural rights holders. These bills reasserts that Hawai'i can set boundaries on the powers it grants. Even in a tough legal environment, this is a clear statement that our state should prioritize public trust and fair elections. Individuals can still donate, speak, associate, and participate politically.



April 7, 2026

Honorable Chairman Tarnas and Members of the JHA Committee

I am testifying both personally and on behalf of Kona Indivisible. We request that you advance SB 2471 HD1 unanimously and work to ensure that it passes floor votes in both chambers of the legislature.

Corporations are not human beings or natural persons. They are economic constructions created by state law. A corporation cannot have more legal powers than those granted by state law. The state's interest is to grant those powers that allow beneficial economic activity and NOT other powers that undermine good government and democracy.

In today's world, corporations accumulate extraordinary wealth relative to natural persons. The state should not grant corporations the authority either to

- spend their wealth meddling in political campaigns and elections,
- exert corrupt influence on candidates and government officials, or
- become anonymity shields to hide the sources of political contributions.

Corporations are being used precisely for these dark purposes. You have the power to stop this nefarious practice.

You will create a historical legacy if you advance this bill unanimously and work to ensure its passage on the floor. Political corruption has become a subject of high scrutiny, appropriately given recent events. Corporate money has played and outsized in corrupting in our elections. This bill is your chance to stop it.

Your constituents will remember your initiative to restore our democracy at this pivotal time.

Or you can fail to meet the moment and be forgotten. Please do not let this opportunity go by.

Thank you for the opportunity to submit this testimony.

Respectfully submitted

Sam Guckenheimer

Napo'opo'o, Captain Cook, HI 96704

sguckenheimer@hotmail.com

[Kona Indivisible](#) is a local chapter of the [Indivisible Hawai'i State Network](#) and the national [Indivisible](#) network of 3300 autonomous local groups, comprising millions of members across every state. The mission of Kona Indivisible is to protect Hawai'i and our democracy and defend our rights, communities and values. On March 28, we turned out 6500 members across Hawai'i County and 25,000 members across the State to say No Dictators! and stand up for democracy.



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MAILING ADDRESS

P.O. Box 23404
Honolulu, HI 96823

Tuesday, April 7, 2026

To: House Committee on Judiciary and Hawaiian Affairs
Rep. David A. Tarnas, Chair; Rep. Mahina Poepoe, Vice Chair

Re: SB 2471 re Powers of Artificial Persons

Hearing: Wednesday, April 8, 2026, 2:00 pm, Conference Room 325 & video

Position: STRONG SUPPORT

Aloha, Chair Tarnas, Vice Chair Poepoe, and Members of the House Committee on Judiciary and Hawaiian Affairs. As you know, Americans for Democratic Action is a nationwide progressive organization dating back to the late 1940s, devoted to carrying on, and expanding on, the critical achievements of the New Deal that took America out of the Great Depression and won World War II. Hawaii's own U.S. Representative Patsy T. Mink was ADA's national Chairperson from 1978 to 1982.

ADA Hawaii Chapter STRONGLY SUPPORTS this bill, which would reinstate the long-standing relationship between governments and corporations and other artificial entities, namely that artificial entities are creatures of the State that exist solely for purposes that advance the public interest. To the extent that they fail to do so, they act *ultra vires*, meaning beyond their powers, and must be stopped. As a recovering attorney myself, I have long wondered why this approach to overruling *Citizens United* hadn't gained serious momentum long ago. For many reasons above and beyond burying that noxious ruling, this bill should be advanced. Please pass it.

Very truly yours,

/s/ Alan B. Burdick,
President, Hawaii Chapter
Americans for Democratic Action
Burdick808@gmail.com 808-927-1500

SB-2471-HD-1

Submitted on: 4/7/2026 11:48:26 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Yoshida	Maui Indivisible	Support	Written Testimony Only

Comments:

I am testifying in favor of this bill. There needs to be campaign reform so that the will of the people is not silenced by special interests who influence elections and politicians. We must make changes at the state and local levels when there is no positive change at the federal level. Let's move towards giving power to the people where it belongs. Thank you .



Wednesday, April 8, 2026, 2:00 pm

House Committee on Judiciary and Hawaiian Affairs

SENATE BILL 2471 – RELATING TO THE POWERS OF ARTIFICIAL PERSONS.

Position: Strong Support

Me ke Aloha, Chair Tarnas, Vice Chair Poepoe, and Members of the Committee on Judiciary and Hawaiian Affairs:

SB2471 reaffirms that artificial persons created under state law possess only those powers that are necessary or convenient to carry out lawful purposes, and that those powers do not include the power to spend money or contribute anything of value to influence elections or ballot measures. It revokes all prior grants of entity powers and regrants only those powers that the State determines to be necessary or convenient to conduct lawful business under the Hawai'i State Constitution and laws of this State

It is disappointing to see those we regard as experts in constitutional law be confused about the nature of this bill. As pointed out in recent testimony, Hawaii law is quite clear on this point: "From the days of the Hawaiian Kingdom through statehood, Hawai'i has consistently understood corporations as creations of the sovereign, not as natural rights-holders. "The power of the State to act in the general welfare shall never be impaired by the making of any irrevocable grant of special privileges or immunities. Corporations, limited liability companies, and similar entities do not exist as a matter of natural right. They exist because the state brings them into being and confers specific privileges and powers, most notably limited liability." SB 2471 does not restrict the rights of any natural person. Every individual in Hawai'i remains fully free to speak, to spend, to associate, and to participate in politics. The state is unquestionably entitled to address the more basic question of corporate privilege. (Thanks to Tom Moore, Senior Fellow at Center for American Progress)

Those who have examined this issue – apparently more carefully than the Deputy AG – know that the assumption that there is any "there" there is pure fiction, concocted by railroad attorneys in the late 1800s. It is bad law (see the clear record in *Santa Clara County v. Southern Pacific Railroad*). We, the People don't adhere to bad law but follow the prime directive of the Constitution's Article I, relying on legislatures to determine what is the law and how to interpret it – not John Marshall, who only had it half-right. The assumption that *Citizens United* provides "settled law of the land" is a Supreme Court usurpation of unconstitutional authority, like many of its decisions in this tenure. It the right of the People to alter or abolish it.

The ugly history and repetitive incursions of bad law of this issue, most recently demonstrated by the U.S. Supreme Court in the precarious and illegitimate *Citizen's United* decision (recall Republican refusals to give due process to Democratic presidential court nominees) cannot possibly long stand. It reaches back to the racist and fascist corporate history of the Confederacy. It is therefore a breath of fresh air to see this bill appear, in two respects. Its purpose is to end the privileges of "artificial persons" and to restore the priority of democratic governance. It is also a thorough-going treatment of the terms for undoing the scandalous judicial error that has plagued the American people since 1886.

In the Founders' time, most companies were small (excepting the massive East India Company, with its royal franchise, which provoked the colonies' struggle for independence and full democracy – an early clue on the urge to democratic governance). Chartered private capital was thought to provide a foil against the power of the state by securing an autonomous field of societal action and thereby prevent tyranny. At that point, corporate charters were granted for public purposes and dissolved if they ran counter. There was no perceived need for additional steps to provide checks and balances aimed at private companies.

The balance of power between capital and the state shifted dramatically as the cotton industry took the world by storm. At the heart of the old Confederacy was neofascist oligarchy. A tiny elite of plantation owners controlled the politics, law, and the economy; by the mid-1850s democracy was entirely dead. Even white people who spoke up against the system risked losing their lives.

Following the Civil War, the oligarchies drove westward expansion by railroads criss-crossing the continent, gobbling land, other natural resources, and political heft. With the growth of corporate power, national electoral capacity to respond to democratic preferences diminished. Of course, that didn't stop capitalists from falsely claiming the benefits of "partnership" with democracy, as the subterfuge was incredibly, disproportionately beneficial to them.

Railroad barons at the height of their powers elected railroad attorneys to Congress who planted a trap for future advantages, hijacking a court case that involved no such relevant judgment whatsoever, and planting false assertions that were later twisted into imaginary law.

We're talking about the subordination of citizens – "natural persons" – to corporations under the absurd notion that Fourteenth Amendment citizen rights could be afforded to wealthy corporations' expensive media campaigns. With enormous wealth advantage, they betrayed the earlier trust that private enterprise could countervail government overreach. Instead, they usurped citizen rights to dissolve protections of citizens against corporate depredations, achieving corporate overreach that has eroded democracy until this day. See *Santa Clara County vs. Southern Pacific Railroad* (1886), inter alia. These prejudices continue today with the U.S. Supreme Court's ill-gained Republican majority.

Deliverance is here in this bill. Here we have a return to the Founders' understanding that corporations should only be chartered to serve a public purpose and to be dissolved when they failed such purposes. Corporations act as "artificial persons" in this capacity, but should not participate as such in politics – a role only available to individual citizens in a true democracy. There is no basis in natural law for such a role in governing. Of course, corporate power has corrupted the minds of its proponents, such that they are incapable of imagining themselves confined to being mere citizens like bricklayers and nurses. American government was founded in the crucible of citizen freedoms from corporate depredations, and the usurpation of citizens' rights has been the growing scourge of politics since.

Mahalo for the opportunity to address this issue,

/s/ Charley Ice, Hoa'āina, Waimalu, O'ahu;

retired Hydrologist, Commission on Water Resource Management (25 years) and Planner at DHHL (10 years); former OEQC Executive Secretary; House legislative staffer; and intern at DoH and DPED. former Chair of O'ahu Democratic Party Region 5 ('Aiea-Pearl City);



DAMIEN T.K. KIM
President
IBEW 1186

MARC YAMANE
Vice President
Elevator Constructors
Local 126

PETER IRIARTE
Secretary/Treasurer
Operative Masons &
Plasterers Local 630

DOUGLAS FULP
Sergeant-At-Arms
Insulators Local 132

SAM BARRETT, JR.
Trustee
Plumbers & Fitters
Local 675

KEVIN HOLU
Trustee
Hawaii Teamsters Local 996

ART TOLENTINO
Sheetmetal Workers, I.A.
Local 293

JACOB EVENSON
Boilermakers Local 627

LEROY CHINCIO
IBEW Local 1260

PAT CORONAS
Bricklayers Local 1

ANA TUIASOSOPO
Operating Engineers Local 3

JOSEPH O'DONNELL
Ironworkers Local 625

PETER GANABAN
Laborers Local 368

DOUGLAS KEMA, JR.
District Council 50
Painters & Allied Trades
Local 1791
Carpet, Linoleum & Soft Tile
Local 1926
Drywall, Tapers & Finishers
Local 1944
Glaziers, Architectural Metal
&
Glassworkers Local 1889

VAUGHN CHONG
Roofers, Waterproofers, &
Allied Workers Local 221

April 7, 2026

Chair David A. Tarnas
Vice Chair Mahina Poepoe
Members of the House Committee
On Judiciary & Hawaiian Affairs

RE: OPPOSITION to SB 2471 SD2 HD1 – Relating to the Powers of Artificial Persons

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,

My name is Gino Soquena, Executive Director of the Hawaii Building & Construction Trades Council (HBCTC), which represents 18 construction trade unions in the State of Hawaii. I am writing to express the HBCTC's **STRONG OPPOSITION** to SB2471 SD2 HD1. This bill would remove the ability of Nonprofit Corporations to participate in election-related activities or ballot-issue campaigns. Such restrictions would directly impact the construction trade union organizations that I represent.

The Hawaii Building & Construction Trades Council has a longstanding tradition of supporting political candidates. Although the HBCTC does not operate a political action committee nor possesses the ability to contribute money or items of value to candidates, we have historically offered other forms of support. If SB2471 SD2 HD1 is enacted, the trade union organizations under HBCTC would be prohibited from contributing to candidates, further limiting our engagement in the democratic process.

For these reasons, the Hawaii Building & Construction Trades Council firmly opposes SB2471 SD2 HD1.

Mahalo Nui Loa,

Gino Soquena

Gino Soquena, Executive Director
Hawaii Building & Construction Trades Council, AFL-CIO



The Plumbers and Fitters UA Local 675

1109 Bethel Street, Lower Level, Honolulu, Hawai'i 96813

'A'ohe hana nui ke alu 'ia

April 8, 2026

House Committee on Judiciary and Hawaiian Affairs

Representative David A. Tarnas, Chair/Representative Mahina Poepoe, Vice Chair

Reference: **SB2471, S.D.2, H.D. 1, Relating to the Powers of Artificial Persons**

Hearing: Wednesday, April 8, 2026, Room 325 at 2:00 pm

The Plumbers and Fitters UA Local 675 ("Local 675") are one of three licensed crafts in Hawai'i's construction industry. Its member apprentices and journeymen are guided by and licensed in accordance with the Uniform Plumbing Code ("UPC"), published by the International Association of Plumbing and Mechanical Officials ("IAPMO") who's state purpose is providing minimum requirements and standards for the protection of public health, safety, and welfare.

Local 675 respectfully OPPOSES Senate Bill 2471, S.D.2, H.D. 1, which reaffirms that artificial persons created under state law possess only those powers that are necessary or convenient to carry out lawful 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 revokes all prior grants of entity powers and regrants only those powers that the State determines to be necessary or convenient to conduct lawful business under the State Constitution and laws of this State.

We appreciate the intent of this measure however we are unclear how this measure will impact our organization's ability to effectively represent our members. We note that although several states have considered similar legislation, no state in the nation has actually adopted such, indicating it may be untested and/or legally flawed.

In addition, although we appreciate amendments offered in the Committee on Consumer Protection and Commerce, we echo concerns raised by the attorney general's office related to constitutional concerns and first amendment rights, in that we represent the interests of individual members which are afforded certain rights under the First Amendment and believe this measure may infringe upon those rights to associate and have their interests fully and duly represented. For these reasons, we respectfully request that this measure be deferred.



**International Union of Painters and Allied Trades
District Council 50**

April 7, 2026

Representative David A. Tarnas, Chair
House Committee on Judiciary & Hawaiian Affairs
415 South Beretania Street
Honolulu, Hawaii 96813

Re: Senate Bill 2471, SD2, HD1 (Relating to The Powers of Artificial Persons)
Hearing Date: April 8, 2026
Time: 2:00 p.m.

Chair Tarnas, and Committee Members:

Thank you for this opportunity to testify in **opposition** to Senate Bill 2471, SD2, HD1.

The International Union of Painters and Allied trades, District Council 50, is an organization that consists of five (5) local unions: the Painters, Local 1971; the Glaziers Architectural and Glass Metal Workers, Local 1889; the Carpet Linoleum and Soft Tile, Local 1926; the Drywall, Tapers Finishers, Local 1944; and the Pearl Harbor Metal Trades Specialty Workers, Local 1941 – in all, approximately two thousand (2000) members statewide.

We understand and appreciate the intent of this measure, but we cannot support it because, as written, it is not clear whether entities like ours will be prohibited from participating in the political process.

While the Bill in its current form contains an exemption from the general restriction on "election activity," for the noncandidate committees of nonprofit entities incorporated under Hawaii Revised Statutes ("HRS"), Chapter 414D (See Part IV, Section 10), we do not see any exemption for the noncandidate committees of unincorporated trade unions. We note that incorporation is not required under state or federal law, and we believe that there are many unincorporated unions in the state.

We view the question of whether a state may require a trade union to be subject to the Uniform Unincorporated Nonprofit Association Act (HRS Chapter 429 in this case) to be an unsettled one. Assuming that unincorporated trade unions are subject to HRS Chapter 429, however, we note that, unlike Section 10 of this Bill, Section 21, which addresses HRS Chapter 429 entities, does not contain an exemption from the general restriction on election activity. If Chapter 429 applies to unincorporated trade unions, they would thus be prohibited from participating in election activity.

In conclusion, we believe that more time is required to carefully vet this Bill's unique concepts so that there is greater clarity as to which stakeholders are affected and how the measure affects them. We ask for your support in deferring this measure indefinitely to allow more time to resolve these complicated and impactful questions. At the very least, we ask for the inclusion in Section 21, or some other part of this measure, of a specific exemption for the noncandidate committees of entities like unincorporated trade unions.

Thank you for this opportunity to express our **opposition** to this measure.

Sincerely,

Jeffrey Masatsugu
Director of Government Affairs
International Union of Painters and Allied Trades
District Council 50

2240 Young Street
Honolulu, HI 96826

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AND SOFT TILE

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DRYWALL TAPERS,
FINISHERS

808.946.6621



Protect Democracy

Move Forward

www.indivisiblehawaii.org

info@indivisiblehawaii.org

To: Chair Tarnas, Vice Chair Poepoe, and Members of the Committee

Hearing Date/Time: 04-08-26 2:00 PM

Place: Hawaii State Capitol, Conference Room 325

Re: Testimony in STRONG SUPPORT of SB2471 SD2 HD1

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,

On behalf of Indivisible Hawai'i, I am submitting testimony in strong support of SB2471 SD2 HD1, which reaffirms that the powers granted to artificial persons – aka corporations – do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

For far too long corporations have spent unlimited amounts of money in political campaigns and led to Super PACs flooding and tainting our elections with “dark money”. Now is the time to stop these practices by focusing on the state-granted **powers** rather than **rights** for corporations, LLCs, LLPs, and any state-created entities. This bill allows Hawai'i to show the rest of the country what free and fair elections look like, and your role in passing legislation that nullifies the harm of *Citizens United* will be long remembered and celebrated.

We applaud and agree with all the amendments that have been made to SB2471 SD2 HD1, and we respectfully but urgently ask you to advance this measure **as is** and ensure that it passes the floor vote to be signed by Governor Josh Green into the NEW and JUST law of the land.

Mahalo nui loa,

Marlene Thom

Indivisible Hawai'i Good Government & Secure Elections team

The mission of the 14-chapter Indivisible Hawai'i Statewide Network (IHSN) is to protect Hawai'i and democracy by defending civil rights, communities and values, most importantly,

Hawai'i's Constitutionally protected spirit of Aloha. In October 2025, IHSN with other partners turned out over 22,000 residents on all major islands to say No Dictators! and to stand up for democracy. This call-to-action was part of Indivisible national's mobilization of more than 7 million across the country as the voice of the people, committed to election integrity and to evolving as a place of equity, opportunity and peace.

SB-2471-HD-1

Submitted on: 4/7/2026 2:06:05 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dave Mulinix	Greenpeace Hawaii	Support	Remotely Via Zoom

Comments:

Aloha Chair, Vice Chair, & JHA Committee Members,

My name is Dave Mulinix, Co-Founder & Hawaii State Representative of Greenpeace Hawaii. On behalf of our thousands of members and supporters statewide, we Stand in Strong Support of SB2471 Reaffirms that artificial persons created under state law possess only those powers that are necessary or convenient to carry out lawful purposes, and that those powers do not include the power to spend money or contribute anything of value to influence elections or ballot measures. Revokes all prior grants of entity powers and re-grants only those powers that the State determines to be necessary or convenient to conduct lawful business under the Hawai'i State Constitution and laws of this State.

Due to the Citizens United decision we are now living in a political crisis of corporate money having severe undue influence on our elections and the decisions made by our elected representatives. Mark Twain summummed up the problem the most eleoquently when he asserted that: "We have the best government that money can buy!"

If we don't do something to fight back against this undue influence our government Of the People, By the People, and For the People will no longer be relavant. So our only choice is to do everything we can to reassert that We The People have inalienable rights that shall not be abridged. Passage of SB2471 is an important step in that direction.

Further the Attorney General's concerns about that that SB2471 will face legal challenges is a bit curious. Legislation that protects the Rights of the People are worth fighting for. If our Attorney General isn't willing to protect and fight for our Rights, what good is it to have an Attorney General.

Please vote to pass SB2471 for the protection of our Rights and that of our children.

Mahalo

Dave Mulinix, Co-Founder & Hawaii State Representative

Greenpeace Hawaii

LATE

SB-2471-HD-1

Submitted on: 4/7/2026 2:18:08 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ted Bohlen	Hawaii Reef and Ocean Coalition and Climate Protectors Hawaii	Support	Written Testimony Only

Comments:

STRONG SUPPORT!

This bill proposes a novel and credible approach on the issue of corporations and speech that has distorted our democracy since *Citizens United*.

Legal authorities disagree about whether this approach is legal. Please pass this bill and let the courts decide.

Mahalo!



HIPHI Board

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Retired, Hawai'i State Department of
Health

HIPHI Initiatives

Coalition for a
Tobacco-Free Hawai'i

Community-Based Research &
Evaluation

Community Health
Worker Initiatives

Environmental Health

Hawai'i Climate Change and Health
Working Group

Hawai'i Drug & Alcohol-Free Coalitions

Hawai'i Immunization Coalition

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging &
Community Living

Public Health Workforce Development

Date: April 7, 2026

To: Representative David A. Tarnas, Chair
Representative Mahina Poepoe, Vice Chair
Members of the Committee on Judiciary & Hawaiian Affairs

Re: Support for SB 2471 SD2 HD1, Relating to the Powers of Artificial Persons

Hrg: April 8, 2026, at 2:00PM, Conference Room 325

Hawai'i Public Health Institute (HIPHI)¹ is in support of SB 2471 SD2 HD1, which clarifies that corporations in Hawai'i do not have the power to spend money or contribute anything of value to influence elections or ballot measures.

Winning Elections Takes Money

The impact of money on elections is clear. Candidates with the most campaign spending consistently outperform their rivals. This requires candidates to fundraise significant sums if they want a chance at getting elected.

Only a Few Donors Dominate Election Spending

The campaign donation system in Hawai'i is the opposite of democratic. In the 2024 election campaign, half of the \$10 million in candidate donations came from just 800 donors.²

For non-candidate committees, only 3 committees spent a total \$13 million.³ This bill would eliminate corporations from dominating campaign spending via non-candidate committees.

Wealthy Individuals Preferences Take Precedent

This massive amount of expenditures by a small group of wealthy individuals and corporations has an outsized impact on an election system that impacts all of us.

The impact of campaign funding is clear. When the preferences of wealthy individuals diverges with the rest of the population, enacted policies

¹ Hawai'i Public Health Institute's mission is to advance health and wellness for the people and islands of Hawai'i. We do this through expanding our understanding of what creates health of people and place, fostering partnerships, and cultivating programs to improve policies, systems, and the environments where people live, learn, work, age, and play.

² [Candidate Committees](#). Hawai'i Campaign Spending Commission.

³ [Non-Candidate Committees](#). Hawai'i Campaign Spending Commission.

closely reflect the wants of the wealthy, while the preferences of the majority have no impact on what gets passed.⁴⁵ (See chart 1).

Hawai'i has an opportunity to remove a large portion of the private donor system, paving the way for a more democratic and representative system.

Please take this crucial step to remove corporate spending on our elections and pass this bill.

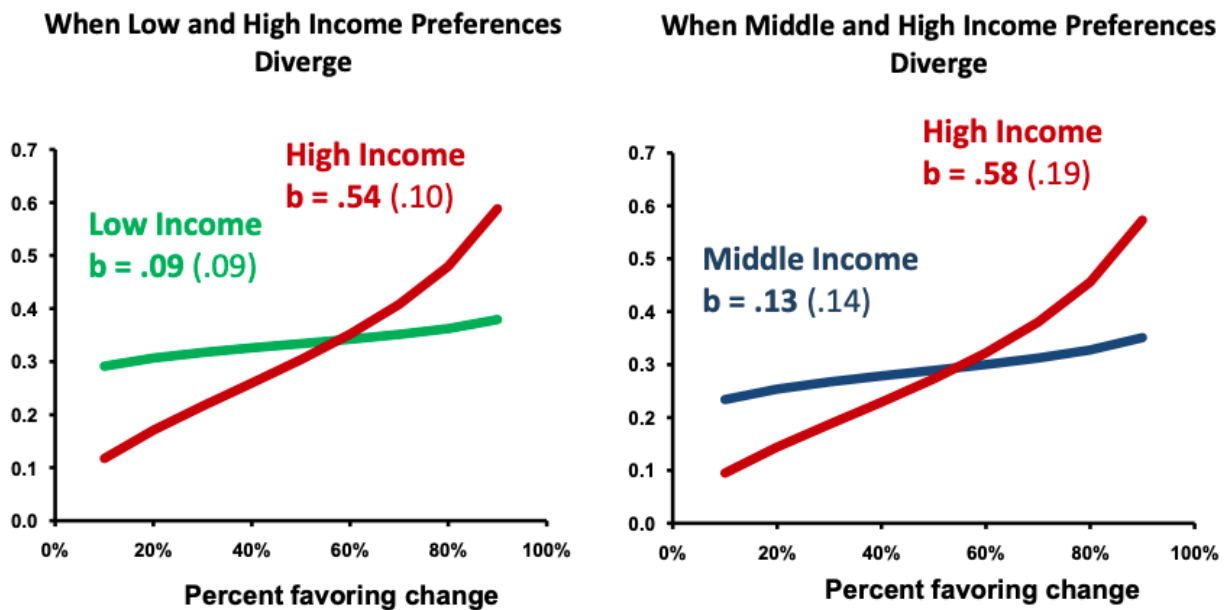
Mahalo,



Nate Hix
 Director of Policy and Advocacy

Chart 1:

Predicted Probability of Policy Change



⁴ [Princeton scholar: Poor and middle class have no say in government policy](#). NBC News. Aug. 16, 2012.

⁵ [Affluence & Influence Economic Inequality and Political Power in America](#). Martin Gilens. Princeton University.



Aloha e Representatives, Chair, Vice Chair:

Support for SB2471

I am testifying on behalf of Locals In My Backyard (LIMBY) Hawai'i. LIMBY Hawai'i is a hui of concerned kama'āina and kānaka advocating for solutions to our state's housing crisis.

We strongly support passage of this bill. The scourge of money in politics undermines local families at every turn.

The combination of *Citizens United* and the subsequent decisions in *Speechnow vs. FEC* unleashed a potent mix of unlimited spending paired with dark money funnelled through opaque 501(c)'s to SuperPAC's.

Hawai'i has seen the impacts of dark money in the primary race that elected your former colleague Jill Tokuda to the US House. There dark money and opposing candidates coordinated via red-boxing to smear her record. More recently, dark money groups registered from the CONUS blanketed Maui County in advertisements opposing regulation of short-term vacation rentals; a leading cause of high home prices on Maui.

Thankfully the legislature has always had the tools to curb the worst abuses of dark money and is now recognizing this fact.

At the heart of the decisions in *Citizens United* and *Speechnow* is an understanding best summarized by then presidential candidate Mitt Romney: "Corporations are people". And indeed in the eyes of the law, they are.

This legislature in the Hawaii Business Corporation Act granted corporations "the same powers as an individual to do all things necessary or convenient to carry out its business and affairs".

But the legislature has always had the power to define those powers more narrowly. Indeed, it was not until 2000 that Hawai'i adopted its current definition granting corporations all powers of a natural person. Prior to that it relied on a specific enumerated list of powers.

By reclaiming its own power to define corporate powers the legislature pushes forward no revolutionary theory. Instead it recognizes what was always intended; that the state of Hawaii—and before that the Kingdom of Hawaii—granted to corporations immense privileges so that those businesses would serve as economic engines for Hawai'i and her people: not so that they would engage in politics and corruption.

As the history of Hawai'i and the overthrow of her sovereign by those first corporations well shows, when corporations decide politics is the game the results never redound to the benefit of the people.

We now face no such clear and present threat as Lili'uokalani did. Nonetheless the corrupting influence of money and business interests is very real; just slower.

While then businesses disenfranchised a nation in one fell swoop; now SuperPACs and dark money groups create a perception of corruption so pervasive that ordinary citizens are withdrawing from the political life that is their right and duty reasoning rightly that they have little influence compared to well-monied interests.

While we are not lawyers, we think that the AG's opinion on this matter is over wrought and beside the point.

There is no doubt that this will be litigated. It is of course possible that a conservative SCOTUS will rule against it. But it is equally true that this is by no means a foregone conclusion. There is expert legal opinion on the other side, that holds this approach will work. It is also undeniable that this approach is rooted in the same textualist and originalist understanding of legislation and precedent that the SCOTUS has come to favor. Even if there is no certainty that it will, there is good reason to hope that this approach will succeed.

Which brings us to why the AG's comments are wide of the mark. Even if the success of this approach is uncertain, we do not have an AG's office that is somehow opposed to taking up legal positions that the courts are likely to reject.

We have been at the Supreme Court twice in recent years trying to defend our gun laws—gun laws that any observer knew were unlikely to survive a gun obsessed court. We have engaged in climate related litigation that we *know* will fail on appeal. We are not afraid to engage in lawfare if we think the cause is just.

And this cause is just. It is worth fighting for the restoration of our democracy even if we have no certainty of success. It is worth standing up against oligarchy even if the oligarchs may win. We cannot assume defeat and so surrender. We have not in countless other circumstances and must not now. It is imperative that we pass this measure.

After a decade plus of scandals in our politics, Hawai'i has a rare chance to lead. I commend this committee for taking up the effort and encourage you to pass this bill as a critical step in thwarting the flow of dark money to Hawai'i.

Me ka ha'aha'a
Makana Hicks-Goo,
Organizer on behalf of LIMBY Hawai'i



Testimony Submitted to the
House Committee on Judiciary and Hawaiian Affairs

In Strong Support of SB 2471

April 8, 2026

By
Tom Moore, Senior Fellow for Democracy Policy
Center for American Progress

I. Introduction

Chair Tarnas and Members of the Committee:

My name is Tom Moore. I am a Senior Fellow for Democracy Policy at the Center for American Progress. Prior to joining CAP, I served for seven years as senior counsel and Chief of Staff to Commissioner Ellen L. Weintraub of the Federal Election Commission. I submit this testimony in strong support of SB 2471.

The Department of the Attorney General has now testified against this bill at every hearing. The Center for American Progress has responded at every hearing. The Attorney General's office has had months to engage with the legal framework underlying SB 2471 — the bill itself, our testimony, our supplemental analysis, and the extensive body of caselaw we have provided to this legislature. Rather than re-evaluate its position in light of that material, the Attorney General's office has doubled down — escalating from “comments” in February to “strongly opposes” today, adding new arguments that fare no better than the originals, and asking this committee to hold the bill.

We are disappointed. Not because the Attorney General's office disagrees with us — disagreement is healthy — but because the Attorney General's office continues to analyze a bill that does not exist. Every constitutional concern the Attorney General raises flows from a single error: treating SB 2471 as a regulation of political speech rather than what it is — a redefinition of corporate powers under state law. That error was the foundation of the Attorney General's February testimony. It remains the foundation today. We will address the Attorney General's testimony point by point.

II. “This bill relies on an untested legal theory using an unprecedentedly dangerous mechanism — the full revocation of all corporate powers in the state.”

This is not untested. It is not unprecedented. It is one of the best-tested mechanisms in American corporate law.

We begin with Hawai’i’s own constitution, because the Attorney General’s testimony never engages with it. Article I, Section 21 of the Hawai’i Constitution provides that “[t]he power of the State to act in the general welfare shall never be impaired by the making of any irrevocable grant of special privileges or immunities.”

That provision does not permit the legislature to redefine corporate powers. It *commands* it — whenever an irrevocable grant of special privileges would impair the state’s ability to act in the general welfare. The framers of Hawai’i’s constitution placed that clause there because they understood that powers granted to artificial entities can be turned against the public interest, and that the state must *never* lose the authority to reclaim what it has given.

We would respectfully ask the Attorney General’s office to explain how the claims in its testimony square with Article I, Section 21. We believe they cannot.

The Supreme Court of the United States has affirmed this authority for two centuries. In *Greenwood v. Freight Co.*, 105 U.S. 13, 17 (1882), the Court stated that the legislature may amend or repeal a corporate charter at its pleasure: “That body need give no reason for its action in the matter.” In *Hamilton Gaslight & Coke Co. v. City of Hamilton*, 146 U.S. 258, 270 (1892), the Court confirmed that the state’s reservation of power to alter or revoke corporate grants “necessarily became a part of the charter of every corporation formed under the general statute.” In *CTS Corp. v. Dynamics Corp. of America*, 481 U.S. 69, 89 (1987), the Court held: “No principle of corporation law and practice is more firmly established than a State’s authority to regulate domestic corporations.”

For the first century of American corporate history, every corporation operated under strictly enumerated powers. Charters specified exactly what a corporation could do. Anything not listed was *ultra vires*. Political spending was *never* — *not once, in any charter, in any jurisdiction* — among those enumerated powers. No one has ever suggested that those charters were constitutionally infirm. The reserved-powers clauses that exist in every state — including Hawai’i — were adopted precisely because the founding and post-founding generations understood that corporations might one day accumulate powers that warranted redefinition. SB 2471 uses them as designed.

The approximately one thousand national banks operating in the United States today were chartered under the National Bank Acts of 1863 and 1864 with enumerated statutory powers and an incidental-powers clause tightly tied to banking functions. General election spending has never been among those powers. For more than 160 years, no court has treated the absence of election-spending authority for national banks

as constitutionally suspect. If an American sovereign can create a corporation that lacks political spending power — and it manifestly can, because it has been doing so for 160 years — there is nothing “untested” about SB 2471.

SB 2471 is a kind of statute that no one has written in more than a century. That is not because the authority it exercises is novel. It is because states stopped paying attention to the powers they were handing out. They granted corporations all conceivable powers as a matter of competitive policy — not legal obligation. The Attorney General’s office is clearly unfamiliar with how a statute like this works, and that unfamiliarity is understandable — no attorney general has had to think about corporate capacity doctrine in a very long time. But calling this mechanism “unprecedentedly dangerous” does not reflect legal analysis. It reflects the surprise of encountering a well-established legal tool for the first time.

III. “A theory that collapses in upon itself upon further examination.”

We welcome the examination.

The difference between corporate powers and corporate rights is the most important thing to understand about this bill. The Attorney General’s office collapses the two. That conflation is a category error, and it drives every subsequent conclusion in the Attorney General’s testimony.

Powers are what governments grant to the artificial entities they create. They are affirmative. They define capacity. They come from the sovereign. They are the architecture of the entity itself.

Rights are what the Constitution protects. They are defensive. They prevent the government from infringing on the freedoms of persons who already possess the capacity to act. Rights operate in the government’s regulatory domain — constraining what the government can take away from actors who already have authority to act.

One domain is affirmative power-granting. The other is restrictive regulation. SB 2471 operates entirely in the first domain. The Attorney General analyzes it as if it operated in the second. That is not a minor analytical difference. It is a category error so fundamental that it renders the Attorney General’s entire constitutional analysis inapplicable to this bill.

A rock does not have the freedom to vote — not because anyone has taken that freedom away, but because a rock lacks the capacity. Freedom to do something requires both a right and the underlying capacity to exercise that right. Without capacity, a right is meaningless. If Hawai’i defines its corporations as entities that do not possess the power to spend in elections, then it is no longer relevant whether corporations have a right to

spend in politics — because without the power, the right has nothing to operate on. There is nothing left for *Citizens United* to protect.

IV. “The U.S. Supreme Court rejected the argument that political speech of corporations or other associations should be treated differently under the First Amendment simply because such associations are not ‘natural persons.’”

That is a correct statement of the holding. It is also irrelevant to this bill.

Citizens United v. FEC, 558 U.S. 310 (2010), addressed a federal regulation — Section 441b of the Federal Election Campaign Act — which prohibited corporations from making independent expenditures in elections. The corporation before the Court — Citizens United, a nonprofit chartered in Virginia — possessed full authority under Virginia law to make political expenditures. The question was whether the federal government could prohibit the exercise of that existing authority. The Court said no.

That holding depends on a premise the Court never examined: that the corporation possessed the power to spend in the first place. The Court was never presented with, and never addressed, the antecedent question — what happens when a corporation lacks that authority under state law? No campaign-finance case in American history has *ever* involved a corporation denied political spending power ab initio. That is not a gap that can be filled by inference. Precedent governs the question actually decided.

Justice Scalia’s concurrence makes this explicit. In footnote 5, he wrote that even if the common law was “generally interpreted” to prohibit corporate political expenditures as *ultra vires*, “that would have nothing to do with whether political expenditures that were *authorized* [emphasis ours] by a corporation’s charter could constitutionally be suppressed.” The logic works both ways: if authorized expenditures cannot be suppressed, unauthorized expenditures — acts beyond the corporation’s granted powers — occupy a different legal category entirely.

Justice Alito’s opinion in *Burwell v. Hobby Lobby Stores, Inc.*, 573 U.S. 682, 704–14 (2014), reinforces the point: “the objectives that may properly be pursued by the companies in these cases are governed by the laws of the States in which they were incorporated.” *Hobby Lobby* was a statutory interpretation case, not a constitutional one — but the principle it applied is directly relevant here. The analysis of what a corporation may pursue followed from the state-law predicate. If the state-law predicate changes — if the power grant no longer includes a particular capacity — the analysis that depends on that predicate changes with it.

V. “Certain disfavored associations of citizens — those that have taken on the corporate form — are penalized for engaging in the same political speech.”

No one is penalized. No one is disfavored.

A penalty is something imposed on an actor for exercising an existing capacity. SB 2471 does not impose anything on anyone. It defines what the corporate form is. An entity that was never granted a power is not “penalized” for lacking it. A car built without a sunroof has not had its sunroof confiscated.

Senator Rhoads went out of his way to craft this bill in a way that reaches every type of artificial person the state creates — business corporations, nonprofits, unions, LLCs, partnerships, associations. The bill does not single out any class of entity for disfavored treatment. It defines the powers of the artificial-person form itself. Every natural person in Hawai‘i retains every political right they have ever had: the right to speak, to spend, to donate, to organize, to form political action committees, to run for office. This bill touches none of those rights. What it says is that the corporate vehicle — a state-created instrument designed for business or charitable purposes — is not the vehicle Hawai‘i has empowered for political spending. Natural persons who wish to pool resources for political purposes remain entirely free to form political committees. The corporate form is simply not the instrument Hawai‘i has designed for that purpose.

VI. “This approach alone will likely be subject to strict scrutiny as a form of content-based speech restriction under the First Amendment.”

Strict scrutiny is the wrong test. Strict scrutiny is what courts apply when a government regulates speech — when it imposes a restriction on conduct by an already-empowered actor. That is not what SB 2471 does.

SB 2471 is an exercise of Hawai‘i’s affirmative power-granting authority over artificial persons. When a state redefines the powers it grants to the corporations it creates, the governing rule is *the reserved-powers doctrine*. The test is straightforward: did the state reserve the authority to amend or redefine corporate powers? If the answer is yes — and in Hawai‘i, as in every state, it is — the First Amendment analysis the Attorney General describes is displaced by a different and far more favorable doctrinal framework.

We respectfully challenge the Attorney General’s office to cite any case — in any jurisdiction — in which strict scrutiny was applied to a state’s definition of corporate powers, as opposed to a state’s regulation of corporate conduct. We believe no such case exists. If the Attorney General’s office cannot produce such a case, it should withdraw this claim. And if it cannot produce such a case and continues to make this claim, this committee and the legislature should weigh the Attorney General’s analysis accordingly.

VII. “The identity of the speaker is not decisive in determining whether speech is protected” (citing *Pacific Gas & Electric Co. v. Public Utilities Commission of California* and *First National Bank of Boston v. Bellotti*).

This legislation was crafted with these cases directly in mind.

In *PG&E*, the California Public Utilities Commission ordered a privately owned utility to include third-party messages in its billing envelopes. In *Bellotti*, Massachusetts prohibited corporations from spending to influence ballot questions. In both cases, the corporation possessed full authority under state law to engage — or not engage — in the speech at issue. The question was whether a government regulation could restrict the exercise of that existing authority. The Court said no.

Neither case addresses whether a state must grant political spending power when it defines the corporate form. Neither case speaks to the power-granting domain at all. The Attorney General cites cases about what the government may not *take away* from empowered corporations to answer a question about what the government must *hand out* when it creates them. Those are different questions operating in different legal domains, and the cited cases do not bridge the gap.

VIII. “This type of drastic legal maneuver alone may create significant unforeseeable impacts from actions regarding all Hawaii corporations at such scale.”

This is not a legal argument. It is a policy judgment — and it is a policy judgment that belongs to the legislature, not the Attorney General’s office. The legislature makes the laws; the Attorney General’s office defends them. That allocation of authority is foundational to democratic governance in Hawai’i.

With respect, it is not the Attorney General’s role to advise the legislature which laws are worth enacting based on predictions about practical consequences. It is the Attorney General’s role to defend the laws the legislature passes.

IX. “However, Hawaii has no ability to define the corporate powers of foreign corporations, which are governed by the state laws where they are incorporated. The theory simply does not account for how Hawaii can regulate the speech of foreign corporations when it does not grant the powers of those corporations, and this is logically and legally fatal.”

This is the Attorney General’s most confident new claim. It is also the most wrong.

The Attorney General’s argument rests on a misunderstanding of how corporate power works across state lines. Delaware can create a corporation and define its powers within Delaware. But Delaware cannot empower that corporation to operate *as a corporation* in Hawai’i. *Only Hawai’i can do that.*

The Supreme Court established this principle in *Paul v. Virginia*, 75 U.S. (8 Wall.) 168, 181 (1869): “The corporation being the mere creation of local law, can have no legal existence beyond the limits of the sovereignty where created.” A corporation chartered in Delaware has a legal existence in Delaware. If it wants to operate as a corporation in Hawai’i — to sue, to contract, to hold property, to conduct business *as a corporation* — it can do so only because Hawai’i grants it the power to do so. That is not a regulatory license. It is an affirmative power grant — the same sovereign act as chartering a domestic corporation.

The Attorney General treats foreign qualification as if Delaware hands a corporation a suitcase full of powers and Hawai’i simply waves it through at the border. That is not how corporate law works. It has never been how corporate law works. The home state’s charter defines what the entity can do at home. The host state defines what the entity can do here. Those are separate sovereign acts.

Hawai’i’s own foreign-entity statutes already embody this principle. Virtually every state’s foreign-qualification provision — including Hawai’i’s — implements the rule that a foreign corporation may not exercise within the state any power a domestic corporation may not exercise. That is not an innovation SB 2471 introduces. It is how foreign-qualification law has worked for over a century. The Attorney General’s own statutes already operate on the premise that Hawai’i controls what powers foreign entities exercise within its borders.

Far from being “logically and legally fatal,” this is a clear exercise of one of the most well-settled principles in American corporate law.

X. “This bill then contradicts its own theory by saying that foreign corporations authorized to transact business in Hawaii... are also subject to the provisions of the bill.”

The bill’s theory is perfectly consistent. SB 2471 provides that Hawai’i empowers all artificial persons operating within its borders — domestic and foreign alike — and defines those powers identically. That is the parity principle. It does not reach into Delaware’s charter. It does not rewrite any foreign corporation’s articles of incorporation. It defines what powers may be exercised within Hawai’i’s jurisdiction.

The Internal Affairs Doctrine does not save the Attorney General’s argument. The IAD governs matters peculiar to the relationships among or between the corporation and its current officers, directors, and shareholders — voting rights, fiduciary duties, dividends,

mergers. It has never been understood to require a host state to grant a foreign entity every power the chartering state included. To the contrary, the baseline rule in virtually every state is the opposite: a foreign corporation may not exercise powers within the host state that a domestic corporation may not exercise. SB 2471 applies that familiar baseline to political spending power. There is no contradiction.

XI. The Attorney General’s footnote: “Ironically, if this bill is passed into law, one possibility is that only foreign corporations could be in a position to engage in the activities addressed by this bill in Hawaii, while domestic corporations would be prohibited from doing so.”

This has it exactly backwards. Under SB 2471, no artificial person — domestic or foreign — may exercise political spending power within Hawai’i. The parity principle is built into the bill. The Attorney General’s footnote only makes sense if you accept the Attorney General’s incorrect premise that foreign corporations arrive in Hawai’i pre-loaded with their home-state powers and Hawai’i is powerless to define the terms on which they operate here. They do not, and it is not.

XII. “This bill may also face an unconstitutional conditions challenge in effectively permitting a corporation to keep certain state-granted benefits only if it refrains from engaging in election activity or ballot-issue activity, activities that a normal corporation is otherwise entitled to engage in under U.S. Supreme Court case law.”

The unconstitutional-conditions doctrine prevents government from conditioning a benefit on the surrender of a constitutional right. The Attorney General argues that SB 2471 conditions access to the corporate form — including limited liability, perpetual existence, and entity status — on the surrender of political-spending capacity. This argument fails at every level of analysis.

The doctrine presupposes a pre-existing rights-bearing entity. A corporation is not one.

The unconstitutional-conditions doctrine has historically applied to government benefits conferred on someone who already exists: a government grant, a tax exemption, a broadcasting license, a public employment contract. The doctrine protects that entity from being coerced into trading away its rights as the price of receiving the benefit.

A corporation does not fit this model. A corporation does not exist until the state creates it. Before the state acts, there is no entity, no rights-bearer, no “someone” who is being asked to surrender anything. The state is not conditioning a benefit on the waiver of a right. It is defining what the entity is. There is no pre-existing rights-holder being

coerced. There is a legislature deciding what kind of legal fiction to bring into existence.

The distinction is the difference between telling a person she cannot speak unless she gives up her driver's license and building a hammer that does not include a radio. The hammer has no pre-existing right to broadcast. It has only the features its maker chose to include.

No natural person surrenders anything.

This is the test that separates SB 2471 from any genuine unconstitutional-conditions problem. If you buy stock in a corporation that does not happen to have political spending power, you have no fewer rights the minute after you buy the stock than the minute before. Every right you possessed as a natural person — to speak, to spend, to donate, to organize, to form a PAC, to run for office — remains fully intact. The natural persons who form, own, and operate the corporation retain every constitutional right they have ever had.

The unconstitutional-conditions doctrine exists to prevent government from leveraging its power to extract a surrender of individual rights. No individual right is surrendered here. The corporate entity — a legal construct that exists only because the state chose to create it — simply does not possess a power the state chose not to grant. There is no penalty, no forfeiture, and no exchange.

The reserved-powers clause eliminates the “existing corporations” refinement.

A sophisticated critic will refine the objection: “That may be true for corporations chartered after SB 2471 takes effect. But the bill applies to thousands of existing corporations that currently possess political-spending power. For those entities, the state *is* telling a pre-existing rights-holder to surrender a capacity or lose its charter.”

That refinement fails for two independent reasons.

First, the reserved-powers clause means every existing corporation has always held its charter on explicit notice that the legislature may amend, alter, or repeal any corporate power at its pleasure — and need give no reason for its action. *Greenwood v. Freight Co.*, 105 U.S. 13, 17 (1882). There is no vested right in the continuation of a statutory grant of corporate power. The corporation that says “I had this power yesterday” is met by the reserved-powers clause that says “and you always knew we could take it back tomorrow.” An entity that accepted its charter subject to a condition of amendability has not been “coerced” when the state exercises that reserved authority. The condition was embedded in the grant from inception.

Second, the historical baseline confirms the point. Every corporation chartered before the advent of reserved-powers clauses operated under an enumerated list of specific grants — not one of which, in any state, in any charter, ever included political spending

power. The broad, all-purpose grants from which modern corporations derive their political-spending capacity are themselves the product of legislative generosity that the state has always retained the authority to narrow. There is no historical moment at which political spending power was a fixed, irrevocable feature of the corporate form.

The abolition benchmark is dispositive.

If Hawai'i repealed its general incorporation statute tomorrow and abolished domestic corporations entirely, that act would be unquestionably constitutional. No decision of the Supreme Court has held or implied that a state must create corporations. Individuals would lose limited liability, entity status, perpetual existence, and centralized management — but the Constitution does not guarantee access to those benefits.

Abolition would eliminate all corporate speech. All corporate political spending. All corporate economic activity conducted through the corporate form. And no one — no scholar, no judge, no justice — has ever argued that would be unconstitutional.

If the state can abolish the corporate form entirely — eliminating all corporate capacity, including all corporate speech — then the “condition” of creating corporations without one specific capacity is the lesser power included in the greater. A sovereign that may decline to create an entity at all may certainly create a lesser version of that entity. To hold otherwise requires the extraordinary conclusion that more corporate capacity creates more constitutional vulnerability — that total destruction of the corporate form is permissible, but a partial limitation on what the form can do is not. That is incoherent.

The Supreme Court's own precedents confirm that government may define the scope of structures it creates.

Rust v. Sullivan, 500 U.S. 173, 193 (1991), held that when government creates a program or structure, it may define the scope of that structure without triggering the unconstitutional-conditions doctrine. The government was not required to fund family-planning programs that included abortion counseling. The Court held this was a program-definition choice, not a coercive condition on the exercise of a right. The corporate charter is, at its core, a government-designed structure. SB 2471 defines its scope.

Regan v. Taxation With Representation, 461 U.S. 540 (1983), confirmed that government is not required to structure its legal regimes to maximize expressive opportunity. Congress could grant tax-exempt status to veterans' organizations that lobby without extending the same benefit to all 501(c)(3) organizations. The Court held that the government's decision not to subsidize lobbying did not penalize it. The same principle applies here: Hawai'i's decision not to equip the corporate form with political spending power does not penalize political spending.

The Roberts Court has generally narrowed rather than expanded the unconstitutional-conditions doctrine in the cases where it has engaged it. In *NFIB v. Sebelius*, 567 U.S.

519 (2012), the Court found an unconstitutional condition — but characterized the Medicaid expansion as “uniquely coercive” because it threatened states with the loss of all existing Medicaid funding, not merely new funding. The degree of coercion was dispositive. SB 2471 does not threaten existing corporations with the loss of their charter for failing to surrender a right. It redefines the powers available to the corporate form — a legislative act that every existing corporation accepted in advance through the reserved-powers clause.

In *Agency for International Development v. Alliance for Open Society International*, 570 U.S. 205 (2013), the Court drew a narrow line between conditions that define the contours of a government program and conditions that coerce participants into adopting the government’s viewpoint on matters outside the program’s scope. The Reset fits naturally on the program-defining side: SB 2471 defines what the corporate form is — its architecture, its capacities, its purposes. It does not require any natural person to adopt any viewpoint, refrain from any speech, or surrender any right.

The doctrine does not reach sovereign entity-design.

At its deepest level, the unconstitutional-conditions doctrine is about leverage: the government using its control over a benefit to extract a waiver of rights from someone who already holds those rights. The entire analytical apparatus — the coercion inquiry, the germaneness test, the distinction between conditions and penalties — presupposes a relationship between a government that controls a benefit and a person who wants it.

Sovereign entity-design is a different kind of act. When a legislature decides what powers to include in the corporate form, it is not negotiating with a rights-holder. It is building an instrument. The instrument has no rights until it exists, and it exists only with the features the sovereign chose to include. The unconstitutional-conditions doctrine has nothing to attach to — because the structure of coercion the doctrine was designed to police is simply not present.

A challenge

The essential question in any unconstitutional-conditions analysis is this: who is the rights-bearing person, what pre-existing right is being surrendered, and what is the coercive condition that compels the surrender?

We respectfully challenge the Attorney General's office to answer that question with specificity: *Identify the person. Name the right. Describe the condition.*

They cannot — because the corporation is not a pre-existing rights-bearer, no natural person loses any right, and the reserved-powers clause means no "condition" has been imposed that was not already embedded in the grant from inception. The unconstitutional-conditions doctrine requires all three elements. SB 2471 presents none of them.

XIII. “A legal challenge could result in substantial legal fees for the State’s taxpayers, as courts have recognized a corporation’s standing to assert constitutional violations under 42 U.S.C. section 1983.”

Hawai’i pays opposing counsel’s fees only if it loses. The Attorney General has not successfully identified a single precedent this bill violates. If the bill does not violate existing precedent, the state does not lose, and the state does not pay.

It is worth noting that the strength of the state’s defense is, in significant part, within the Attorney General’s own control. If the Attorney General’s office is concerned about the outcome of future litigation, the appropriate response is to prepare a vigorous defense — not to advise the legislature against passing the law in the first place.

XIV. “The solution, however, is not this bill, which if passed into law, would have the likely result of only further entrenching *Citizens United* into the law.”

This concession is more revealing than the Attorney General may realize. If existing precedent squarely controlled this bill, there would be nothing to entrench. Courts would simply cite *Citizens United*, strike the law, and move on. The Attorney General’s concern that new adverse precedent might be *created* is an implicit acknowledgment that SB 2471 operates in doctrinal space *Citizens United* never addressed. That is exactly our point. The bill occupies the power-granting domain. No campaign-finance decision has ever reached it.

We agree that losing would be bad. We disagree that the state would lose.

XV. Additional Points Raised in Previous Testimony

In previous testimony before this legislature, the Attorney General’s office raised several additional points that are worth addressing here.

“It doesn’t matter if you classify the ability to engage in political speech as a power or a right.”

The Attorney General’s office offered this statement at a prior hearing. It is not a matter of opinion on which reasonable minds may differ. It is legally wrong — and fundamentally so. Powers and rights are entirely different legal categories that operate in entirely different legal domains. Powers are what governments grant to the artificial entities they create. Rights are what the Constitution protects against government interference with persons who already possess the capacity to act. Collapsing the two is not a simplification. It is a category error that leads directly to every incorrect conclusion in the Attorney General’s analysis. If the distinction does not matter, then

Dartmouth College v. Woodward — the foundation of American corporate law — was wrongly decided. It was not.

“What if someone wants to create a nonprofit solely for political speech?”

If you are a 501(c)(4) nonprofit whose primary purpose is political spending, you are already in violation of the law. Under both federal and Hawai’i law, a nonprofit that exists primarily to spend money in elections must register as a political committee. It must disclose its donors. It must comply with contribution limits. The Attorney General’s hypothetical entity already exists under existing law — it is called a PAC. SB 2471 does not touch PACs. Natural persons can still form, fund, and operate them. The corporate form is simply not the vehicle Hawai’i has empowered for that purpose.

“This is untested — let bigger states go first.”

The premise that no one else is moving is factually incorrect. Bills reflecting this approach have been introduced in Arizona, California, Georgia, Hawai’i, Kansas, Maryland, Minnesota, Missouri, New York, Oklahoma, Rhode Island, Vermont, Virginia, and Washington. Draft bills are in sponsors’ hands in North Carolina and Pennsylvania. Sponsors in Connecticut plan to introduce the bill in the 2027 session. A ballot initiative in Montana has cleared legal sufficiency review and is currently collecting signatures for the 2026 ballot.

Hawai’i is not alone. But it could well be first — and could be the state that saves itself, and the rest of the country, from the damage *Citizens United* has inflicted on American self-governance.

XVI. The Cases That Do Not Exist

We respectfully ask the Attorney General’s office to provide this committee with any case — in any jurisdiction — holding any of the following:

1. That a state is constitutionally required to grant political spending power to the corporations it creates.
2. That the First Amendment compels states to design corporate entities with specific powers.
3. That strict scrutiny applies to a state’s definition of corporate powers, as opposed to a regulation of corporate conduct.
4. That ultra vires enforcement of corporate power limits is unconstitutional when the withheld power relates to elections.
5. That the reserved-powers doctrine is subject to a First Amendment exception.

We believe these cases do not exist. They do not exist because SB 2471 operates in a domain no court has ever held the First Amendment reaches.

If the Attorney General's office cannot produce these cases, it should stop claiming that this bill is unconstitutional. And if it cannot produce them and continues to make that claim, this committee and the legislature should weigh the Attorney General's analysis accordingly.

XVII. Conclusion

The Attorney General's office analyzed a bill that does not exist — again. It described a speech restriction and told this committee it would fail. A speech restriction would fail. That is not what SB 2471 is.

SB 2471 is an exercise of Hawai'i's sovereign authority to define the powers of the artificial persons it creates and licenses — an authority that predates statehood, predates the Constitution, and has been continuously affirmed by the Supreme Court for more than two centuries.

To strike this bill, a court would need to constitutionalize a specific corporate power for the first time in American history — holding that states must grant political spending power to the artificial persons they create. That holding would not merely affect SB 2471. It would throw into doubt the reserved-powers provisions of at least 25 states, potentially disabling their ability to create corporations on the terms their own constitutions require and casting uncertainty over every corporate charter those states have ever issued. The systemic consequences would be extraordinary — and they would not be in the Supreme Court's control.

The Attorney General warns about litigation costs. With respect, the greater risk is not what this bill might cost the state to defend. It is what Hawai'i's citizens will continue to pay as long as the state declines to use the authority it has always possessed — the cost of elections shaped by entities that exist only because the state chose to create them, spending from treasuries aggregated under state-granted liability shields, deploying the capital of shareholders who have no meaningful say in how it is spent, without democratic accountability to anyone.

The framers of Hawai'i's constitution wrote Article I, Section 21 because they understood that the powers the state grants can be turned against the state's own people — and that the state must never lose the ability to reclaim what it has given. That is the tradition SB 2471 stands in. The reserved-powers clauses in Hawai'i's corporate statutes were placed there for a moment exactly like this one — a moment when artificial persons have accumulated powers that have outstripped their purpose. Your legislative ancestors left you this tool. Use it.

We urge the committee to pass SB 2471.

ATTACHMENT A

[The Corporate Power Reset That Makes *Citizens United* Irrelevant](#)

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September 15, 2025

<https://www.americanprogress.org/article/the-corporate-power-reset-that-makes-citizens-united-irrelevant/>

The Corporate Power Reset That Makes Citizens United Irrelevant

By using their authority to define what corporations are—and what powers they hold—states can end the era of corporate and dark money in U.S. politics.



Workers erect scaffolding around the exterior of the U.S. Supreme Court building in Washington, D.C., on April 4, 2025. (Getty/Bill Clark)

Introduction and summary

Ever since the Supreme Court shattered campaign finance law with its decision in *Citizens United v. Federal Election Commission* in 2010,¹ Americans have been told there are only two ways to stop corporate and “dark” money in politics: Amend the U.S. Constitution or wait for the court to

undo what it has done.

That is flat wrong.

Citizens United held that government may not regulate a corporation's right to spend money independently in elections. But the court did not say what a corporation is—it could not. That question lies beyond even the Supreme Court's reach.

“Each state creates and defines its corporations. It need not permit its creations to consume it.”

In American law, corporations are not born; they are built. Corporations are creatures of statute, not of nature. And for more than two centuries, the power to build them—to define their form, limits, and privileges—has belonged to the states and only to the states.

In the republic's early years, states exercised that power with care. They granted charters on a case-by-case basis and drew corporate powers narrowly. That changed in the mid-1800s, when states began offering general incorporation by default, no longer paying close attention to the powers they were handing out. And that has been the status quo ever since.

However, the underlying authority to define and limit corporate powers never disappeared. It simply went quiet: unused, untested, and unmentioned—until now. This report names that authority, explains it, and shows how states can reclaim it to, in effect, undo *Citizens United* by executing a reset of their corporations' powers. The sovereign authority to decide which powers states grant to the corporations they charter includes the authority to not grant their corporations the power to spend in politics.²

This truth has been hiding in plain sight, gathering dust for more than a century, simply because no one thought to look its way. “Why not?” asks University of Chicago law professor Vincent S.J. Buccola. “One possibility is that the average legislator thinks cases such as *Citizens United* and *Hobby Lobby* were sensibly decided. This might be true—it is unlikely—but in any event it is uninteresting. Another possibility is that legislators do not know their own legislative authority. If so, maybe they will soon discover it.”³

This report aims to ignite that discovery. It examines the contours of states’ vast corporation-defining powers, examines challenges to this approach, and provides a legislative line of attack that can be enacted by state legislatures or by ballot initiative to rid ballot issues and local, state, and federal elections of corporate and dark money spending.

The legal strategy developed by the Center for American Progress—the “Corporate Power Reset”—will, state by state, drain corporate and dark money from American politics. It does not overturn *Citizens United*; it makes it irrelevant.

Corporations are pure creatures of state law. And for more than two centuries, the Supreme Court has affirmed that states have virtually unlimited authority to modify and withdraw the powers they grant to their corporations.

This report explains how every state can use that authority to remove corporate and dark money from its local, state, and federal politics.

CAP’s approach is already on the move in Montana, where local organizers have drafted and submitted a constitutional initiative for voters to consider in 2026—the first step in a movement built to spread nationwide.⁴

***Citizens United*: A primer**

Citizens United has reshaped American campaign finance at every level of

government since 2010. The decision tossed aside a century of tight regulation over corporate political spending and threw open the floodgates for the unlimited super PAC spending and undisclosed dark money that dominate the U.S. political system today.⁵

The case had an immediate and dramatic effect. The reported independent expenditures of outside groups exploded by more than 28-fold from 2008 to 2024 (from \$144 million to \$4.21 billion).⁶ Unreported money also skyrocketed. "Dark money groups spent millions influencing the 2024 election," reports the Campaign Legal Center. "For instance, Future Forward PAC, a super PAC that supports Democratic candidates, reported a \$205 million contribution from an affiliated dark money group. Voters had no idea who spent these millions of dollars trying to influence their vote in the 2024 election, and the true source(s) of this spending will most likely remain unknown."⁷

What is a corporation?

Corporations are so ubiquitous today that it is easy to forget they are legal inventions, not naturally occurring entities. They have not always existed—and when they first appeared, they looked nothing like they do now.

"A corporation is an artificial being, invisible, intangible, and existing only in contemplation of law." – Chief Justice John Marshall, Trustees of Dartmouth College v. Woodward

In his dissent in the 1978 Supreme Court case *First National Bank of Boston v. Bellotti*, Justice Byron White provided a comprehensive definition of a "corporation":

Corporations are artificial entities created by law for the purpose of

furthering certain economic goals. In order to facilitate the achievement of such ends, special rules relating to such matters as limited liability, perpetual life, and the accumulation, distribution, and taxation of assets are normally applied to them. States have provided corporations with such attributes in order to increase their economic viability and thus strengthen the economy generally.⁸

Scholars have floated many different theories of the corporation over the years,⁹ but the Supreme Court's first stab at it has never been superseded.¹⁰ American governments' relationship to corporations remains defined by a decision written by Chief Justice John Marshall in 1819, *Trustees of Dartmouth College v. Woodward*. Chief Justice Marshall wrote:

A corporation is an artificial being, invisible, intangible, and existing only in contemplation of law. Being the mere creature of law, it possesses only those properties which the charter of its creation confers upon it, either expressly, or as incidental to its very existence. . . . The objects for which a corporation is created are universally such as the government wishes to promote. They are deemed beneficial to the country; and this benefit constitutes the consideration, and, in most cases, the sole consideration of the grant.¹¹

The principle that a corporation is limited to its charter remains good law. "To be sure in 1791 (as now) corporations could pursue only the objectives set forth in their charters," wrote Justice Antonin Scalia in his concurring opinion in *Citizens United*.¹²

That principle was set out forcefully in 1837 in *Charles River Bridge v. Warren Bridge*, where the Supreme Court reached back to English common law to hold that the breadth of corporate charters must be strictly construed in favor of the public—and ambiguity must cut against the corporation:

This, like many other cases, is a bargain between a company of adventurers and the public, the terms of which are expressed in the

statute; and the rule of construction in all such cases, is now fully established to be this; that any ambiguity in the terms of the contract, must operate against the adventurers, and in favour of the public, and the plaintiffs can claim nothing that is not clearly given them by the act.¹³

This canon—that ambiguity in corporate powers cuts against the corporation—is foundational to state corporate authority. If a state declines to confer political powers upon its creations, none can be inferred to exist.

This strict approach to charter interpretation reflects a broader concern: Left unchecked, corporations pose special dangers to democracy. In his *Bellotti* dissent, Justice White sounded a warning about corporate political spending that rings even truer today than it did in 1978. While state rules may have allowed corporations to strengthen the economy, “It has long been recognized ... that the special status of corporations has placed them in a position to control vast amounts of economic power which may, if not regulated, dominate not only the economy but also the very heart of our democracy, the electoral process.”¹⁴

The *Bellotti* majority held corporations in only slightly higher regard than Justice White, even as it held that corporations could spend on issue speech (but not in candidate elections):

The overriding concern behind the enactment of statutes such as the Federal Corrupt Practices Act was the problem of corruption of elected representatives through the creation of political debts. The importance of the governmental interest in preventing this occurrence has never been doubted. The case before us presents no comparable problem, and our consideration of a corporation’s right to speak on issues of general public interest implies no comparable right in the quite different context of participation in a political campaign for election to public office. Congress might well be able to demonstrate the existence of a danger of real or apparent corruption in independent expenditures by corporations to influence candidate elections.¹⁵

Between 1978 and 2010, the idea that it was important for the government to prevent elected representatives from being corrupted by corporate political spending went from “never been doubted” to “abruptly overturned.”

The *Citizens United* court simply walked away from the concept with little analysis or explanation. “While a single *Bellotti* footnote purported to leave the question open,” Justice Anthony Kennedy wrote, “this Court now concludes that independent expenditures, including those made by corporations, do not give rise to corruption or the appearance of corruption.”¹⁶

Citizens United’s holding that independent spending cannot, as a matter of law, be corrupting threw open the floodgates to the current era of unlimited corporate political spending.

The ruling built upon the Supreme Court’s 1976 decision in *Buckley v. Valeo*, which held that the primary governmental interest served by federal campaign finance laws was “the prevention of actual and apparent corruption of the political process” and that any restriction that did not directly serve that interest was unconstitutional.¹⁷

So, under *Citizens United* and *Buckley*, since independent spending cannot be corrupting, it cannot be regulated. In the real world since 2010, this has shown to be absurd—particularly the flat statement that unlimited corporate independent political spending cannot possibly even create the appearance of corruption. But it is, for the foreseeable future, the law.

Notably, though, *Citizens United* did not recognize that corporations possessed their own right to spend in candidate elections. Instead, the court recognized the right of the nonprofit corporation Citizens United, as an association of citizens, to exercise the collected individual rights of the U.S. citizens who gathered to create it.¹⁸

The decision also led to the creation of dark money groups, nonprofit corporations that operate under Section 501(c)(4) of the federal tax law as

“social welfare organizations” and spend in politics.¹⁹ These groups are not required to disclose their donors and may spend in politics as long as their “major purpose” is not political, in which case they would have to register as a political committee.²⁰

Citizens United seemed to slam the door on government’s ability to stem corporate and dark money spending in politics. But states—either through their legislators or their citizens wielding ballot initiatives—can limit corporate political activity and dark money spending simply by redefining what their corporations are. By executing the Corporate Power Reset outlined in this report, states can reclaim the ability to draw the lines where they want them to be.

Rights versus powers

Every Supreme Court case on corporate political speech has asked the same question: Must a corporation have the *right* to speak? What the Court has never said—because it has never been asked—is that corporations must have the power to speak in the first place. This silence makes sense, since for more than a century, states have granted corporations the power to conduct all lawful acts and activities, so corporate power to speak is a question that does not come before the Supreme Court. But, as Buccola notes, “[O]ne needs to distinguish between the related but distinctive concepts of corporate rights and corporate powers.”²¹

Because states have granted corporations powers very similar to humans for the past century and a half (for example, the Commonwealth of Virginia’s corporation law currently grants corporations “the same powers as an individual to do all things necessary or convenient to carry out its business and affairs”²²), courts have treated their rights similarly in the modern era.

But the power relationship humans and corporations have to government is quite different. America was founded on the proposition that humans are created fully empowered to act in the world:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. —That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed.²³

Humans are born with a full set of powers; they are not given to them by the government. In fact, the opposite is true: As the declaration states, government derives all its power from the consent of the governed.

Corporate power to act in the world is significantly different. Corporations are pure creatures of law; they do not exist without law and have zero powers until a government grants them some. Once the law, through corporation statutes, grants a corporation the power to do something, the law, through regulation, shapes its rights to do that thing.²⁴

The right of humans to spend in politics is unquestioned because their power to do so is inherent and inviolable. Courts have held the right of corporations to spend in politics to be parallel to humans' because in the modern era, states have granted corporations the powers of humans. But if a state were to no longer grant that power to its corporations, the right could no longer attach; there would be nothing to attach it to.

“Corporations are pure creatures of law; they do not exist without law and have zero powers until a government grants them some.”

Though the Supreme Court did not use these exact terms, *Citizens United* centered on the ability of government to regulate the right of corporations to exercise powers of political speech that the state had granted them. When the court wrote, “Citizens United is a nonprofit corporation,”²⁵ it was a bit of shorthand. The long version is: *Citizens United is a nonprofit corporation to*

which the Commonwealth of Virginia has granted the same powers as an individual to do all things necessary or convenient to carry out its business and affairs, among them (since Virginia law does not specify otherwise), the power to spend independently in candidate elections.

And because Citizens United was an entity to which Virginia had granted the power to spend in elections, the court found that Citizens United was an entity that had the right to spend in elections. Had Citizens United shown up in court as an entity to which Virginia had not given the power to spend in elections, the analysis would have to have been quite different.

A footnote in *Citizens United* itself underscores that the First Amendment comes into play only after a state chooses to grant corporations the power to engage in political spending. In his concurrence, Justice Scalia dismissed as irrelevant the dissent's claim that the common law was generally interpreted as prohibiting corporate political spending: "Of course even if the common law was 'generally interpreted' to prohibit corporate political expenditures as *ultra vires* [beyond its authority and therefore void], that would have nothing to do with whether political expenditures that were authorized by a corporation's charter could constitutionally be suppressed."²⁶ The necessary inverse is clear: When the state does withhold that power, it may treat any corporate political spending as unauthorized and void without triggering First Amendment scrutiny.

Think of it this way: Humans are born with the inherent power to live freely, pursue happiness, and shape their destiny. But they have not been granted the power to fly. Birds have, bats, pterodactyls—but not humans. It is useless to discuss whether humans have a right to fly, because without the power to do so, the right to do so has no meaning. Even if the Supreme Court decreed that humans had a constitutional right to fly, there is no amount of arm flapping that would result in humans taking to the skies, because they would still lack that ability. This lack of power to fly could not be held to infringe on the right to fly that the Supreme Court had recognized. It is simply an

underlying reality that no court—not even the Supreme Court—can touch.

“Even if the Supreme Court decreed that humans had a constitutional right to fly, there is no amount of arm flapping that would result in humans taking to the skies, because they would still lack that ability.”

Likewise, when a state exercises its authority to define corporations as entities without the power to spend in politics, it will no longer be relevant to discuss whether the corporations have a right to spend in politics, because without the power to do so, the right to do so has no meaning.

Every scrap of corporate speech jurisprudence centers on rights and the authority of government to regulate them—and courts have consistently held that authority to be sharply circumscribed. The jurisprudence regarding states’ authority to grant powers to the corporations they create is entirely separate, and for more than a century, courts have consistently held that power-granting authority to be all but absolute.

State corporation laws

Notably, corporations are not just creatures of law; they are creatures of state law.²⁷ And the states that create them have full authority to decide what powers they do and do not possess. The Supreme Court wrote in 1979 in *Burks v. Lasker*, “[T]he first place one must look to determine the powers of corporate directors is in the relevant State’s corporation law. ... [I]t is state law which is the font of corporate directors’ powers. By contrast, federal law in this area is largely regulatory and prohibitory in nature—it often limits the exercise of directorial power, but only rarely creates it.”²⁸

In 2014’s *Burwell v. Hobby Lobby Stores, Inc.*, the Supreme Court held that

state corporate law dictates how a corporation can establish its governing structure and ordered federal courts to defer to state law: "Courts will turn to that structure and the underlying state law in resolving disputes."²⁹

When one does turn to a state's underlying corporation law, one finds remarkable unanimity. Every state in the nation charters corporations and does so by issuing what is called a "general corporate charter," a document that allows a state's corporations to engage in all lawful acts and activities.³⁰

This was not always the case throughout U.S. history. At the time of the American Revolution, writes University of Pennsylvania law professor Elizabeth Pollman, "Most businesses were organized as sole proprietorships and partnerships rather than as corporations. ... By the end of the eighteenth century, the number of corporations increased to around 300."³¹

And the charters that states issued to these corporations were vastly different from the ones seen today. "As of the Founding, there were no business corporations operating under so-called general corporation statutes," note corporate law experts Leo E. Strine, Jr. and Nicholas Walter. "Rather, the only extant business corporations were specifically created by legislatures with detailed charters that their managers were obligated to follow with fidelity."³²

For example, states "routinely issued corporate charters prohibiting a corporation from making investments in other corporations, or from incurring debt, or issuing capital stock, either at all or in excess of specified limitations, or from engaging in any business other than the single activity set forth in the charter, the enforceability of which were assumed and never questioned," writes scholar David B. Simpson.³³

These limited charters did not include the authorization to engage in political speech. Harvard law professor John C. Coates IV writes, "The fact that corporations could only act in ways and to pursue ends authorized in their charters means that – until late in the nineteenth century, when 'general

purpose' clauses became common in corporate charters – none of the corporations in existence at the time the First Amendment ... was adopted was legally authorized to engage in speech as a business activity, particularly political speech."³⁴

"By the 1850s," writes Pollman, "Many states had enacted 'enabling' corporate laws eliminating the need for legislative action to incorporate. These general incorporation laws turned the special privilege of incorporation for purposes like public works into a mere administrative formality."³⁵

States adopted general corporate charters as they competed for corporations' business, and over time, such broad charters have become entirely unremarkable.³⁶ But "ubiquitous" is not a synonym for "required"; nothing in U.S. federal or state law commands states to issue every possible power to every corporation. NYU law professor Richard A. Epstein notes that the change came "largely through competition between states in the chartering market, rather than through application of any constitutional principle."³⁷

"We should not confuse a longstanding custom or competitive 'race' among states to craft attractive, business-friendly laws with legal or historical necessity, even if those practices reach deep into the nineteenth century," writes Washington & Lee law professor Lyman P.Q. Johnson. "Rather, for a long stretch of history, corporations have been permitted to advance private interests and corporate law itself has been deregulatory, but only because that particular approach was thought to be socially beneficial."³⁸

When states "more or less ceased to restrict corporate powers," notes Buccola, "they did so as a matter of political expediency rather than legal compulsion. No doctrine in the development of modern corporate law suggests that the states surrendered their constitutional authority over domestic corporations' powers."³⁹

Every state may have moved to granting general charters, but every state also held onto the power to create, define, and redefine corporations as it sees fit. This power is undimmed. "[L]egislatures that had moved to adopt general corporation statutes did so on the assumption that they reserved the power to restrict corporations from engaging in conduct inconsistent with the public interest," write Strine and Walter. "That is, corporations remained creatures of the state in the sense that they were granted a legal existence on the condition that they operate within the constraints imposed upon them by society."⁴⁰

"Social control over corporations through corporate statutes may have substantially declined in the twentieth century," writes Johnson, "But it remains a potentially potent instrument."⁴¹

We see this play out in *Hobby Lobby*, a case that appears at first glance to greatly favor corporations. In *Hobby Lobby*, the Supreme Court held that a U.S. Department of Health and Human Services (HHS) rule requiring for-profit corporations to provide health insurance coverage for contraception violated the religious rights of the corporation's owners. "[T]he purpose of extending rights to corporations is to protect the rights of people associated with the corporation," wrote Supreme Court Justice Samuel Alito for the majority.⁴²

Key to the plaintiff corporations' rights was the powers their home states had granted them. "[T]he laws of those States permit for-profit corporations to pursue 'any lawful purpose' or 'act,'" Justice Alito noted. Thus, he wrote, the corporations' power included "the pursuit of profit in conformity with the owners' religious principles."⁴³

Justice Alito also noted that states reserve the right to limit those powers: "[T]he objectives that may properly be pursued by the companies in these cases are governed by the laws of the States in which they were incorporated."⁴⁴

States exert this sort of control over their corporations already. Delaware's corporation code, for example, declines to grant the power to spend in elections to one category of its corporations: private foundations.⁴⁵ If the state has the authority to decline to grant election spending power to one type of its corporations, it would follow that it has the authority to do so for all of its corporations.

How states can execute a Corporate Power Reset to keep corporations out of politics

Between their corporation statutes and their constitutions, almost every state's law contains three provisions that provide the tools necessary to keep corporations out of its politics.

First, each state's laws state starkly and clearly that the state can alter—or revoke—its corporation law at any time, for any reason. In Florida, for example, "The Legislature has power to amend or repeal all or part of this chapter at any time."⁴⁶

In the landmark 1819 case *Trustees of Dartmouth College v. Woodward*, the Supreme Court ruled that New Hampshire could not take over Dartmouth's assets, but only because there had been no provision in the law that had chartered Dartmouth that would allow the state to do so.⁴⁷ Supreme Court Justice Joseph Story suggested in his concurring opinion that states amend their laws to include such a provision.⁴⁸ They did so quickly.⁴⁹ Such provisions are classified as "reserved powers" of the state.

Second, every change in a state's corporation law applies to existing corporations as well as new corporations. In Florida, for example, "The provisions of this chapter extend to all corporations."⁵⁰

According to the Supreme Court, these two provisions mean that every corporation in every state exists subject to the understanding that at any time, the state has the power to rewire its charter by rewriting the law that

underlies it.⁵¹ "This reservation of power to alter or revoke a grant of special privileges necessarily became a part of the charter of every corporation formed under the general statute providing for the formation of corporations," the court held in 1892 in *Hamilton Gaslight & Coke Co. v. City of Hamilton*.⁵² "The corporation, by accepting the grant subject to the legislative power so reserved by the constitution, must be held to have assented to such reservation."⁵³

Although this state power has remained largely dormant since the mid-1800s, courts have consistently interpreted it so sweepingly that it may startle those accustomed to the much more narrowly defined boundaries of campaign finance law. A legislature can exercise its authority to rewrite its corporation code for any reason whatsoever—or for no reason. In 1882 in *Greenwood v. Freight Co.*, the Supreme Court held, "All this may be done at the pleasure of the legislature. That body need give no reason for its action in the matter. The validity of such action does not depend on the necessity for it, or on the soundness of the reasons which prompted it."⁵⁴

Moreover, in *Hamilton Gaslight*, the court held that the effect on the corporation or other parties does not matter. A legislature may act to revoke a corporation's powers "whatever may be the motive of the legislature, or however harshly such legislation may operate in the particular case upon the corporation or parties affected by it."⁵⁵

The Supreme Court has routinely upheld states' use of reserved powers to alter preexisting corporate charters in the public interest. For instance, in *Looker v. Maynard*,⁵⁶ the court sustained new cumulative voting requirements applied to earlier-chartered corporations; in *Polk v. Mutual Reserve Fund Life Association*,⁵⁷ it allowed reorganizations that changed corporate purposes; and in *Sutton v. New Jersey*,⁵⁸ the court upheld a new requirement that preexisting street railway corporations transport police officers for free. Across these decisions, the court emphasized that shareholders had no vested right in any given corporate power once a state

had reserved authority to amend corporate charters (which all of them have).

History offers striking examples of corporate power curtailment. The Texas Constitution of 1876 provides an early example. In response to concerns about corporate influence over currency, Texas lawmakers prohibited state-chartered banks from issuing bills of credit, an explicit revocation of an already-granted power.⁵⁹ Later, in 1913, New Jersey famously enacted the “Seven Sisters” acts under Gov. Woodrow Wilson (D), sharply limiting holding company privileges and forcing trusts to unwind or relocate.⁶⁰ These historical rollbacks demonstrate the authority held by states to reduce corporate powers.

Moreover, courts have routinely rejected reliance-based challenges when states alter corporate capacities. In *A.P. Smith Mfg. Co. v. Barlow*,⁶¹ shareholders argued that a donation to Princeton was beyond its authority (“*ultra vires*”) because the company’s original 1896 charter contained no such authority. But New Jersey had expanded the charitable donation powers it granted its corporations 20 years before the lawsuit was brought, and the state’s Supreme Court upheld the donation, emphasizing New Jersey’s “reserved power” to expand or modify corporate authority—even retroactively.

This is not how most people think about the relationship between states and corporations. Because states have given corporations virtually free rein for so long through general corporate charters, it is easy to forget that state law still authorizes, shapes, and stands behind every corporate charter, and that the states have retained the power to withhold some or all of those powers. “In modern practice, it has become customary to authorize corporations more broadly to engage in any lawful activity, but this does not render more restrictive grants of authority less enforceable than they once may have been,” writes Simpson.⁶²

From 1837 onward, starting with *Charles River Bridge*, the Supreme Court

has held that governments' authority over corporations does not diminish over time. "A state ought never to be presumed to surrender this power, because, like the taxing power, the whole community have an interest in preserving it undiminished,"⁶³ the court wrote. "The continued existence of a government would be of no great value, if by implications and presumptions, it was disarmed of the powers necessary to accomplish the ends of its creation; and the functions it was designed to perform, transferred to the hands of privileged corporations."⁶⁴

Delaware's Court of Chancery, long renowned for its expertise in corporate law, explained in 1900 that states held onto their authority over corporations "as a protection against improvident grants of privileges which are afterwards seen to be oppressive, or injurious to the public, or are so altered in practical effect, by changes consequent upon unforeseen conditions, as to become so."⁶⁵

The **third** useful corporation law provision concerns corporations not chartered in the state, known as "foreign corporations."⁶⁶ This provision determines which powers a state grants to out-of-state corporations. When Florida, for example, grants a foreign corporation from Delaware the authority to operate in the state, it "does not authorize a foreign corporation to engage in any business or exercise any power that a corporation may not engage in or exercise in this state."⁶⁷

This provision gives the first two their real power—a state that moves to no longer grant its domestic corporations the power to spend in elections is also denying that power to corporations chartered in the other 49 states.

Notably, the operation of the foreign corporation provision in each state's law means that this approach does not depend on its being adopted by Delaware, even though the state is home to the lion's share of major corporate registrations.⁶⁸ Every state that adopts this approach keeps every Delaware corporation out of its politics.⁶⁹

None of this is new. Courts have long recognized the states' authority to circumscribe the powers of out-of-state corporations operating within their borders. For instance, in *Paul v. Virginia* in 1869, the Supreme Court noted, "The corporation being the mere creation of local law, can have no legal existence beyond the limits of the sovereignty where created." It held that a state could decline to grant a foreign corporation powers to act within its borders that are "prejudicial to their interests or repugnant to their policy."⁷⁰ That holding remains good law. A state may refuse corporate political powers to any out-of-state entity whose activities it finds contrary to public policy.

"The corporation being the mere creation of local law, can have no legal existence beyond the limits of the sovereignty where created." – U.S. Supreme Court in Paul v. Virginia

Legal questions

Even small steps backing away from unlimited general corporate charters would represent a significant departure from how states have governed their corporations since the mid-1800s. It would be a sharp change in course, but would it be legal?

UCLA law professor Stephen Bainbridge, a renowned corporate law expert, in response to that question, wrote: "Would that fly? As a matter of corporate law, I assume so. In many states, many state statutes qualify the broad grants of power conferred by statutes like [Model Business Corporation Act] § 3.02 by including express limitations on the powers corporations may exercise."⁷¹

Corporation law is just the first hurdle. A far higher bar to clear is constitutional law, which trips up most legislation in this area of endeavor.

But while the Corporate Power Reset would undoubtedly face constitutional challenges, it fully complies with Supreme Court case law.

The Corporate Power Reset outlined in this report is unlike anything this court has considered. Every corporate speech case that has come before the Supreme Court in modern history has two facts in common: They all involved corporations that had been granted unlimited powers to act by their chartering states, and they all involved government efforts to regulate their right to act.

Scholar David B. Simpson noted that "decisions holding that corporate speech enjoys First Amendment protection [have never] directly confronted the implications of the *Dartmouth College* rule: that because corporations possess only the powers set forth in their charters, they would not inherently have a right to rely on First Amendment assurances in the face of charter limitations on their political speech and spending."⁷²

As a practical matter, because this approach employs states' power-granting authority and not their authority to regulate, it would not be easy for a litigant to compel the Supreme Court to intervene. Litigants tread on familiar ground when they ask the Supreme Court to strike down state and federal restrictions on corporate political spending. The court has done so often and with enthusiasm.

This is not that. The Corporate Power Reset does not propose that states enact restrictions on any corporate rights. Instead, it proposes that states act to redefine the powers of corporations within their borders. This is not just a semantic difference. "[D]eclining to grant a power to do some act is importantly different from invading a person's right to do an act it is empowered to do," notes Buccola.⁷³

A litigant seeking federal court review of a state's action to grant fewer powers to its corporations would be asking federal courts to go beyond their constitutional authority in the following two distinct ways:

Federalism: A litigant asking a federal court to assert jurisdiction over state corporation creation law would run into the 10th Amendment, which limits the federal government's reach to its enumerated powers.⁷⁴ Corporation law is state law. As the Supreme Court held in *CTS Corp. v. Dynamics Corp. of America*, "No principle of corporation law and practice is more firmly established than a State's authority to regulate domestic corporations."⁷⁵ While the Supreme Court has the final word on the federally guaranteed rights of corporations, the court has also recognized throughout American history that states have sovereign authority to decide which powers to grant to the corporations they create.

Separation of powers: Every court holds an eraser, not a pen. A court evaluating a regulatory restriction can strike down that provision if it finds it to be unconstitutional. But if a court—even the Supreme Court—evaluating a list of powers a statute grants to corporations believes that the list is not long enough, it lacks the power to add to that list, or to order the state to do so.

Even the current Supreme Court might think twice before undermining state corporation laws, not out of any reverence for constitutional principles, but because such a move could introduce a level of systemic instability that would ultimately jeopardize the very corporate interests the court has repeatedly reinforced.

Intruding upon state control over corporate governance would set a dangerous precedent, opening the door for future federal intrusions that could be used against corporate interests in unpredictable ways, potentially allowing for increased federal regulation or oversight that the court and its allies cannot easily control. In essence, the justices might avoid taking such a step not out of principle, but because it could backfire, threatening the stability and predictability that corporations—and by extension, the Roberts court's objectives—rely upon.

Setting aside these jurisdictional questions for the moment, it is not clear

what basis a court could use to justify overturning a state corporation law provision that declined to grant its corporations the power to spend in elections. Several legal doctrines could be argued, but they do not seem to apply directly:

The doctrine of unconstitutional conditions

The Privileges and Immunities Clause

Interstate and dormant commerce

The doctrine of unconstitutional conditions

The most prominent constitutional challenge to CAP's Corporate Power Reset would be the doctrine of unconstitutional conditions. Former Stanford Law Dean Kathleen M. Sullivan writes that the doctrine "holds that government may not grant a benefit on the condition that the beneficiary surrender a constitutional right, even if the government may withhold that benefit altogether."⁷⁶

The classic example of an unconstitutional condition is a government grant program that requires recipients to refrain from engaging in any political activities or speech, both within and outside the program's scope. In other words, to benefit from the government funds, one must surrender one's constitutional right to political speech.

While UCLA's Stephen Bainbridge wrote that he believes CAP's approach to be good corporate law, he also wrote that he believed it would fail under the doctrine of unconstitutional conditions.⁷⁷

A careful application of the relevant precedent to whether a state is required to grant full political powers to its corporations indicates that the doctrine of unconstitutional conditions does not apply.

The legal test of whether a condition is unconstitutional is not whether the corporation's charter is limited (it is), but whether the charter recipient has

surrendered a constitutional right (she has not). Someone who seeks to charter a corporation surrenders no rights when she successfully does so. All she surrenders to the state is the filing fee. The moment a prospective incorporator turns over her check for the charter, she has no fewer speech rights than she had the moment before, no matter the contents of that charter.⁷⁸

In *Rust v. Sullivan*, the Supreme Court considered the constitutionality of an HHS regulation that forbade the use of Title X funds in abortion-related activities. The court held that the limit was not an unconstitutional condition, explaining that "our 'unconstitutional conditions' cases involve situations in which the Government has placed a condition on the recipient of the subsidy rather than on a particular program or service, thus effectively prohibiting the recipient from engaging in the protected conduct outside the scope of the federally funded program."⁷⁹

The court found that HHS was not required to fund a program that enabled the exercise of every constitutional right. And it drew a bright line between a decision not to grant a benefit and a condition imposed on the recipient: "A refusal to fund protected activity, without more, cannot be equated with the imposition of a 'penalty' on that activity."⁸⁰

Likewise, the creation of a corporation is a benefit, and states are not obligated to provide the benefit of corporations with the power to engage in every constitutional right. One who holds a charter to a corporation that has not been granted the power to spend in elections has surrendered nothing. She has not been prohibited from engaging in any protected conduct. She merely has not been granted any extra opportunity to exercise a right to spend in politics directly through the corporation she has chartered. She and all who own stock in such a corporation still have a perfect right to spend in politics outside the bounds of the state-chartered corporation.⁸¹

The withdrawal of political spending power from existing corporations would seem to provide a better basis for a claim that state action has caused rights

to be surrendered. Indeed, the Supreme Court first articulated the unconstitutional conditions doctrine in 1922 in *Terral v. Burke Construction Co.*, a case involving a state's action against an existing corporation. In that case, the court ruled that a state could not revoke a foreign corporation's license to do business as a penalty for invoking its federal right to access federal courts.⁸² *Terral* established the principle that while states have broad authority over corporations they create, states cannot impose conditions that effectively curtail federally protected rights. However, note that this case involved a state's move to impose restrictions on a corporation that had been granted a full set of corporate powers by its laws and the laws of the corporation's home state. Moving to redefine corporations as entities incapable of spending in politics is an entirely different matter, as it employs a different tool in the state's toolbox: its uncontested authority to determine what powers a corporation does or does not possess.

The Supreme Court has consistently held that every corporation has come into existence with the knowledge that it was subject to the state's uncontested authority to rewrite its DNA. Dartmouth College won its case back in 1819 because New Hampshire did not have a provision allowing such changes, but as UCLA law professor Adam Winkler notes, "States easily maneuvered around the *Dartmouth College* decision by adding to new corporate charters provisions permitting the states to revise their bargains. Because incorporators agreed to this contractual provision, they could not complain."⁸³

This is a critically important point when assessing the legality of this proposal. If a state were to exercise its contractual authority to redefine its corporation's powers, it would not be a seizing of corporate or shareholder rights. Not only has every corporation agreed to exist subject to the provision in its state's corporation law that allows the state to amend or rescind any part of the law at any time, but every shareholder has purchased stock in a corporation that has agreed that a state can redefine its nature and existence at any time.

Practically speaking, if a state acted to grant a shorter list of powers to its corporations and a litigant sought to overturn the action on the grounds that an unconstitutional condition had been imposed, a court would come up emptyhanded if it went looking for a condition, or a provision, to strike. Again, courts hold erasers, not pens. Only a legislature (or ballot initiative) can write provisions into law.⁸⁴ Courts can strike an unconstitutional law, but they cannot write new corporate powers into being. Only a legislature or a ballot initiative can do that.

The Privileges and Immunities Clause

When state actions affect the citizens of other states, the constitution's Privileges and Immunities Clause is frequently brought to bear: "The Citizens of each State shall be entitled to all Privileges and Immunities of Citizens in the several States."⁸⁵ It prevents states from discriminating against citizens of other states.

However, the Supreme Court has been clear that the Privileges and Immunities Clause does not apply to corporations, starting with the 1869 case *Paul v. Virginia*⁸⁶ and reaffirmed in 1981.⁸⁷

Even if the Privileges and Immunities Clause did apply to corporations, it would not easily apply to this report's approach, as states are treating foreign corporations exactly equal to domestic corporations.

The authority of states to grant powers to out-of-state corporations operating within their borders is just as wide as their authority to grant powers to their domestic corporations. "[N]o matter where a firm is incorporated, each state has the sole right to decide whether it can do business within its territory," notes NYU law professor Richard A. Epstein.⁸⁸

"If a state disempowered its own domestic corporations with respect to a particular activity, the state may well be within the Constitution's bounds to demand that foreign corporations play on a level field,"⁸⁹ writes Buccola.

Interstate and dormant commerce

Likewise, because the approach offered by this report treats foreign and domestic corporations equally, it is unlikely to violate the Dormant Commerce Clause.⁹⁰ The Supreme Court held in *CTS Corp. v. Dynamics Corp. of America* that when a state action applies equally to in-state and out-of-state entities, it does not discriminate against interstate commerce and is less likely to raise Dormant Commerce Clause concerns. By ensuring that all corporations are subject to the same rules within the state, this approach respects the principle of equal treatment and avoids any undue burden on interstate commerce.⁹¹

The legislative change

Those who try to legislate matters related to corporations and political speech are used to working under extremely tight limits. Laws that burden political speech “are subject to strict scrutiny,” the Supreme Court held in *Citizens United*, “which requires the Government to prove that the restriction furthers a compelling interest and is narrowly tailored to achieve that interest.”⁹²

But the Corporate Power Reset is a different route that sidesteps these First Amendment hurdles entirely. This section outlines how a state can amend its corporation code to no longer grant the power to spend in politics without infringing on constitutional rights.

Strict scrutiny review is a tough test to meet. “All of the campaign deception statutes that have reached the courts since 2012 have failed to satisfy [strict scrutiny] and have been overturned,” writes George Washington University law professor Catherine J. Ross.⁹³

So lawmakers who shift their attention away from regulating speech rights and toward resetting corporate powers might find the breadth of their discretion a little disorienting. They no longer must thread a constitutional

law needle.

Courts have recognized two major kinds of corporate speech rights:

Commercial speech is any speech that promotes commerce, such as advertising and marketing.⁹⁴ This speech is protected at a lower level than political speech;⁹⁵ for instance, well-tailored laws that prevent deceptive practices and protect public health and safety are constitutional. Because this type of speech is essential for business operations, states would likely (and should) continue to grant their corporations the power to engage in commercial speech.

Corporate political speech falls into two categories: issue speech and election campaigns. In 1978, the Supreme Court recognized a corporation's right to spend its funds on issue speech, including ballot initiatives, in *First National Bank of Boston v. Bellotti*.⁹⁶ In 2010 in *Citizens United*, the court recognized the right of a corporation to spend its funds independently in candidate elections.⁹⁷

There are two distinct types of corporations to consider:

For-profit corporations include publicly and privately owned companies and limited liability companies.

Nonprofit corporations operate under Section 501(c) of the federal tax law. They are the source of the dark money in politics, particularly social welfare organizations, which are organized under Section 501(c)(4). Charities, nonprofit corporations operating under Section 501(c)(3) of the federal tax law, are already barred by law from spending in politics.⁹⁸

A state that wants to rid its politics of corporate and dark money spending can amend its corporation code to no longer extend to its for-profit and nonprofit corporations the power to spend in candidate elections or ballot issues.⁹⁹

There are various ways to achieve this end. States grant corporations their

powers in very broad strokes. For example, Virginia grants its corporations “the same powers as an individual to do all things necessary or convenient to carry out its business and affairs.”

The goal would be to convert that set of powers into one that includes every necessary power except the power to spend in politics. However, this must be done carefully, and here’s why:

If a measure attempted to list every possible corporate power, omitting just political spending powers, it would almost certainly miss something. The contents of that list would be a flash point and would complicate the legislation’s passage.

If the measure were structured as a general grant of powers with an exception (for example: “Corporations are granted all powers except the power to spend in candidate elections or ballot issues”), an activist court could take the exception as an opportunity to use its eraser and delete it.

To show how the Corporate Power Reset would work in practice, this report sketches the legislative approach rather than prescribing exact bill text. The key is to define corporate powers affirmatively and narrowly, instead of granting “all lawful powers” with carve-outs. Legislative language constructed in this way could work in any state. (The full in-practice text of The Montana Plan appears later in this report.)

Legislative language constructed in a way that grants powers using only positive terms may be the best approach:

Section 1. Definitions. As used in this section, the following terms have the following meanings:

(a) **Election activity:** Paying or contributing in order to directly or indirectly aid, promote, or prevent the nomination or election of any person, or to directly or indirectly aid or promote the interests, success, or defeat of any political party or organization.¹⁰⁰

(b) **Ballot-issue activity:** Paying or contributing in order to directly or indirectly aid, promote, or prevent the passage of a ballot question or initiative.

(c) **Corporate powers:** Every power—other than those described in Sections 1(a) and 1(b)—held by an individual to do all things necessary or convenient to carry out its business and affairs.

Section 2. Revocation and grant of corporate powers.

(a) Effective immediately, all powers, privileges, and capacities previously granted to corporations under the laws of this state are revoked in their entirety. No corporation operating under the jurisdiction of this state shall possess any power, privilege, or capacity unless specifically granted by subsequent provisions of this statute.

(b) Every corporation has perpetual duration and succession in its corporate name and has the corporate powers contained in paragraph (c) of Section 1, unless its articles of incorporation expressly restrict the exercise of such powers, and no powers beyond those expressly granted. Nothing in this statute grants or recognizes any power to engage in election activity or ballot-issue activity.

Section 3. Severability, nonrevival, and priority.

(a) **Severability.** If any provision of this statute, or its application to any person or circumstance, is held invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the remaining provisions or applications of this statute, which shall remain in full force and effect independently of the invalidated provision or application.

(b) **Nonrevival.** In the event of such invalidity or unconstitutionality, no previous law or code section granting corporate powers shall be revived or reinstated without an explicit enactment by the appropriate

authority.¹⁰¹ The people decline to revert to any broader grant of corporate powers that may have existed before this statute.

(c) **Priority.** If a court invalidates any portion of this statute concerning the nongrant of powers described in Sections 1(a) or 1(b), the remaining provisions shall continue to operate, and no corporation shall thereby acquire any power to engage in election activity or ballot-issue activity. It is preferred that corporations hold no powers at all rather than be vested with powers for election activity or ballot-issue activity.

Limited exceptions must be made for media entities to allow for normal news reporting and opinion by news corporations and for political committees, which are often incorporated to gain limited liability protections, but which should be able to spend in politics because that is their only purpose.

Why this approach to undoing *Citizens United* works

Even if a court did not like the policy that resulted from this recommended legislation, its options are severely limited, if not curtailed altogether. And without a judicial remedy, the court has no jurisdiction.

This section explains why courts cannot rewrite power-granting statutes, cannot restore revoked powers, and cannot create remedies where none exist.

Courts ordinarily do not strike down legislative definitions unless they are unconstitutional, hopelessly vague, or conflict irreconcilably with other statutory provisions.¹⁰² The Supreme Court has recognized “the respect we normally owe to the Legislature’s power to define the terms that it uses in legislation.”¹⁰³ The statutory definitions outlined in Section 1 are purely descriptive; they impose no direct legal consequences. They are clear, consistent, and lawful, and they represent a legitimate exercise of the legislature’s prerogative to define terms within its enactments.

When a court moves to invalidate a law, it looks to the provisions that act, not those that describe—the verbs, not the nouns. But in this case, Section 2's revocation and regrant of corporate powers are legislative verbs a court may not be able to alter. There is nothing a court can do to these sections that would yield more powers being granted to the affected corporations.

Section 2(a)'s revocation of corporate powers is protected by an unbroken string of Supreme Court precedent dating back to 1819's *Trustees of Dartmouth College v. Woodward*.¹⁰⁴ The state possesses unquestioned power to revoke the privileges of its corporations, as corporate existence is a privilege bestowed by the state, not a natural right.¹⁰⁵

Section 2(b)'s regrant of corporate powers is protected by the courts' lack of authority to rewrite statutes. "We will not rewrite a law to conform it to constitutional requirements, for doing so would constitute a serious invasion of the legislative domain," the Supreme Court held in 2010 in *U.S. v. Stevens*.¹⁰⁶

A court cannot strike down either the grant of power in Section 2(b) or the entire law on the grounds that they do not provide a legally sufficient number of powers to the state's corporations because neither action would remedy the asserted harm. Striking the law would not restore the previous status quo; the section of state law that granted corporations their powers would simply cease to exist. This would leave domestic and out-of-state corporations without any powers whatsoever, failing to remedy the alleged harm and almost certainly making it worse.

The severability clause in Section 3 ("Severability, nonrevival, and priority") prevents a court from striking the whole of Section 2. A court cannot strike the paragraph rescinding all corporate powers out of disagreement with the paragraph that follows, because a state is undeniably within its authority to no longer grant its corporations any powers.

Section 3's nonrevival clause prevents a court from restoring a previous

version of the statute's power-granting provisions if part of the law is invalidated. This ensures that there is no remedial path to a broader set of corporate powers under preexisting law, foreclosing any easy judicial reversion to a status quo ante. The priority clause makes clear to a reviewing court what the legislature's aim is in passing this statute.

Because courts have no authority to strike, rewrite, otherwise alter, or restore previous versions of those provisions to address the alleged harm of insufficient corporate powers, they cannot provide an adequate remedy. Federal courts require redressability—"a likelihood that the requested relief will redress the alleged injury"—as part of the constitutional standing doctrine; without a viable remedy, courts do not have jurisdiction to proceed, no matter how much they may disagree with the outcome.¹⁰⁷

The lack of judicial remedies vividly illustrates the fundamental legal differences between people and corporations in this context—and between subtractive regulations of rights and additive grants of power.

Both corporations and natural persons can challenge laws that regulate rights, and when a court invalidates such an enactment, the rights of those affected are restored. But when a court moves to strike a law that involves a natural person, that law will necessarily be one that acts to regulate the person's rights, never one that grants powers, as government does not grant people their powers—it derives its powers from them. And a court can always restore the status quo by striking an offending restriction.

However, unlike natural persons, corporations spring to life only through legislative grants of powers; there is no natural law of corporations. (Metaphysically speaking, God doesn't give corporations the power to spend in elections—states do.) If a court found a state's grant of corporate power to be insufficient and invalidated it, the insufficiency would not be remedied—it would be exacerbated. Without a statute to grant them powers, the state's corporations would become utterly powerless.

In short, the usual judicial mechanisms that work to restore regulated rights in the realm of campaign finance law do not apply here. Because these provisions involve granting powers rather than regulating rights, striking them down does not restore a preexisting status quo. This starkly contrasts with the familiar scenario in which invalidating a restrictive law immediately restores the freedom it curtailed. Because the sole source of corporate powers is the state corporation law, the judiciary cannot simply remove an inadequate power-granting provision to remedy a perceived problem. The very nature of corporate existence as a legislative creation deprives courts of the remedial leverage they typically enjoy.

Enforcement: the *ultra vires* doctrine reemerges

If a state revokes the power of its corporations to spend in politics, those corporations cannot lawfully do so. And if they try, the enforcement mechanism to stop them already exists: the *ultra vires* doctrine—long dormant, but still quite alive.

If a corporation took actions beyond the powers granted to it by the state, it would not be committing an illegal act, but it would trigger what is known as *ultra vires* provisions in state laws. The term is Latin for “beyond the powers,” and ever since the dawn of general corporate charters, these provisions have sat dormant—but still valid—in most state corporation statutes.

As University of Pennsylvania law professor Elizabeth Pollman writes:

Under the *ultra vires* doctrine all corporate acts not authorized by a corporation’s charter were null and void. Shareholders were empowered to sue to enjoin any actions “beyond the powers” enumerated in the corporate charter. Further, states brought *quo warranto* actions against corporations for exercising unauthorized powers or failing to undertake the business for which they were chartered. As Herbert Hovenkamp explained, “this notion of corporate obligation rested on the premise that the proprietor of the corporation had been given a set of rights to

something that was in the public interest but which one could not do without the state's permission." Although *quo warranto* actions could only be brought by the states, they had a powerful impact because they could result in the dissolution of the corporation.¹⁰⁸

When a corporation commits an *ultra vires* act, it puts its directors, officers, and even the corporation's very existence at risk. For example, directors or officers who authorize *ultra vires* transactions might be personally liable if shareholders or the state attorney general bring suit, and the state could seek dissolution or other penalties. Shareholders may also bring a derivative action to enjoin or rescind such acts.

Before general corporate charters took hold, *ultra vires* actions were those that were beyond a corporation's powers, but not illegal. These provisions have sat dormant because once corporations were given the power to do everything legal, there was no distance between the limits of their powers and the limits of the law. Anything a corporation did beyond its powers was also against the law, so criminal law handled the matter.

But when they were used, *ultra vires* provisions had real bite. In 1890, in *People v. North River Sugar Refining Co.*,¹⁰⁹ a corporation's charter was revoked for transcending its powers by joining a monopolistic trust; similarly, in 1892, in *State v. Standard Oil Co.*,¹¹⁰ Ohio dissolved Standard Oil's charter for abusing its privileges to restrain trade.

The Supreme Court has never invalidated a state's decision to treat a corporate act as *ultra vires*; on every occasion it has addressed the issue, the court has underscored that corporations have only those powers their state charters confer, and acts beyond those powers are void. States have full authority to withdraw or forfeit a corporation's charter—through *quo warranto*, dissolution, or other lawful proceedings—whenever the corporation exceeds the powers the state has granted it.¹¹¹

Why legislating corporation law is profoundly

different from legislating campaign finance law

Courts frequently overturn campaign finance laws because they typically regulate speech rights that corporations or individuals already possess. In that context, striking a ban, a spending limit, or a disclosure obligation simply leaves a corporation (or a person) free to exercise its preexisting constitutional right.

But a state's decision to not grant a particular power to its corporations is an entirely different matter. "[A]lthough the First Amendment protects speech the corporation is empowered to make," writes Buccola, "It has nothing to say about speech that is *ultra vires*."¹¹²

To defeat this approach, a court would have to uproot doctrines that have been bedrock corporate law for nearly two centuries.

First, a court would have to shatter the rule of *Dartmouth College*, the iconic 1819 decision that established that corporations are "artificial beings" with only those properties that their charters confer.¹¹³ While *Dartmouth College* itself emphasized that states could not breach an existing charter without reserving that right, almost every state quickly incorporated reservation clauses precisely so they could revise corporate powers in the future.¹¹⁴ To overturn the type of law proposed above, a court would have to question whether states really do possess the authority to define the corporate form, even though that principle has stood unchallenged for generations.

Second, the court would need to dilute or discard the long-held principle that a state may revise or revoke corporate privileges at will once it has reserved that authority in its laws. Cases stretching back to the 1800s confirm that legislatures can withdraw corporate powers "whatever may be the motive,"¹¹⁵ and courts have repeatedly recognized that corporations exist subject to ongoing legislative oversight.

Third, the court would have to apply strict or heightened scrutiny to the

state's decision to grant or withhold powers—something courts have never done. Legislatures' decisions about which powers to grant corporations have always been reviewed, if at all, under an extremely deferential standard—often termed the “reserved powers doctrine.” Under that doctrine, legislatures may amend, revoke, or withhold a corporation's privileges at will, so long as they have reserved the right to do so. Even where a corporation claimed that its property or contractual interests were impaired, courts have historically asked only whether the legislature acted within its reserved authority, not whether it passed a “compelling interest” test or narrowly tailored its decision. This standard is less demanding than even rational-basis review in many respects, giving states exceptionally broad latitude. A decision requiring states to grant corporations full human-like powers in the realm of politics would mark a drastic departure from the notion that corporations are pure creatures of law.

Finally, to revive preexisting corporate law or restore “lost” corporate powers that the statute has revoked, a court would have to breach the separation of powers principle it typically follows. Under *U.S. v. Stevens*, courts cannot “rewrite” a law; they can only strike it.¹¹⁶ Here, the concept of returning to the prior corporate regime conflicts with Section 3(b)'s prohibition on automatic revival. A judge ignoring that clause would effectively be legislating from the bench. That level of judicial lawmaking is highly unusual even in contentious First Amendment cases.

In short, flipping conventional campaign finance legislation often requires only a standard First Amendment analysis—courts can simply strike a law and restore the prior rule, leaving individuals or corporations free to do what they were always entitled to do. But to strike down a state's decision to not grant a power to corporations, courts would need to unmake a vast expanse of settled precedent establishing that corporations have only the powers bestowed by state law.

This sea change would reverberate far beyond elections, thrusting

fundamental corporate governance doctrines into uncertainty. It is one thing for a court to say, "You cannot place a limit on corporate speech," and quite another to say, "You must endow corporations with political powers they do not possess." The latter would uproot more than a century of foundational corporate jurisprudence—an especially heavy lift even for courts that have been friendly to corporate speech rights.

Case study: The Montana Plan

Local activists in Montana are pursuing the Corporate Power Reset approach and are working to place a ballot initiative on the state's 2026 ballot. The group organizing the effort, the Transparent Election Initiative (TEI),¹¹⁷ opted to move to amend the state's constitution and tailored the language to meet Montana's specific requirements. TEI filed with the Montana Secretary of State's office on August 1, 2025; an annotated version is also available.¹¹⁸ The Montana secretary of state referred this updated version to the state attorney general's office on September 8, 2025:

BALLOT STATEMENT

CI ____ would add a new section to Article XIII of the Montana Constitution to define the powers of artificial persons, including corporations, as only those the constitution expressly grants and provide that artificial persons have no power to spend money or anything of value on elections or ballot issues. The initiative affirms that the people of Montana did not intend for artificial persons to have the power to spend on elections or ballot issues. CI ____ provides that actions beyond those expressly granted powers are void. The initiative provides that political committees may be granted the power to spend on elections and ballot issues. It allows enforcement through forfeiture of state-conferred privileges. The initiative includes a severability clause that ensures that valid portions of the initiative remain effective if other parts are invalidated.

THE COMPLETE TEXT OF CONSTITUTIONAL INITIATIVE NO. *** (CI-***)

BE IT ENACTED BY THE PEOPLE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Article XIII of The Constitution of the State of Montana is amended by adding a new section 8 that reads:

Section 8. Powers of artificial person. (1) An artificial person exists only by grant of the state and may not have powers or privileges except those this constitution expressly provides.

(2) (a) The legislature may by statute create an artificial person consistent with subsection (1).

(b) The people never did, and do not, intend the powers of an artificial person to include election activity or ballot issue activity. This section revokes all powers granted to an artificial person and regrants only those powers that the people consider necessary or convenient to carry out an artificial person's lawful business or charitable purposes as described in subsection (6)(b). Powers related to election activity or ballot issue activity may not be considered necessary or convenient to those purposes under any circumstances.

(3) (a) The creation and continued existence of an artificial person is not a right but a conditional grant of legal status by the state and remains subject to complete withdrawal at any time. All powers previously granted to an artificial person under Montana law are revoked in their entirety. An artificial person operating under the jurisdiction of this state may not possess any power unless specifically granted by this constitution. A power revoked by this subsection (3)(a) may not be revived except by a constitutional provision that expressly reauthorizes that power in clear and specific terms.

(b) Nothing in subsection (3)(a) may be construed to invalidate, impair,

or modify any existing contract, debt instrument, security, or other legal obligation validly entered into before January 1, 2027, provided, however, that nothing herein authorizes election activity or ballot issue activity after January 1, 2027. Nothing in subsection (3)(a) may be construed to impair the continued existence or legal personhood of an artificial person, or to affect its ability to initiate, defend, or participate in legal actions or to maintain or remain eligible for licenses, permits, or approvals previously granted under state or federal law.

(4) (a) An artificial person possesses the powers defined in subsection (6)(b), unless its organizational documents limit the exercise of these powers, and does not possess powers beyond those expressly granted by the constitution. The constitution does not grant or recognize any power of an artificial person to engage in election activity or ballot issue activity, except as provided in subsection (4)(c). The regrant of powers under this subsection (4)(a) takes legal effect simultaneously with the revocation described in subsection (3)(a).

(b) Any language in the articles of incorporation, articles of organization, articles of association, or other organizational documents purporting to directly or indirectly confer election activity authority or ballot issue activity authority to an artificial person is void.

(c) Political committees registered under Montana law or federal law are entities created for the purpose of engaging in election activity and ballot issue activity. Political committees may be granted the power to engage in those activities provided they exist solely for that purpose and claim no charter privilege other than limited liability. This constitution does not grant any other artificial person the power to engage in election activity or ballot issue activity.

(d) A charter privilege may not be construed to authorize election activity or ballot issue activity. An artificial person that exercises election activity authority or ballot issue activity authority, unless expressly permitted

to do so under subsection (4)(c), initially forfeits all charter privileges as a matter of law. The legislature shall, during its first regular session following January 1, 2027, enact procedures that allow reinstatement on full disgorgement, certification of future compliance, and any additional conditions it considers appropriate.

(5) Any election activity or ballot issue activity conducted by an artificial person that is not a political committee is ultra vires and void and results in the forfeiture of charter privileges as provided in subsection (4)(d). An artificial person that conducts election activity or ballot issue activity is also subject to civil action by a member, shareholder, or the attorney general for injunctive relief, disgorgement, and confirmation or enforcement of the forfeiture. The legislature shall, during its first regular session following January 1, 2027, enact procedures to enforce this subsection.

(6) As used in this section, unless the context requires otherwise, the following definitions apply:

(a) "Artificial person" means an entity whose existence or limited liability shield is conferred by Montana law, including, without limitation:

(i) business corporations;

(ii) nonprofit corporations, such as public-benefit, mutual-benefit, and religious organizations;

(iii) limited liability companies;

(iv) unincorporated associations, limited liability partnerships, statutory trusts, professional corporations, cooperatives, and any successor form; and

(v) foreign entities that are authorized to transact business, are otherwise transacting business, or hold property in Montana. A foreign entity that directly or indirectly undertakes, finances, or directs election activity or ballot issue activity in the state of Montana is conclusively considered to be

transacting business in this state.

(b) "Artificial person powers" means powers necessary or convenient to carry out lawful business or charitable purposes, as the legislature may provide, excluding any power to directly or indirectly engage in election activity or ballot issue activity.

(c) (i) "Ballot issue activity" means paying, contributing, or expending money or anything of value to support or oppose a ballot issue or initiative.

(ii) The term does not include any bona fide news story, commentary, or editorial distributed through the facilities of a broadcasting station or of any print, online, or digital newspaper, magazine, blog, or other periodical publication, unless the broadcasting, print, online, or digital facility is owned or controlled by a political party, a political committee, or a candidate.

(d) "Charter privilege" means any benefit to an artificial person that exists only because the state of Montana confers it, such as, without limitation, limited liability, perpetual duration, succession in its corporate name, and tax credits and abatements.

(e) (i) "Election activity" means paying, contributing, or expending money or anything of value to support or oppose a candidate, a political party, or a political committee.

(ii) The term does not include any bona fide news story, commentary, or editorial distributed through the facilities of a broadcasting station or of any print, online, or digital newspaper, magazine, blog, or other periodical publication, unless the broadcasting, print, online, or digital facility is owned or controlled by a political party, a political committee, or a candidate.

(f) "Foreign entity" means an artificial person that is organized or exists under the laws of a jurisdiction other than the state of Montana.

NEW SECTION. Section 2 Severability. If any provision of [this act], or its

application to any person or circumstance, is invalid, the remaining provisions and applications that are severable remain in effect. In such event, no prior grant of corporate powers may be revived or reinstated, nor shall any court construe [this act] to authorize broader powers than are expressly conferred in [this act].

NEW SECTION. Section 3 Effective date. If approved by the electorate, [this act] is effective January 1, 2027.

The political climate favors undoing *Citizens United*

A move to eliminate corporate and dark money from politics is not just legally sound, it is politically potent. Americans, across party lines, want corporate and dark money out of politics. The courts may have embraced *Citizens United*, but the people never did. Corporate political spending and dark money in politics are wildly unpopular among Americans:

A poll conducted over five years (2015–2020) by the University of Maryland’s Program for Public Consultation found that 75 percent of Americans—66 percent of Republicans and 85 percent of Democrats—support passing a constitutional amendment “that would allow governments greater freedom to regulate campaign financing and to restrict corporations more than individuals, thus overturning the *Citizens United*”¹¹⁹

A September 2024 poll conducted by Issue One found that 71 percent of Americans (and 73 percent of registered voters) want campaign finance reform that would “make campaigns more transparent and to limit opportunities for corruption and politicians being ‘bought’ by rich donors, interest groups, or corporations.”¹²⁰

A 2023 poll from the Pew Research Center shows that 71 percent of Republicans and 76 percent of Democrats favor limits on the amount of money individuals and organizations can spend on a political campaign.¹²¹ In three surveys conducted in 2017, 84 percent of Republicans, 92 percent

of Democrats, and 86 percent of independents said that it was important or very important to reduce the influence of big campaign donors, including special interests, corporations, and wealthy people.¹²²

Public Citizen reports that as of August 2024, 842 local governments, 22 states, and Washington, D.C., have called for a constitutional amendment to overturn *Citizens United*.¹²³ A state statutory change, which is a much lighter lift than a federal constitutional amendment, would likely enjoy even higher levels of support.

State competition for charters

Some may worry that states adopting this approach will lose corporations to friendlier jurisdictions. But charter migration is rare, difficult—and in the case of political spending—ineffective for four reasons:

Such a change is not simple. The corporation may need to dissolve itself in its current state and reincorporate in the new state. It may then have to transfer existing contracts, licenses, permits, and other legal documents to the new entity. This can be a detailed, time-consuming, and expensive process.¹²⁴

Most states have already lost this battle. Delaware is far and away the national leader in corporate registrations. It is the corporate home to 341 of the Fortune 500—68.2 percent.¹²⁵

The financial impact of losing nonprofit corporate registrations is minimal, as they pay no taxes. For example, California charges \$30 to register a new nonprofit corporation¹²⁶ and only collects \$20 every two years after that.¹²⁷ Most of all, a corporation that seeks to spend in the politics of a state that passes such a measure would gain no relief by changing its state of incorporation, as it would then be a foreign corporation to its previous home state and equally barred from spending in its politics.

It is unclear that corporations are even all that keen on participating in politics in the first place, according to University of Pennsylvania law

professor Jill E. Fisch and University of Utah law professor Jeff Schwartz: “We surmise that corporations themselves are ambivalent about taking policy positions but are caught in a feedback loop in which customers, employees, and investors demand political involvement. Corporations thus engage in response to competitive pressure, which normalizes the conduct and leads to escalating expectations for further engagement.”¹²⁸

Conclusion

The Supreme Court acted so decisively in *Citizens United* to shred campaign finance regulations on corporate spending—and has stuck to the decision so firmly since¹²⁹—that there has been good reason to believe that lawmakers and citizens are powerless to protect elections from corporate money and dark money.

But a step taken long ago to retain the ability to rewrite their corporations’ DNA offers a way forward. As former Supreme Court Justice Byron White put it, “The State need not permit its own creation to consume it.”¹³⁰

Americans from across the political spectrum overwhelmingly oppose *Citizens United* and would dearly like to rid the U.S. political system of corporate and dark money. Voters and the state legislators they elect have the power to do it.

Endnotes

1. *Citizens United v. Federal Election Commission*, 558 U.S. 310 (January 21, 2010), available at <https://www.oyez.org/cases/2008/08-205>.
2. This report originated from an independent inquiry into how state corporate law might provide a legislative path to undo *Citizens United*. After developing the core theory, the author encountered several especially brightly illuminating works, notably by Joseph K. Leahy, Vincent S.J. Buccola, and David B. Simpson. These authors powerfully articulated key components of the legal framework—especially the

distinction between powers and rights and the historical tradition of state-defined corporate limitations—even as their work stopped short of proposing the concrete legislative mechanism outlined here. See Joseph K. Leahy, “The Ultra Vires Solution to *Citizens United*,” Presentation at the National Business Law Scholars Conference, June 4, 2015, available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802147; Vincent S.J. Buccola, “States’ Rights Against Corporate Rights,” *Columbia Business Law Review* 595 (2017), available at <https://www.ssrn.com/abstract=2781514>; David B. Simpson, “Does Federalism Provide a Means to Circumvent *Citizens United*?”, *U.C. Davis Bus. L.J.* 20 (Spring 2020): 253.

3. Buccola, “States’ Rights Against Corporate Rights,” p. 623; see also Glinda, the Good Witch of the North, *The Wizard of Oz* (1939) (“You’ve always had the power, my dear. You just had to learn it for yourself”).
4. See Transparent Election Initiative, “The Montana Plan,” available at <https://transparentelection.org/> (last accessed September 2025).
5. UCLA law professor Adam Winkler’s book *We the Corporations* provides an exhaustive yet gripping look at the history of the political rights of corporations. See Adam Winkler, *We the Corporations* (New York: Liveright, 2018). For a quick corporate political rights timeline, see Tom Moore and Alexandra Thornton, “*Citizens United* Gave Corporations, But Not Their Boards, the Authority To Spend in Candidate Elections” (Washington: Center for American Progress, 2024), available at <https://www.americanprogress.org/article/citizens-united-gave-corporations-but-not-their-boards-the-authority-to-spend-in-candidate-elections/>, particularly the section entitled “Background on the political rights of corporations.”
6. Open Secrets, “Outside Spending,” available at <https://www.opensecrets.org/outside-spending/summary> (last accessed September 2025).
7. Campaign Legal Center, “How Does the *Citizens United* Decision Still Affect Us in 2025?”, January 21, 2025, available at

<https://campaignlegal.org/update/how-does-citizens-united-decision-still-affect-us-2025>.

8. *First National Bank of Boston v. Bellotti*, 435 U.S. 765, 809 (1978), available at <https://supreme.justia.com/cases/federal/us/435/765/#tab-opinion-1952583>.
9. See, e.g., Michael J. Phillips, "Reappraising the Real Entity Theory of the Corporation," *Florida State University Law Review* 21 (4) (1994): 1061–1102, available at <https://ir.law.fsu.edu/cgi/viewcontent.cgi?article=1548&context=lr>.
10. Lyman Johnson, "Law and Legal Theory in the History of Corporate Responsibility: Corporate Personhood," *Seattle University Law Review* 35 (2012): 1135, 1148, available at <https://digitalcommons.law.seattleu.edu/sulr/vol35/iss4/7/>. "The 'artificial being' and 'mere creatures of law' language from the 1819 decision in *Dartmouth College* has never been renounced."
11. *Trustees of Dartmouth College v. Woodward*, 17 U.S. (4 Wheat.) 518, 636–637 (1819), available at <https://supreme.justia.com/cases/federal/us/17/518/>.
12. *Citizens United*, 558 U.S. at 386.
13. *Charles River Bridge v. Warren Bridge*, 36 U.S. (11 Pet.) 420, 544 (1837), available at https://scholar.google.com/scholar_case?case=8452832838576510185&q=Charles+River+Bridge+v.+Warren+Bridge&hl=en&as_sdt=20000006, quoting 2 Barn. & Adol. 793 (22 Eng. Common Law, 185).
14. *Bellotti*, 435 U.S. at 809.
15. *Ibid.* at 788–89, note 26.
16. *Citizens United*, 558 U.S. at 357.
17. *Buckley v. Valeo*, 424 U.S. 1, 53 (January 30, 1976), available at <https://www.oyez.org/cases/1975/75-436>.
18. For a discussion of the limits of and problems with the court's theory, see Ellen L. Weintraub, "Taking On Citizens United," *The New York Times*, March 30, 2016, available at

<https://www.nytimes.com/2016/03/30/opinion/taking-n-citizens-united.html>; Jonathan R. Macey and Leo E. Strine Jr., "Citizens United as Bad Corporate Law," *Harvard Law School John M. Olin Discussion Paper Series* 972 (2018): 5, available at http://www.law.harvard.edu/programs/olin_center/papers/972_Strine.php.

19. 26 U.S.C. § 501(c)(4).
20. See *Buckley*, 424 U.S. at 79.
21. Buccola, "States' Rights Against Corporate Rights," p. 598.
22. Code of Virginia, Virginia Nonstock Corporation Act § 13.1-826(A). Virginia grants stock corporations the same powers, see Code of Virginia, Virginia Stock Corporation Act § 13.1-627(A), available at <https://law.lis.virginia.gov/vacode/title13.1/chapter10/>.
23. National Archives, "Declaration of Independence: A Transcription," available at <https://www.archives.gov/founding-docs/declaration-transcript> (last accessed September 2025). The founders drew upon John Locke's work, which emphasized humans' inherent freedoms and rights. See John Locke, *The Two Treatises of Government, Second Treatise on Government*, Chapter 2, Sect. 4 (1689). "[A]ll men are naturally in... a state of perfect freedom to order their actions, and dispose of their possessions and persons, as they think fit, within the bounds of the law of nature, without asking leave, or depending upon the will of any other man."
24. See, e.g., Macey and Strine, "Citizens United as Bad Corporate Law," p. 881. "In fact, corporations had the opposite relationship to society as human beings in the Lockean-Jeffersonian sense, in that rather than possessing inalienable rights that society could not take away, corporations had only such rights as society explicitly gave them."
25. *Citizens United*, 558 U.S. at 319.
26. *Citizens United*, 558 U.S. at 389 n.5 (Scalia, J., concurring, joined by Alito; Thomas in part).
27. A handful of federally chartered corporations do exist, but these are

large public entities such as the Corporation for Public Broadcasting, Amtrak, and the Federal Deposit Insurance Corporation, and they are outside the bounds of this report. See Wikipedia, "Corporations Chartered by the United States Congress," available at https://en.wikipedia.org/wiki/Category:Corporations_chartered_by_the_United_States_Congress (last accessed September 2025).

28. *Burks v. Lasker*, 441 U.S. 471, 478, 99 S. Ct. 1831, 1837 (1979) available at https://scholar.google.com/scholar_case?case=225806612322868099, citing *Cort v. Ash*, 422 U.S. 66, 84 (1975) ("Corporations are creatures of state law"), available at https://scholar.google.com/scholar_case?case=14103697533263450234.
29. *Burwell v. Hobby Lobby Stores, Inc.*, 573 U.S. 682, 719 (2014), available at https://scholar.google.com/scholar_case?case=13281614894426393848.
30. See, e.g., Delaware General Corporation Law § 102(a)(3). This language is typical, though as Buccola notes, "The precise formulation varies. See, e.g., MODEL BUS. CORP. ACT § 3.01 (AM. BAR ASS'N 2010) (ascribing to the corporation the purpose of conducting 'any lawful business'); MODEL BUS. CORP. ACT § 3.02 (AM. BAR ASS'N 2010) (granting the corporation 'the same powers as an individual to do all things necessary and convenient' to its purpose)." Buccola, "States' Rights Against Corporate Rights," p. 12.
31. Elizabeth Pollman, "Reconceiving Corporate Personhood," *Utah Law Review* 1629 (2011), available at https://scholarship.law.upenn.edu/faculty_scholarship/2563.
32. Leo E. Strine, Jr. and Nicholas Walter, "Originalist or Original: The Difficulties of Reconciling *Citizens United* with Corporate Law History," *Notre Dame Law Review* 91 (2015-2016): 877, 880, available at <https://scholarship.law.nd.edu/cgi/viewcontent.cgi?article=4640&context=ndlr>. See also Richard A. Epstein, "Foreword: Unconstitutional Conditions, State Power, and the Limits of Consent,"

Harvard Law Review 102 (1988): 4, 29, available at https://chicagounbound.uchicago.edu/journal_articles/1205/.

33. Simpson, "Does Federalism Provide a Means to Circumvent *Citizens United*?", p. 259.
34. John C. Coates IV, "Corporate Speech & the First Amendment: History, Data, and Implications" (2015), available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2566785.
35. Elizabeth Pollman, "Reconceiving Corporate Personhood."
36. The competition to issue corporate charters represented real money in the 1800s, before the modern system of income taxation. "[C]harter fees and dividends from state owned banks accounted for more than 30 percent of state revenue in Pennsylvania" in the 1830s. Molly Cohn, "The Political Economy of Corporate Charters," (Fairfax, VA: Mercatus Center at George Mason University, 2010), available at <https://www.mercatus.org/research/working-papers/political-economy-corporate-charters>.
37. Epstein, "Foreword: Unconstitutional Conditions, State Power, and the Limits of Consent," p. 29.
38. Lyman Johnson, "Law and Legal Theory in the History of Corporate Responsibility: Corporate Personhood."
39. Buccola, "States' Rights Against Corporate Rights," p. 604.
40. Strine and Walter, p. 881.
41. Lyman Johnson, "Law and Legal Theory in the History of Corporate Responsibility: Corporate Personhood."
42. *Hobby Lobby*, 573 U.S. at 683.
43. *Ibid.* at 684.
44. *Ibid.* at 714.
45. Subchapter II of Title 8 of the Delaware General Corporation Law is entitled "Powers." Section 127 in that subchapter provides specific "powers and duties" to Delaware corporations that are private foundations under federal tax law. It requires them to "act or to refrain from acting so as not to subject [themselves] to the taxes imposed by ...

[26 U.S.C.] § 4945 (relating to taxable expenditures)." Among the expenditures defined as taxable in § 4945, in section (d)(2), is: "to influence the outcome of any specific public election." The Delaware Code Online, "Title 8: Corporations," <https://delcode.delaware.gov/title8/c001/sc02/index.html> (last accessed September 2025).

46. Justia U.S. Law, "2024 Florida Statutes: Title XXXVI, Chapter 607, Part I, 607.0102," available at <https://law.justia.com/codes/florida/title-xxxvi/chapter-607/part-i/section-607-0102/> (last accessed September 2025).
47. *Trustees of Dartmouth College*, 17 U.S. (4 Wheat.) 518.
48. *Ibid.*
49. *Spring Valley Water Works v. Schottler*, 110 U.S. 347, 370 (1884) (dissenting opinion of Justice David D. Field) (writing that the states acted quickly on Story's suggestion, "and few charters were subsequently granted without a clause reserving to the legislature the power to alter or repeal them"), available at https://scholar.google.com/scholar_case?case=12642855440681029909.
50. Justia Law, "2024 Florida Statutes: Title XXXVI, Chapter 607, Part I, 607.0301."
51. Notably, voters in many states also have the authority to amend or repeal provisions in the corporation statute through the ballot initiative process. The Supreme Court established in *Pacific States Telephone & Telegraph Co. v. Oregon* that citizens have the power to act as legislators through ballot initiatives. See *Pacific States Telephone & Telegraph Co. v. Oregon*, 223 U.S. 118 (1912), available at https://scholar.google.com/scholar_case?case=16351559639154476313.
52. *Hamilton Gaslight & Coke Co. v. City of Hamilton*, 146 U.S. 258, 270 (1892), available at https://scholar.google.com/scholar_case?case=8765032962191885994.

53. Ibid.
54. *Greenwood v. Freight Co.*, 105 U.S. 13, 17 (1882), available at https://scholar.google.com/scholar_case?case=92508936262177156.
55. *Hamilton Gaslight & Coke Co.*, 146 U.S. 258.
56. *Looker v. Maynard*, 179 U.S. 46 (1900), available at https://scholar.google.com/scholar_case?case=301144411695421540.
57. *Polk v. Mutual Reserve Fund Life Association*, 207 U.S. 310 (1907), available at https://scholar.google.com/scholar_case?case=17930639145229822255.
58. *Sutton v. New Jersey*, 244 U.S. 258 (1917), available at https://scholar.google.com/scholar_case?case=11065825078893090295.
59. See Tex. Const. art. XVI, §16 (1876).
60. See Acts of the 137th Legislature of New Jersey (1913), ch. 12–18 (collectively called the “Seven Sisters”).
61. *A.P. Smith Mfg. Co. v. Barlow*, 13 N.J. 145 (1953), available at https://scholar.google.com/scholar_case?case=3004854208996553743.
62. Simpson, “Does Federalism Provide a Means to Circumvent *Citizens United?*”, p. 259.
63. *Charles River Bridge*, 36 U.S. (11 Pet.) at 547–548.
64. Ibid. at 548.
65. *Wilmington C. R. Co. v. Wilmington & B. S. R. Co.*, 8 Del. Ch. 468, 499 (1900), available at <https://case-law.vlex.com/vid/wilmington-city-railway-co-897318959>.
66. Every state except California, Delaware, Kansas, and Nevada already has such a provision; nothing bars a state from adding such a provision to its laws.
67. “A certificate of authority does not authorize a foreign corporation to engage in any business or exercise any power that a corporation may not engage in or exercise in this state.” Justia Law, “Florida Statutes: Title XXXVI, Chapter 607, Part I, 607.15015(3).”

68. Delaware Division of Corporations, "Annual Report Statistics," available at <https://corp.delaware.gov/stats/> (last accessed September 2025).
69. If every state but Delaware were to adopt this approach, Delaware-chartered corporations would only be able to spend in Delaware's politics (and there are only so many races to spend on in Delaware). And at a certain point, Delaware citizens may well ask why theirs are the only elections in the country where corporations are allowed to muck around.
70. *Paul v. Virginia*, 75 U.S. (8 Wall.) 168, 181 (1869), available at https://scholar.google.com/scholar_case?case=2483743883822209778 ("The corporation being the mere creation of local law, can have no legal existence beyond the limits of the sovereignty where created. As said by this court in *Bank of Augusta v. Earle*, 'It must dwell in the place of its creation, and cannot migrate to another sovereignty. The recognition of its existence even by other States, and the enforcement of its contracts made therein, depend purely upon the comity of those States — a comity which is never extended where the existence of the corporation or the exercise of its powers are prejudicial to their interests or repugnant to their policy. Having no absolute right of recognition in other States, but depending for such recognition and the enforcement of its contracts upon their assent, it follows, as a matter of course, that such assent may be granted upon such terms and conditions as those States may think proper to impose. They may exclude the foreign corporation entirely; they may restrict its business to particular localities, or they may exact such security for the performance of its contracts with their citizens as in their judgment will best promote the public interest. The whole matter rests in their discretion.'"). *Paul's* holding regarding whether insurance is interstate commerce has been overturned, but its holding regarding the Privileges and Immunities Clause remains good law.
71. Stephen Bainbridge, "Could Corporate Purpose Statutes Provide a Way to End-Run Citizens United?" ProfessorBainbridge.com, May 25, 2024,

available at

<https://www.professorbainbridge.com/professorbainbridgecom/2024/05/could-corporate-purpose-statutes-provide-a-way-to-endrun-citizens-united.html>. ("Let us suppose that the MBCA or the DGCL

[Delaware General Corporation Law] were amended so as to provide that corporations have no power to make political contributions. Would that fly? As a matter of corporate law, I assume so. In many states, many state statutes qualify the broad grants of power conferred by statutes like MBCA § 3.02 by including express limitations on the powers corporations may exercise. DGCL sec. 125, for example, provides that corporations have no 'power to confer academic or honorary degrees unless the certificate of incorporation or an amendment thereof shall so provide and unless the certificate of incorporation or an amendment thereof prior to its being filed in the office of the Secretary of State shall have endorsed thereon the approval of the Department of Education of this State.' DGCL sec. 126 provides that no business corporation organized under the DGCL 'shall possess the power of issuing bills, notes, or other evidences of debt for circulation as money, or the power of carrying on the business of receiving deposits of money.'") Notably, Bainbridge did not cite a far more direct example, DGCL § 127. The provision, through reference to federal tax law (26 U.S.C. § 4945(d)), denies one type of Delaware corporation, the private foundation, the power to "influence the outcome of any specific public election."

72. Simpson, "Does Federalism Provide a Means to Circumvent *Citizens United*?", p. 260.
73. Buccola, "States' Rights Against Corporate Rights," p. 599.
74. "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." The federal government, like a corporation, is limited to the powers it has been given.
75. *CTS Corp. v. Dynamics Corp. of Am.*, 481 U.S. 69, 89 (1987).
76. Kathleen M. Sullivan, "Unconstitutional Conditions," *Harvard Law*

Review, Vol. 102, No. 7 (1989), 1413, 1415, available at <https://www.jstor.org/stable/pdf/1341337.pdf>.

77. Bainbridge, "Could Corporate Purpose Statutes Provide a Way to End-Run Citizens United?" ("In my view, the unconstitutional conditions doctrine would come into play. Yes, corporations are creatures of state law and there is case law positing that incorporation is not a right but rather a privilege granted by the state. But 'the modern "unconstitutional conditions" doctrine holds that the government "may not deny a benefit to a person on a basis that infringes his constitutionally protected ... freedom of speech" even if he has no entitlement to that benefit." *Bd. of Cnty. Com'rs, Wabaunsee Cnty., Kan. v. Umbehr*, 518 U.S. 668, 674 (1996).")
78. Buccola addresses this point at length. "As a basic doctrinal matter, the *sine qua non* of an unconstitutional condition is a proposed swap. In return for a valuable consideration from the state, you agree to give up a valuable right you would otherwise enjoy against the state. No such bargain is implicated when a state constitutes corporations unable to, say, make political contributions. The state offers a privilege it needn't offer—the opportunity to act through the corporate form. In return it asks prospective promoters for a modest filing fee, not to relinquish a constitutionally enshrined right. The promoters are able to make political contributions in their own names, whether or not they accept the state's 'deal.' The deal at stake with incorporation is not a trade; it is a kind of implicit subsidy of cooperative, especially capital-intensive, industry. It thus does not fit comfortably within the framework of unconstitutional conditions." Buccola, "States' Rights Against Corporate Rights," p. 620.
79. *Rust v. Sullivan*, 500 U.S. 173, 193 (1991) (emphasis in original), available at https://scholar.google.com/scholar_case?case=17204544980901899735.
80. *Ibid.* at 193 (quoting *Harris v. McRae*, 448 U.S. 297, 317, n. 19 (1980)), available at https://scholar.google.com/scholar_case?

[case=8833310949486291357](https://scholar.google.com/scholar_case?case=8833310949486291357). In *U.S. v. American Library Assn., Inc.*, in 2003, the Supreme Court made the point even more clearly when upholding a provision of the Children's Internet Protection Act, Pub. L. 106–554, that withheld federal assistance from public libraries unless they installed internet pornography-blocking software. Justice Stevens pointed out in dissent that a regulation penalizing a library for failing to install the software would violate the First Amendment. The majority opinion responded directly to Stevens' point, holding that the lack of funding was not a penalty but instead a reflection of Congress' decision to not subsidize unfiltered internet access. *U.S. v. American Library Assn.*, 539 U.S. 194, 212 (2003), available at https://scholar.google.com/scholar_case?case=7891716025089102487.

81. Indeed, it can be argued that incorporators who receive limited charters have been provided with an extra avenue to spend in politics, since being associated with a corporation opens up the ability to contribute to a separate segregated fund (also known as a corporate PAC) associated with that corporation. See Federal Election Commission, "Solicitable class of corporation," available at <https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/solicitable-class-corporation-ssf/> (last accessed September 2025).
82. *Terral v. Burke Constr. Co.*, 257 U.S. 529 (1922), available at https://scholar.google.com/scholar_case?case=7610609507016112738.
83. Adam Winkler, "Corporate Personhood and the Rights of Corporate Speech," *Seattle University Law Review* 30 (2007): 863–64, available at <https://digitalcommons.law.seattleu.edu/sulr/vol30/iss4/2/>.
84. If a state wanted to make perfectly clear that it was exercising its authority to grant powers (as opposed to regulating activity), it could strike the full list of corporate powers in one section of a bill and grant all but the power to spend in politics in the next.
85. U.S. Constitution, Article IV, Section 2.
86. *Paul*, 75 U.S. (8 Wall.) 168. Again, *Paul's* holding regarding whether

insurance is interstate commerce has been overturned, but its holding regarding the Privileges and Immunities Clause remains good law.

87. *Western & Southern Life Ins. Co. v. State Bd. of Equalization of Cal.*, 451 U.S. 648, 656 (1981), available at https://scholar.google.com/scholar_case?case=15510489539787257058.
88. Epstein, "Foreword: Unconstitutional Conditions, State Power, and the Limits of Consent."
89. Buccola, "States' Rights Against Corporate Rights," p. 602–603.
90. *Ibid.*, p. 603, noting that "courts have in general condemned only those host-state interventions that reflect a discriminatory policy." The Dormant Commerce Clause is the doctrine, inferred from the Constitution's Commerce Clause, that even when Congress is silent, states may not enact laws that discriminate against or unduly burden interstate commerce. It bars protectionism and ensures a national economic union.
91. *CTS Corp.*, 481 U.S. at 88 ("Because nothing in the Indiana Act imposes a greater burden on out-of-state offerors than it does on similarly situated Indiana offerors, we reject the contention that the Act discriminates against interstate commerce").
92. *Citizens United*, 558 U.S. at 339 (internal citations removed).
93. Catherine J. Ross, *A Right to Lie? Presidents, Other Liars, and the First Amendment* (2021), p. 77. See also Adam Winkler, "Fatal in Theory and Strict in Fact: An Empirical Analysis of Strict Scrutiny in the Federal Courts," *Vanderbilt Law Review* 59 (2006): 793, 845, available at <https://scholarship.law.vanderbilt.edu/vlr/vol59/iss3/3/> (finding that between 1990 and 2003, only 24 percent of campaign speech laws survived strict scrutiny).
94. Legal Information Institute, "Commercial Speech," available at https://www.law.cornell.edu/wex/commercial_speech (last accessed September 2025).
95. See *Central Hudson Gas & Elec. v. Public Svc. Comm'n*, 447 U.S. 557

(1980) (establishing a four-part test to determine whether a commercial-speech restriction is constitutional), available at https://scholar.google.com/scholar_case?case=1962482840967580827; see also *State Bd. of Pharmacy v. Va. Citizens Consumer Council*, 425 U.S. 748 (1976), available at https://scholar.google.com/scholar_case?case=8923583312136154302.

96. *Bellotti*, 435 U.S. 765.
97. *Citizens United*, 558 U.S. 310.
98. See Internal Revenue Service, "The Restriction of Political Campaign Intervention by Section 501(c)(3) Tax-Exempt Organizations," available at <https://www.irs.gov/charities-non-profits/charitable-organizations/the-restriction-of-political-campaign-intervention-by-section-501c3-tax-exempt-organizations> (last accessed September 2025). States may also want to evaluate whether they want to withhold from charities the power to endorse or oppose political candidates. The "Johnson Amendment," added to the Internal Revenue Code in 1954, prohibits charities from making such endorsements, but as a speech restriction, it is more vulnerable to challenge, and efforts abound to overturn it. See, e.g., Salvador Rizzo, "President Trump's shifting claim that 'we got rid' of the Johnson Amendment," *The Washington Post*, May 9, 2019, available at <https://www.washingtonpost.com/politics/2019/05/09/president-trumps-shifting-claim-that-we-got-rid-johnson-amendment/>.
99. States that have separate statutory provisions for nonprofit corporations will likely have to add this sort of language there as well.
100. This definition is adapted from, and pays homage to, Section 25 of the Montana Corrupt Practices Act of 1912, a campaign finance law invalidated by *Am. Tradition P'ship, Inc. v. Bullock*, 567 U.S. 516 (2012), available at https://scholar.google.com/scholar_case?case=14730023294192604799. Notably, Section 25 was invalidated not because of this definition but because of the actions it prescribed:

regulating the right of corporations to spend in Montana politics. The Act as Montana voters first passed it in 1912 is found at <https://leg.mt.gov/content/Committees/Interim/2013-2014/State-Administration-and-Veterans-Affairs/Meetings/August-2013/Corrupt%20Practices%20Act%20Passed%20by%20Initiative%201912.pdf>.

101. In certain jurisdictions, a ballot measure may include a clause stating that the measure may only be amended or repealed by a subsequent vote of the people. If that is allowed and desired, the following text could be added to Section 3(b): "No part of this statute may be amended or repealed except by a measure submitted to and approved by the voters at a statewide election."
102. See *Benjamin v. Jacobson*, 172 F.3d 144, 155–56 (2d Cir. 1999) ("If the statute includes an explicit statutory definition, we accord that definition controlling weight"), available at https://scholar.google.com/scholar_case?case=16510548133604170641; *Fox v. Standard Oil Co.*, 294 U.S. 87, 95–96 (1935) (When a statute "has attempted to secure precision and certainty" by clearly defining a term, "In such circumstances definition by the average man or even by the ordinary dictionary with its studied enumeration of subtle shades of meaning is not a substitute for the definition set before us by the lawmakers with instructions to apply it to the exclusion of all others. There would be little use in such a glossary if we were free in despite of it to choose a meaning for ourselves."), available at https://scholar.google.com/scholar_case?case=15272635646451118288.
103. *Meese v. Keene*, 481 U.S. 465, 484 (1987), available at https://scholar.google.com/scholar_case?case=13796872946132691159; See also *Ayotte v. Planned Parenthood of N. New Eng.*, 546 U.S. 320, 329 (2006) ("[M]indful that our constitutional mandate and institutional competence are limited, we restrain ourselves from rewrit[ing] state law to conform it to

constitutional requirements even as we strive to salvage it) (*internal quotes and citations omitted*"), available at https://scholar.google.com/scholar_case?case=7068766648109737916.

104. *Trustees of Dartmouth College*, 17 U.S. (4 Wheat.) at 636.
105. *Ibid.* (discussing the nature of corporate charters and state authority); *Greenwood v. Freight Co.* "What is it may be repealed? It is the act of incorporation. It is this organic law on which the corporate existence of the company depends which may be repealed, so that it shall cease to be a law; or the legislature may adopt the milder course of amending the law in matters which need amendment, or altering it when it needs substantial change."
106. *U.S. v. Stevens*, 559 U.S. 460, 481 (2010), available at https://scholar.google.com/scholar_case?case=12907128943316010890.
107. See *Lujan v. Defenders of Wildlife*, 504 U.S. 555 (1992), available at https://scholar.google.com/scholar_case?case=10150124802357408838; *Steel Co. v. Citizens for a Better Environment*, 523 U.S. 83, 103 (1998) ("The courts must stay within their constitutionally prescribed sphere of action... there must be redressability—a likelihood that the requested relief will redress the alleged injury" (internal quotes and citations removed)), available at https://scholar.google.com/scholar_case?case=5075678674595179332.
108. Elizabeth Pollman, "Constitutionalizing Corporate Law," *Vanderbilt Law Review* 69: 639, 648-49 available at https://scholarship.law.upenn.edu/faculty_scholarship/2558/, quoting Herbert Hovenkamp, "The Classical Corporation in American Legal Thought," *Geo. L.J.* 76 (1988): 1593, 1659, available at https://scholarship.law.upenn.edu/faculty_scholarship/1940/.
109. *People v. N. River Sugar Ref. Co.*, 121 N.Y. 582 (1890), available at <https://www.casemine.com/judgement/us/5914cf54add7b04934820de>

4.

110. *State v. Standard Oil Co.*, 49 Ohio St. 137 (1892), available at <https://app.midpage.ai/document/state-v-standard-oil-co-8342107>.
111. See, e.g., *Standard Oil Co. of Indiana v. Missouri*, 224 U.S. 270, 288-89 (1912) (a corporation “may also be deprived of its charter for that which, though innocent in itself, is beyond the power conferred upon it as an artificial person”), available at https://scholar.google.com/scholar_case?case=8651921827193301735.
112. Buccola, “States’ Rights Against Corporate Rights,” p. 600.
113. *Trustees of Dartmouth College*, 17 U.S. 518.
114. *Spring Valley Water Works*, 110 U.S. at 370.
115. *Hamilton Gaslight & Coke Co.*, 146 U.S. at 270.
116. *U.S. v. Stevens*, 559 U.S. at 481.
117. See Transparent Election Initiative, “The Montana Plan,” available at <https://transparentelection.org/> (last accessed September 2025)
118. The text as filed is available, with annotations, at The Transparent Election Initiative, “Montana Constitutional Initiative,” available at <https://transparentelection.org/montana-constitutional-initiative> (last accessed September 2025).
119. Program for Public Consultation, “The Common Ground of the American People” (College Park, MD: University of Maryland, 2020), p. 14, available at https://vop.org/wp-content/uploads/2020/08/Common_Ground_Brochure.pdf.
120. Carah Ong Whaley, “Survey Says!: Broad Support for Reforms to Political System,” Issue One, Oct. 1, 2024, found at <https://issueone.org/articles/survey-says-broad-support-for-reforms-to-political-system/>.
121. Pew Research Center, “Americans’ Dismal Views of the Nation’s Politics: Money, power and the influence of ordinary people in American politics” (Washington: 2023), available at <https://www.pewresearch.org/politics/2023/09/19/money-power-and->

[the-influence-of-ordinary-people-in-american-politics/](#).

122. Steven Kull and others, "Americans Evaluate Campaign Finance Reform," University of Maryland, May 10, 2018, available at <https://publicconsultation.org/redblue/very-large-majorities-support-congressional-bills-to-reduce-influence-of-big-campaign-donors/>.
123. Public Citizen, "Overturning Citizens United: By The Numbers," available at <https://www.citizen.org/article/by-the-numbers/> (last accessed September 2025).
124. UpCounsel, "Changing State of Incorporation to Delaware," updated November 4, 2020, available at <https://www.upcounsel.com/changing-state-of-incorporation-to-delaware>.
125. Delaware Division of Corporations, "Annual Report Statistics," available at <https://corp.delaware.gov/stats/> (last accessed September 2025).
126. See California Secretary of State, "Articles of Incorporation – CA Nonprofit Corporation – Public Benefit," available at <https://bizfileonline.sos.ca.gov/forms/business> (last accessed September 2025). Note that out-of-state nonprofits that want to do business in California also need to pay \$30. See California Secretary of State, "Registration – Out-of-State Corporation – Nonprofit," available at <https://bizfileonline.sos.ca.gov/forms/business> (last accessed September 2025).
127. California Secretary of State Shirley N. Weber, Ph.D., "Forms, Samples and Fees Corporations – California (Domestic)," available at <https://www.sos.ca.gov/business-programs/business-entities/forms/corporations-california-domestic> (last accessed September 2025). "Statement of Information – Nonprofit: Due within 90 days of initial registration and every two years thereafter. \$20."
128. Jill E. Fisch and Jeff Schwartz, "How Did Corporations Get Stuck in Politics and Can They Escape?," last revised March 27, 2024, available at http://ssrn.com/abstract_id=4740866.
129. See, e.g., *Am. Tradition P'ship, Inc.*, 567 U.S. 516.
130. *Bellotti*, 435 U.S. at 809 (J. White, dissenting).

SB 2471: How Hawai'i Can Make *Citizens United* Irrelevant

What this bill does. SB 2471 defines the powers Hawai'i grants to artificial persons — corporations, LLCs, nonprofits, and other state-created or state-licensed entities. It provides every power necessary or convenient to carry out lawful business or charitable purposes, *but not the power to spend in elections or on ballot measures*. Every natural person in Hawai'i retains every political right they have ever had: the right to speak, spend, donate, organize, form PACs, and run for office. This bill touches none of those rights.

Why it works. This is not campaign-finance regulation. It is corporate *redefinition*. *Citizens United* struck down a restriction on political spending by corporations that *already* possessed the power to spend. It did *not* hold that states *must* grant that power in the first place. SB 2471 operates upstream of *Citizens United*, in the domain of state corporate law where the Supreme Court has affirmed state authority as absolute for more than two centuries. The governing precedents are *Dartmouth College v. Woodward* (1819), *CTS Corp. v. Dynamics Corp. of America* (1987), and Hawai'i's own Article I, Section 21, which provides that the state's power to act in the general welfare shall never be impaired by irrevocable grants of special privileges.

The AG's objections rest on a category error. The Attorney General's office has analyzed this bill as though it were a speech regulation subject to strict scrutiny. It is not. SB 2471 defines what the corporate form is *for* — it does not restrict, prohibit, or punish speech by an already-empowered entity. The AG's office has not identified a single case holding that a state must grant political spending power to the corporations it creates, that strict scrutiny applies to a state's definition of corporate powers, or that reserved-powers clauses are subject to a First Amendment exception. *Those cases do not exist*.

This is not novel — it is *dusty*. For the first century of American corporate history, every corporation operated under set lists of powers. Political spending was *never* on those lists. Approximately a thousand national banks operate today under charters that have *never* included election-spending power. No court has ever treated that absence as constitutionally suspect.

The people want this. A national October 2025 YouGov survey found that 72 percent of voters support this approach after hearing balanced pro-and-con messaging — including 81 percent of Democrats, 64 percent of Republicans, and 60 percent of independents. Majorities said they would back it even if it applied equally to unions or affected causes they personally support.

Hawai'i is not alone. Bills reflecting this approach have been introduced in Arizona, California, Georgia, Hawaii, Kansas, Maryland, Minnesota, Missouri, New York, Oklahoma, Rhode Island, Vermont, Virginia, and Washington. A ballot initiative in Montana has cleared legal review and is collecting signatures for the 2026 ballot. Hawai'i has the opportunity to lead the nation here.

What it covers. Because the bill applies to all artificial persons — including 501(c)(4) nonprofits and LLCs — it eliminates the dark-money channels that allow anonymous spending to flood elections. And because Hawai'i law already provides that foreign corporations cannot exercise any power a domestic corporation cannot exercise, SB 2471 keeps every corporation, no matter where chartered, out of Hawai'i's politics.

James E Raymond

Kailua

House Committee on Judiciary & Hawaiian Affairs (JHA)

Hearing, Wednesday, April 8, 2026

Senate Bill No. 2471, S.D. 2, H.D. 1 Relating to the Powers of Artificial Persons

Testimony in Support

Aloha Chair Tarnas, Vice-Chair Poepoe, and members of the House Committee on Judiciary & Hawaiian Affairs (JHA):

My name is James Raymond – until Dec. 31, 2019, I served as a Deputy Attorney General for the State of Hawai'i, but I am now retired and speak only as a concerned citizen in strong support of S.B. No. 2471, S.D. 2, H.D. 1 entitled: "A BILL FOR AN ACT RELATING TO THE POWERS OF ARTIFICIAL PERSONS."

I am not writing to persuade you of the legal merits of this bill's novel solution to the corruption of our election system unleashed by 'Citizens United.' Tom Moore of the Center for American Progress (CAP), and others, have already done an admirable job of that.

I am disappointed, but not surprised, that our own Attorney General has taken a dim view of the bill and cautions against the risk that it may not survive the challenges sure to follow. Our nation's highest court could be especially problematic given its penchant for pleasing the current president.

Yet three committees have heard this bill and passed them all with unanimous 'aye' votes and only 2 excused; not to mention a 25-0 'aye' vote in our Senate. And this with significant reservations from the AG.

That brings us squarely to the elephant in the room (and I don't mean the Republicans). You and your colleagues are being asked to approve a bill that has real potential to stop the majority of campaign funding relied on by some key legislators, not to mention executive branch officials. Yet WE THE PEOPLE want 'Citizens United' gone – it sounds like a textbook example of conflict of interest.

I said: "some key legislators" would be affected. This was to distinguish the legislators who have voluntarily sworn off 'Citizens United' campaign funding from those who rely on it.

Even those legislators who rely on 'Citizens United' funding will likely have no qualms about advertising their support of this bill. But when push comes to shove, as the bill moves through the process, will they still cast an 'aye' vote? Or will they protect their campaign funding or perhaps their relationship with the Governor? Will they work with their colleagues to override the Governor's likely veto? Or will they represent WE THE PEOPLE?

The trump administration has created a groundswell of grassroots opposition in the country and here in Hawai'i. This politically involved and influential segment is more active than ever and will play an important role in future elections. It is also well documented that the majority of Americans, even Republicans, oppose 'Citizens United' and the havoc it has wreaked on our elections processes. The number of informed voters is increasing daily -- and awareness of who is accepting dark corporate PAC money and who has been fighting to eliminate it, is growing -- by November, it may well be one of the top concerns of voters.

So legislators who are conflicted over representing WE THE PEOPLE versus protecting their campaign funding, or loyalty to the Governor, have a choice to make. You can try to blame the AG for your opposition to this bill and hope the electorate doesn't notice the deflection -- OR you can seize a legitimate chance to represent your constituents, counter the damage done to our republic, and vote 'aye' on this bill now and when it comes before the full House.

Keep in mind that in Hawaii's system, the AG is appointed by the Governor and when a law is in the gray area legally, the Governor's preference becomes the AG's position -- not that this position is "wrong," but when the legislature, who is responsible for creating laws, wants to fight for an issue that may be challenged in the courts, it is the AG's role to defend the legislature's position, not to be a foil for the Governor's special interests.

Please keep in mind that just voting 'aye' for this bill is not enough for it to succeed. You must rally your colleagues to actively support it in the House and to override Governor's veto if needed. This is a position that will show constituents that you represent them and not corporate special interests -- they will be watching like never before.

Even if this bill is not ultimately successful in the courts, your constituents are fighting mad and an increasing number will ONLY support candidates who swear off big, dark money campaign funding and those candidates who fight hard to end it.

Experts in the pro-democracy movement agree that the current federal government is incapable of correcting itself. The past year offers way too much proof of that. These

experts also believe that, as our U.S. Constitution says, the power in a democracy rests with WE THE PEOPLE and today, that power is best expressed through our state governments.

I ask you to represent that power, join your sister states in the fight to save democracy and pass this bill, not because it is risk free and our AG is solidly behind it -- it is not risk free, and she is not solidly behind it -- I ask you to pass this bill and start writing the legacy your descendants will learn about your role in the fight to save our democracy.

Respectfully,

/s/ James Raymond

Deputy Attorney General (ret.)

SB-2471-HD-1

Submitted on: 4/6/2026 2:31:32 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William Caron	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Members of the Committee,

I am writing in **strong support of SB2471**, a landmark bill that reaffirms a simple but powerful truth: corporations are not people, and the political power inherent in the people of Hawai‘i cannot be delegated to artificial entities of the State's own creation.

What this bill does

SB2471 revokes all prior grants of corporate and entity powers and regrants only those powers that the State determines to be necessary or convenient to conduct lawful business under the Hawai‘i State Constitution and laws of this State. It explicitly provides that the powers of artificial persons do not include the power to spend money or contribute anything of value to influence elections or ballot measures.

Why this matters

For too long, the U.S. Supreme Court's decision in *Citizens United v. FEC* has allowed unlimited corporate spending to flood our elections, drowning out the voices of everyday residents. But the Hawai‘i Constitution has always recognized that all political power is inherent in the people—not in the corporations and artificial entities that the State creates as a matter of privilege, not right.

SB2471 takes a creative and principled approach to reclaiming our democracy. It does not restrict any individual's constitutional rights to speech, petition, or association. Natural persons remain free to participate in the political process. What this bill does is draw a clear, bright line between the rights of people and the privileges of corporations.

Addressing constitutional concerns

Some have raised concerns about potential legal challenges under *Citizens United*. But as supporters have argued, states possess plenary authority to determine the powers and capacities of the artificial persons they create. Hawai‘i is under no legal obligation to grant corporations the power to spend money on elections. As one legal expert noted, this bill could "make *Citizens United* irrelevant in Hawai‘i."

Moreover, SB2471 carefully preserves existing contracts and legal obligations entered into before its effective date, ensuring that it does not upset settled transactions.

A national leader

Hawai‘i has the opportunity to lead the nation in reclaiming democracy from corporate political spending. Similar legislation has been introduced in over a dozen other states, but no bill has advanced as far as SB2471. By passing this measure, Hawai‘i would send an unmistakable message: our elections belong to the people, not to corporate treasuries.

SB2471 is a bold, necessary, and legally sound step toward restoring public trust in our democratic institutions. I urge this committee to pass the bill in its strongest form.

Mahalo for your consideration.

SB-2471-HD-1

Submitted on: 4/6/2026 4:12:01 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elisabeth Sherman	Individual	Support	Written Testimony Only

Comments:

Please pass SB2471 to restore free elections where the voice of the people can be heard & not manipulated by corporate greed.

Mahalo,

Elisabeth Sherman

SB-2471-HD-1

Submitted on: 4/6/2026 4:34:07 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michelle Bonk	Individual	Support	Written Testimony Only

Comments:

I urge our state legislators to pass this bill, which reasserts the state's ability to determine what corporations may and may not do in the state of Hawai'i, and thereby stops corporations from being able to spend corporate money on politics.

It has clearly become very harmful for corporations with often unlimited access to funds to be able to flood politics with money, thereby effectively silencing the will of the people.

Please stand up for the will of the people to be heard and enacted by our government by passing SB2471.

Thank you

SB-2471-HD-1

Submitted on: 4/6/2026 4:48:13 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Brandt	Individual	Support	Written Testimony Only

Comments:

LONG OVERDUE. STRONG SUPPORT. IMUA!

Eileen Cain
720 Mahi'ai St., Apt. E
Honolulu, Hawai'i 96826-5635
eileencaïn808@gmail.com
April 6, 2026

Representative David A. Tarnas, Chair, Committee on Judiciary & Hawaiian Affairs
Representative Mahina Poepoe, Vice Chair
and Members of the Committee on Judiciary & Hawaiian Affairs

Aloha, Representatives,

I am submitting this testimony in support of SB2471 SD2 HD1, "Relating to the Powers of Artificial Persons."

My love of fairness in government makes it necessary for me to ask you to vote in favor of this bill.

1. There is fear and concern among us ordinary citizens that the wealthy, especially those in powerful corporations, may be given priority when testimony is offered to elected officials.
2. This bill would eliminate undue influence over or even intimidation of elected officials. Perhaps some elected officials feel that it is difficult for them to vote for what is in the public's best interest because of wealthy groups acting out of selfishness, trying to sway officials or even intimidate them.
3. This bill would safeguard the public interest. Citizens like me need to trust that decisions made by elected officials are not dominated by powerful lobbies paid for by large corporations.
4. We citizens need to know that our voices are actually heard when we give testimony, that our needs and views are given serious consideration, even if we don't have a lot of money.

Please vote yes on SB2471 SD2 HD1.

Mahalo,

Eileen Cain
Mō'ili'ili, Honolulu, Hawai'i

SB-2471-HD-1

Submitted on: 4/6/2026 5:27:47 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marcia Kemble	Individual	Support	Written Testimony Only

Comments:

Greetings Committee Members,

I am writing in strong support of SB2471 SD2 HD1, which clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy.

I believe strongly that we need to reduce the influence of corporations and big money on elections! Many people are now so cynical and have lost faith in how democratic processes work. SB2471 helps restore accountability and confidence in our democratic system.

Mahalo for your attention.

Marcia Kemble

Makiki

SB-2471-HD-1

Submitted on: 4/6/2026 5:38:01 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Edward Codelia	Individual	Support	Written Testimony Only

Comments:

Re: SB2471 SD2 HD1 – Relating to the Powers of Artificial Persons

Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

I support SB2471 and its effort to clarify that corporations and other artificial entities created under state law should only possess powers necessary to conduct lawful business. The ability to influence elections or ballot measures should not be one of those powers.

Corporations are legal creations designed to conduct commerce. They do not vote, they do not live in communities, and they are not accountable to the public in the same way that elected officials are. When corporate entities, political action committees, and other organized financial interests are able to spend large amounts of money to influence elections, the result is often legislation that reflects financial influence rather than public interest.

Residents across Hawai‘i have increasingly raised concerns about how political campaigns and major legislative initiatives are financed. On Maui, for example, debates surrounding policies such as Bill 9 and other land use and housing issues have demonstrated how organized funding and political messaging can shape public narratives and legislative outcomes. These discussions often involve large advocacy campaigns supported by well-funded organizations.

Similarly, statewide campaigns and political movements regularly rely on networks of PACs and Super PACs that are capable of raising and spending substantial resources. Even when contributions are technically lawful, the scale of financial influence can create the perception that policy decisions are being shaped by organized funding rather than the will of the electorate.

SB2471 attempts to address a fundamental principle: corporations and artificial entities should exist to conduct business, not to dominate political decision making.

Ensuring that elections and ballot measures are decided by the people who live in Hawai‘i, rather than by entities with significant financial resources, is essential to maintaining public confidence in government.

For these reasons, I support SB2471.

Thank you for the opportunity to provide testimony.

Respectfully submitted.

Edward Codelia, Maui Resident

SB-2471-HD-1

Submitted on: 4/6/2026 5:40:51 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lois Crozer	Individual	Support	Written Testimony Only

Comments:

Repealing Citizens United is the key to turning around this mess that we have created in this country. We have to bring back the power to the PEOPLE, not corporations and big money. PLEASE help pass this bill.

Lois Crozer
Kailua, Oahu

SB-2471-HD-1

Submitted on: 4/6/2026 5:42:29 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Denize Machit	Individual	Support	Written Testimony Only

Comments:

I believe elections should reflect people, not corporate money. Artificial entities are state-created privileges, not natural rights holders. These bills reasserts that Hawai'i can set boundaries on the powers it grants. Even in a tough legal environment, this is a clear statement that our state should prioritize public trust and fair elections. Individuals can still donate, speak, associate, and participate politically. We must protect our citizens from Giant Corporations and its money.

Mahalo for allowing me the opportunity to share my thoughts.

SB-2471-HD-1

Submitted on: 4/6/2026 5:49:52 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gail Morrison	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Keohokalole, Vice Chair Fukunaga and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo, Gail Morrison, Honolulu

SB-2471-HD-1

Submitted on: 4/6/2026 6:04:36 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lee Williamson	Individual	Support	Written Testimony Only

Comments:

Aloha Representative Tarnas and members of the committee,

My name is John Williamson, and I strongly support SB 2471 SD2 HD1.

The Citizens United decision by the U.S. Supreme Court opened a Pandora's box of dark money, giving a disproportionate amount of influence to tech oligarchs and corporations, which have overwhelmingly benefitted Republican candidates. This has created an unlevel playing field.

This measure can begin to correct that imbalance. To those who argue the provisions of the bill may not survive a court challenge, I say that downside is miniscule compared to the tremendous upside if it succeeds and delivers the most significant campaign finance reform in the past 50 years.

As the saying goes, nothing ventured, nothing gained. Please do not pass up this tremendous opportunity.

Mahalo nui loa for this opportunity to testify on this important issue.

SB-2471-HD-1

Submitted on: 4/6/2026 6:36:49 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nathan Leo Braulick	Individual	Support	Written Testimony Only

Comments:

Mahalo

Nathan Leo Braulick

96826

SB-2471-HD-1

Submitted on: 4/6/2026 6:41:13 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brodie Lockard	Individual	Support	Written Testimony Only

Comments:

I support this bill.

SB-2471-HD-1

Submitted on: 4/6/2026 6:47:26 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lois Langham	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill to kill Citizens United. Corporations and their money have been controlling this country since its inception and it is not them who this country was constituted to be for, by and of. We are the Corporate States of America now and government works to make the rich and powerful more rich, more powerful. In this model, the people are pawns. Please pass this bill.

SB-2471-HD-1

Submitted on: 4/6/2026 7:04:40 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Ball	Individual	Support	Written Testimony Only

Comments:

Dear Chair Tarna and Vice-Chair Poepoe,

I am writing in strong support of SB2471 which seeks to remedy the outsized role of corporate money in our politics. The Citizens United ruling proved disastrous for a democracy rooted in the will of the people, leading to a dangerous imbalance of power in who influences decision-making in our state. Please support this reasonable bulwark to limiting corporate special interests and supporting good governance.

With aloha,

David Ball

Waiālae-Kahala

SB-2471-HD-1

Submitted on: 4/6/2026 7:40:11 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joie Yonamine	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,

I am writing in strong support of SB2471 both personally and as a member of the Indivisible Hawai'i State Network (IHSN). This bill reaffirms that artificial persons (corporations) 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. This revokes all prior grants of corporate and entity powers and regrants only those powers that the State determines necessary or convenient to conduct lawful business under the constitution.

This bill would remove the power of corporations to spend unlimited money in political campaigns and halt the flood of dark money that has tainted our elections for more than two decades. Unlimited spending of corporations to political campaigns undermines the integrity of elected institutions and damages democracy by allowing laws, policies, and politicians to be bought and sold. Legal entities like corporations are not "We the People" referenced in the Constitution, and therefore should not be given protections under the first amendment or political spending.

Thank you for the opportunity to testify on this important bill.

Joie Yonamine, Manoa

SB-2471-HD-1

Submitted on: 4/6/2026 7:57:17 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Greg and Pat Farstrup	Individual	Support	Written Testimony Only

Comments:

Kū i ka pono!

SB-2471-HD-1

Submitted on: 4/6/2026 8:29:21 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lily Troy MD	Individual	Support	Written Testimony Only

Comments:

I SUPPORT SB2471 - limiting the powers of artificial persons, aka reverse Citizens United

SB-2471-HD-1

Submitted on: 4/6/2026 8:39:21 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tammy M DeBernardi	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Keohokalole, Vice Chair Fukunaga and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,
Tammy DeBernardi, Ocean View, Ka'u

Committee on Judiciary and Hawaiian Affairs
Chair David Tarnas, Vice Chair Mahina Poepoe

4/8/2026 @ 2:00 pm, 325 via Videoconference
SB2471 SD2 HD1 – Artificial Entities Election Activities; Ballot-Issue Activities; Limitations

Chair Tarnas, Vice Chair Poepoe, and Committee Members:

I am writing in strong support of SB2471 SD2 HD1 as an individual and as a member of Indivisible Hawaii Statewide Network. This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. Rather, it clarifies the limits on activities by entities created by the state with perpetual existence and limited liability.

In the laws of the United States "artificial persons" i.e. corporations, associations, unions and the like are granted special powers. These include limited liability of shareholders, directors and officers, perpetual existence even when those who own and control the entity are replaced by other persons, and preservation of capital. The Supreme Court decisions in *Citizen's United* and other cases has bestowed on these entities political rights which were never intended to be granted. SB2471 SD2 HD1 restores the political environment to its intended status – where only natural persons have political rights and powers

I urge you to **pass SB2471 SD2 HD1**

Stephen Munkelt
Kona Indivisible
Kailua-Kona, HI

SB-2471-HD-1

Submitted on: 4/6/2026 9:40:27 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robert Justice, M.D.	Individual	Support	Written Testimony Only

Comments:

Aloha Rep. David A. Tarnas, Chair; Rep. Mahina Poepoe, Vice Chair; and members of the Committee on Judiciary and Hawaiian Affairs,

I am writing as a resident of Kapolei and as a member of the Indivisible Hawai`i Statewide Network to provide testimony in strong support of SB2471 SD2 HD1. This bill reaffirms that artificial persons created under state law possess only those powers that are necessary or convenient to carry out lawful purposes, and that those powers do not include the power to spend money or contribute anything of value to influence elections or ballot measures. It revokes all prior grants of entity powers and regrants only those powers that the State determines to be necessary or convenient to conduct lawful business under the Hawaii State Constitution and laws of this State.

In other words this bill affirms the State’s authority to limit the powers of artificial persons and would prohibit corporations and similar entities from spending money in elections. The bill removes the power of corporations, nonprofits, labor unions, and other artificial entities to contribute funds or anything of value to influence candidates, PACs, political parties, or ballot questions. These restrictions apply broadly, including to out-of-state entities operating in Hawai‘i, while preserving the political rights of individuals. Elections should reflect people, not corporate money. Artificial entities are state-created privileges, not natural rights holders. This bill reasserts that Hawai‘i can set boundaries on the powers it grants. Even in a tough legal environment, this is a clear statement that our state should prioritize public trust and fair elections. Individuals can still donate, speak, associate, and participate politically.

In summary, SB2471 helps restore clarity, accountability, and confidence in our democratic system and I strongly encourage its passage.

SB-2471-HD-1

Submitted on: 4/6/2026 9:48:12 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nancy D Moser	Individual	Support	Written Testimony Only

Comments:

This bill intends to protect us from the worst aspects of secret money influencing our elections. Our votes, by us, the natural individual persons accountable for our choices, are our superpower to create the government and environment where we all do better as we act together in community. Please let's go for it, to remedy the malevolent influence of donor secrecy. Please pass SB2471 SD2 HD1.

SB-2471-HD-1

Submitted on: 4/6/2026 9:52:13 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jesse Hutchison	Individual	Support	Written Testimony Only

Comments:

I'm writing in strong support. Thank you!

SB-2471-HD-1

Submitted on: 4/6/2026 10:01:17 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tim Huycke	Individual	Support	Written Testimony Only

Comments:

Artificial persons, such as Citizens United, should not be allowed to be considered persons. I support SB2471.

SB-2471-HD-1

Submitted on: 4/6/2026 10:08:40 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sherry Pollack	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2471 SD2 HD1 that reaffirms that artificial persons created under state law possess only those powers that are necessary or convenient to carry out lawful purposes, and that those powers do not include the power to spend money or contribute anything of value to influence elections or ballot measures.

Retired Deputy Attorney General for the State of Hawai‘i, James Raymond, said it best in his testimony on 3-18-26 which included the following remarks:

“I am not writing to persuade you of the legal merits of this bill's novel solution to the corruption of our election system unleashed by 'Citizens United.' Tom Moore of the Center for American Progress (CAP), and others, have already done an admirable job of that.

I will say that I am disappointed, but not surprised, that our own Attorney General has taken a dim view of the bill and cautions against the risks that it may not survive the challenges sure to follow. Our nation's highest court could be especially problematic given its penchant for pleasing the current president.

But even so, I urge you to pass this bill, not because you are convinced that the risks are overstated and that it will survive the scrutiny of our current judicial system; it's possible it will survive, but certainly not guaranteed.

I urge you to pass this bill because you, along with the overwhelming majority of your constituents, know that the big, dark money flowing into our election process through the floodgates of 'Citizens United,' must be challenged, both here in Hawai‘i Nei and in the nation.”

I urge you to PASS this important legislation and get dark money out of politics.

SB-2471-HD-1

Submitted on: 4/6/2026 10:33:45 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Roger Hamada	Individual	Support	Written Testimony Only

Comments:

The effects of the Citizens United decision have metastasized to the point that I am disillusioned with the democratic process. It seems to me that this decision has distorted the principle of an informed electorate voting their conscience based on the best information available to them (one of the reasons free public education was instituted).

Instead, big money and dark money, potentiated by the CU decision has unduly influenced elections at least in part by providing huge sums into campaign advertising. Also, it seems professional politicians must spend time and energy pursuing big money which must take away from their ability to govern.

SB2471 SD2 HD1 ameliorates the effects of CU at the state level. Please pass this bill. Show the rest of the nation how it's done. Return the power of the vote to us citizens.

Thank you for allowing me to testify in the STRONGEST SUPPORT for this important bill.

SB-2471-HD-1

Submitted on: 4/6/2026 11:10:04 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gaye Chan	Individual	Support	Written Testimony Only

Comments:

Elections should reflect people, not corporate money. Artificial entities are state-created privileges, not natural rights holders. These bills reassert that Hawai‘i can set boundaries on the powers it grants. Even in a tough legal environment, this is a clear statement that our state should prioritize public trust and fair elections. Individuals can still donate, speak, associate, and participate politically

SB-2471-HD-1

Submitted on: 4/6/2026 11:57:31 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeremy Garrett	Individual	Support	Written Testimony Only

Comments:

I believe SB 2471 draws an important distinction between individuals and corporations to level the playing field in terms of political influence. Corporations, who possess greater collective resources, can have amplified influence on legislation through large donations or spending campaigns compared to an individual person. Without limits, the concerns of individual citizens are drowned out beneath a flood of money that ultimately cannot be traced. This measure has a unique opportunity to validate the concerns of individuals, to say their voices are equally important as another's, regardless of economic status. Given this empowerment, I imagine we will see renewed enthusiasm for voting and other civic engagement. I strongly support this measure and advocate for its advancement.

SB-2471-HD-1

Submitted on: 4/7/2026 1:30:32 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
George Casen	Individual	Support	Written Testimony Only

Comments:

Dear Chair David A. Tarnas, Vice-Chair Mahina Poepoe and members of the Committee,

I strongly support this bill that will be set an example for other US states to follow. The Supreme Court decision on Citizens United has undermined our democracy.

Respectfully submitted,

George Casen

SB-2471-HD-1

Submitted on: 4/7/2026 4:29:29 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joan Heller	Individual	Support	Written Testimony Only

Comments:

Of course I support a bill to NOT give rights to "artificial persons"!!

SB-2471-HD-1

Submitted on: 4/7/2026 5:59:28 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steven Sullam	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Keohokalole, Vice Chair Fukunaga and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to corporations and unions do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

In my own words, I am for this because I believe it will provide protection against the infamous "Citizen's United" decision made in 2010 which unleashed a hurricane of untraceable special interest money that is interfering with citizen's being able to get objective information on candidates and measures presented to them when voting.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Steven A. Sullam, Honolulu

SB-2471-HD-1

Submitted on: 4/7/2026 6:07:56 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Younghee Overly	Individual	Support	Written Testimony Only

Comments:

Thank you for this opportunity to support SB2471 SD2 HD1 which would limit the power of artificial persons. SB2471 would serve as a trigger law to reverse Citizens United. Regardless of what AG office says, **passing SB2471 is within Hawaii state legislature's authority.** According to Brennan Center, "because trigger laws are not operative when they are passed, they are insulated from judicial review." (<https://www.brennancenter.org/our-work/analysis-opinion/state-legislatures-can-push-back-against-citizens-united>)

This is an opportunity for Hawaii state legislature to provide a leadership nationally. This could your legacy. Please make the next step to see SB2471 SD2 HD1 to become a law.

Younghee Overly, a member of Indivisible Hawaii

SB-2471-HD-1

Submitted on: 4/7/2026 7:07:56 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jane Aquino	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Keohokalole, Vice Chair Fukunaga and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo, Jane Aquino, Indivisible Hawaii

SB-2471-HD-1

Submitted on: 4/7/2026 7:51:34 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Meghan Debouk	Individual	Support	Written Testimony Only

Comments:

Strongly support

SB-2471-HD-1

Submitted on: 4/7/2026 7:53:04 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jessica Kuzmier	Individual	Support	Written Testimony Only

Comments:

Aloha, I am writing in support of SB2471. I believe that the Hawai'i state government should do whatever it can within the bounds of the law to limit the power of the Citizens United Supreme Court Decision and give the power back to individual people. Mahalo for your consideration.

SB-2471-HD-1

Submitted on: 4/7/2026 7:55:43 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jackie Keefe	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the House Committee on Judiciary & Hawaiian Affairs,

My name is Jackie Keefe, and I am **in strong support of SB2471 SD2 HD1**, which emphasizes that corporations are “artificial persons” created by state law and granted powers and privileges by it. This is already part of our State's consistution.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual’s right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system. **Please stand for democracy and pass SB2471 SD2 HD1.**

Mahalo,

Jackie Keefe, Lahaina

SB-2471-HD-1

Submitted on: 4/7/2026 8:10:48 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joe Wilson	Individual	Support	Written Testimony Only

Comments:

Dear Chair, Vice Chair, and Members of the House Committee on Judiciary & Hawaiian Affairs,

I write to submit testimony in support of SB2471 SD2 HD1.

This measure appropriately reaffirms that artificial persons created under state law possess only those powers necessary to carry out lawful purposes, and that such powers do not extend to spending money or contributing anything of value to influence elections or ballot measures. This clarification is both timely and necessary.

Elections in Hawai‘i should reflect the voices and will of people, not entities that exist solely by legal construct. By drawing a clear boundary around the political activity of artificial persons, this bill strengthens public trust, preserves electoral integrity, and reinforces the principle that democratic participation belongs to human beings.

SB2471 SD2 HD1 offers a balanced approach—supporting lawful business activity while ensuring that corporate or artificial structures are not used to distort the political process.

I urge the Committee to pass this measure.

Thank you for your consideration.

Sincerely,

Joe Wilson

North Shore O'ahu

HD47 | SD23

SB-2471-HD-1

Submitted on: 4/7/2026 8:17:47 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Kamida	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2471. I am a citizen and a member of Indivisible Hawaii.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

SB-2471-HD-1

Submitted on: 4/7/2026 8:35:10 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Amy Stephens	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill. Citizens United has been a disaster for this country

SB-2471-HD-1

Submitted on: 4/7/2026 8:38:50 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lynn Otaguro	Individual	Support	Written Testimony Only

Comments:

I support this bill.

SB-2471-HD-1

Submitted on: 4/7/2026 8:44:22 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Judith Mills-Wong	Individual	Support	Written Testimony Only

Comments:

As a concerned member of the public and a member of League of Women Voters, I support this bill.

The flood of dark money in politics has been detrimental to the public by drowning out voters' voices with corporate and PAC money. It has also been detrimental to candidates and legislators who must devote a disproportionate amount of their time to seeking dollars to keep in the race.

States have the ability to define the powers of artificial entities and limit those powers to ones that serve the public, or at a minimum do not harm the public.

I applaud this legislature for being willing to consider this option and urge you to pass this bill.

SB-2471-HD-1

Submitted on: 4/7/2026 9:10:27 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

Support!

If we don't all get nuked today & Jesus doesn't come back to sit on Mike Huckabee's lap, you Hawai'i legislators can start helping to bend the arc of the moral universe back to sanity by passing this bill.

SB-2471-HD-1

Submitted on: 4/7/2026 9:17:37 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kylie E Wilson	Individual	Support	Written Testimony Only

Comments:

Wednesday, April 8, 2026

House Committee on Judiciary & Hawaiian Affairs

Senate Bill 2471 SD2 HD1 Relating to the Powers of Artificial Persons

Testimony in Support

Aloha Chair Tarnas, Vice Chair Poepoe, and committee members:

Mahalo nui for scheduling this important bill for a hearing.

I testify today as an individual in support of this bill.

SB2471 SD2 HD1 seeks to take advantage of long-standing legal precedent that states are solely authorized to define the scope with which corporations, including non-profits, can operate in their jurisdictions.

Since the Supreme Court handed down its ruling in Citizens United v. FEC, corporate spending has exploded. Since 2008, spending by outside groups (corporations) has grown 28-fold (from \$144 million in 2008 to \$4.21 billion in 2024).

The practical consequence of this spending has been outsized influence on elected officials to support the position of moneyed interests versus those of ordinary people.

The shrinking middle class and rising cost of living can, by some measure, be directly attributed to this outsized influence. In turn, dissatisfaction in our political institutions by those same ordinary people who now feel ignored by their government has skyrocketed.

The result has been anger and hostility toward our government institutions, which in turn has led to the rise in authoritarianism in America.

Luckily, SB2471 SD2 HD1 substantially reduces this terrible imbalance of influence in Hawai'i and restores a semblance of power to the individual persons of the electorate.

Prior court rulings, including the U.S. Supreme Court, support this approach because powers given to corporations by states include essentially all those enjoyed by actual people; those rights cannot be separately prohibited. However, a long history of jurisprudence and federal law has repeatedly provided states sole authority to define the breadth and depth of corporate power.

This state authority has never been revoked. As such, SB2471 SD2 HD1 takes a judicially narrow approach to addressing the consequence of Citizens United by making explicit in Hawai'i state law that corporations would no longer have this power, and as such, would have no right to it.

The Hawai'i Legislature has an opportunity to respond to the anger and dissatisfaction of their constituents by supporting this bill and making it law. Please move SB2471 SD2 HD1 with a "clean" effective date, but otherwise unamended, to maximize the bill's efficacy and likelihood of legal challenges.

Mahalo for the opportunity to testify.

SB-2471-HD-1

Submitted on: 4/7/2026 9:18:22 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Justin Hughey	Individual	Support	Written Testimony Only

Comments:

To: House Committee on Judiciary & Hawaiian Affairs

Hearing Date: April 8, 2026

Measure: Senate Bill 2471 SD2 HD1

Position: **STRONGLY SUPPORT**

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,

I am writing to express my strong support for this measure. This legislation is a critical step toward restoring the integrity of our democratic process and ensuring that the voices of individual citizens—the "natural persons" our Constitution was designed to protect—are not drowned out by the immense financial power of corporate entities and billionaires.

Hawaii’s Legacy of Leadership

Hawaii has a proud history of leading the nation on this issue. In 2010, the Hawaii State Legislature made history by becoming the first in the country to pass a resolution (HCR 282 HD1) specifically calling for a U.S. Constitutional Amendment to overturn the Citizens United v. FEC decision. By doing so, Hawaii recognized early on that equating corporate spending with free speech threatens the very foundation of our representative government. This bill continues that legacy.

The Financial Erosion of Democracy

The 2024 presidential election cycle provided a stark example of why this measure is necessary. We saw unprecedented levels of spending, with the total for federal races surpassing several billion dollars. Most alarmingly, the influence of a small group of ultra-wealthy donors and corporate-backed Super PACs created a massive imbalance. Reports indicate that billionaire-backed spending for the Trump campaign and related Super PACs outweighed opponents by nearly 10-to-1 in key spending sectors, allowing a handful of individuals to effectively drown out the voices of millions of small-dollar donors.

The Consequences: Attacks on Education and Disaster Relief

We are now living with the consequences of an electoral system dominated by corporate interests. Because Citizens United allows donors to "purchase" policy, we have seen the passage

of the 2025 Reconciliation Act and the proposed 2027 Federal Budget, which prioritize corporate tax breaks and military escalation while gutting the social safety net:

- **Public Education Under Siege:** The 2027 budget proposal seeks to slash \$8.5 billion from K-12 programs. This includes the elimination of English Language Acquisition grants and Teacher Quality Partnerships. Most damaging is the diversion of public funds into a \$20 billion private school voucher program, effectively draining our public schools to subsidize private interests.
- **Betrayal After Natural Disasters:** Despite Hawaii recently being hit by catastrophic "Kona Low" flooding that caused over \$1 billion in damages, the federal government is moving in the opposite direction. The 2027 budget proposes cutting \$1.3 billion from FEMA grants and rescinding an additional \$1 billion in disaster aid. At a time when our families are struggling to clear mud from their homes and repair washed-out roads, the federal government is prioritizing war and tax cuts over our survival.
- **Medicaid and Social Services:** The administration has enacted cuts to Medicaid estimated at over \$900 billion over ten years, threatening the healthcare of 7.6 million people.
- **War with Iran:** While domestic programs are being dismantled, the administration has requested massive increases in military spending, fueling a dangerous and costly escalation toward war with Iran.

Conclusion: A Choice Between Democracy and Total Loss

These outcomes are not mere policy disagreements; they are the symptoms of a dying Republic. We are witnessing the birth of a cold, calculated oligarchy that funds foreign wars and private school vouchers while turning its back on our children and our disaster-stricken neighbors. This is the direct, poisonous harvest of Citizens United.

If we do not act now, we are going to lose everything that makes this country—and this State—a place of opportunity and safety. We are trading our healthcare, our schools, and our peace for the profit margins of the donor class. Hawaii was the first to stand up in 2010 when the warning signs appeared. I urge this committee to lead again today. We are at the breaking point. We must ensure that our elections are decided by the hearts and votes of people, not the bottomless pockets of those who seek to buy our future.

Mahalo for the opportunity to testify.

Justin Hughey
Education Caucus Rep.
Democratic Party of Hawaii State Central Committee

SB-2471-HD-1

Submitted on: 4/7/2026 9:30:28 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Bickel	Individual	Support	Written Testimony Only

Comments:

After the Citizens United decision,, there was a joke: "I'll believe corporations are citizens when Texas executes one." States have the power to define corporations in what they are and what they can do. Let's stop the nonsense of attributing free speech rights to a limited liability entity. Pass this bill.

SB-2471-HD-1

Submitted on: 4/7/2026 9:36:24 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann Pitcaithley	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB 2471. It is a long overdue measure to address the unlimited, often undisclosed ("dark") money on elections, drowning out average voters. Money should not be equated with free speech. Let's get corporations and dark money out of politics. It should be considered a form of political corruption.

SB-2471-HD-1

Submitted on: 4/7/2026 9:58:53 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Collat	Individual	Support	Written Testimony Only

Comments:

Aloha JHA friends -

Thank you for the opportunity to share my strong support of SB2471. This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

Money has had a corrosive effect on our politics and our democracy. Despite the ludicrous assertions of *Citizens United*, corporations are--by definition--NOT people. The concept of corporations (separating business entities from the people who found them) has been a critical factor in promoting entrepreneurship by reducing personal liability risk. Giving that business entity a political voice perverts the entire premise of corporations and skews the power base of our democracy away from the people and toward the monied interests. And let's be clear-eyed--that was the entire point.

Let's fix this perversion of our democracy. SB2471 helps restore clarity, accountability, and confidence in our democratic system. **I urge your passage of this important legislation.**

Mahalo,

Michael Collat, Honolulu

SB-2471-HD-1

Submitted on: 4/7/2026 10:13:12 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Addie Berliner	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Keohokalole, Vice Chair Fukunaga and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Addie Berliner

SB-2471-HD-1

Submitted on: 4/7/2026 10:47:07 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Arlene Twomey	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Lawmakers, please stand up for us people. You have the authority. We're counting on you to do the right thing for the people of Hawaii. Make us proud of you and our state.

Mahalo,

SB-2471-HD-1

Submitted on: 4/7/2026 10:48:26 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Maya Maxym	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill to curtail the economic power of huge corporations and empower the people instead.

Mahalo for your consideration.

Maya Maxym

SB-2471-HD-1

Submitted on: 4/7/2026 10:48:58 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Curtis	Individual	Support	Written Testimony Only

Comments:

With Chad Blair's article, Hawaii can lead the way in returning elections to the voters.

Chance 'um. It's worth the legal challenges, integrating the DAG's opinion.

It's back to "follow the money." Actually, the "Real Money" is in the Fed & State budgets. That's why elections are such important investments for the "artificial" electors.

jus' sayin'

SB-2471-HD-1

Submitted on: 4/7/2026 11:17:47 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Danielle Goren	Individual	Support	Written Testimony Only

Comments:

SB2471 LIMITING POWER OF ARTIFICIAL PERSONS – CITIZENS UNITED

Thank you for allowing me to offer this written testimony in strong support of SB2471. As a Lahaina resident and member of Indivisible Hawai'i, I respectfully urge you to pass SB2471. Please pass this bipartisan initiative allowing Hawai'i to reaffirm that corporations are created under Hawai'i State law, and possess only those powers granted by Hawai'i, and to revoke all prior grants of corporate and entity powers and regrant only those powers that the State determines to be necessary or convenient to conduct lawful business under the Constitution and laws of this State, which do not include the power to spend money or contribute anything of value to influence elections or ballot measures. This exercise of the State's authority over its corporate law is an appropriate and necessary act to render the Supreme Court's decision in *Citizens United v. Federal Elections Commission*,[\[1\]](#) irrelevant.[\[2\]](#)

In *Citizens United*, the Supreme Court, via 5-4 ruling, held that the First Amendment gives corporations the right to spend unlimited amounts of money to influence elections. In doing so, the Supreme Court opened the floodgates of independent election spending, allowing outside actors to pour exorbitant sums of money into political campaigns across the country, undermining the “bedrock principles like ‘one person, one vote’ and ‘government of, by, and for the people’[].”[\[3\]](#)

Not surprisingly, the *Citizens United* decision is wildly unpopular, with the majority of Americans disapproving of it,[\[4\]](#) and voters opposing it by a nearly 3-1 margin.[\[5\]](#) Despite this, Congress has failed to act to institute any post-*Citizens* reforms or implement a Constitutional amendment, even though in 2014, a majority of the U.S. Senate debated and voted in favor of S.J. Resolution 19, the “Democracy for All Amendment” to the Constitution, but did not achieve the 67 votes required to pass the Senate.[\[6\]](#) Significantly, 842 local government resolutions calling for a Constitutional amendment have been passed, 22 States – including Hawai'i – and Washington D.C. have called for a Constitutional amendment, and 121 members of Congress are co-sponsoring legislation to overturn *Citizens United*.[\[7\]](#)

As comprehensively provided in by the esteemed Tom Moore in *The Corporate Power Reset That Makes 'Citizens United' Irrelevant*,^[8] Hawai'i has the authority to limit corporate political activity and dark money spending via the definition of the form, limits, and privileges that corporations enjoy within the State, as they are artificial beings, existing only in contemplation of state law.^[9] Mr. Moore provides a comprehensive analysis of the constitutionality and legality of the state in granting corporate powers, highlighting the difference between legislating campaign finance law and legislating state corporation law. He prudently identifies the fact that “*Citizens United* did not recognize that corporations possessed their own right to spend in candidate elections. Instead, the court recognized the right of the nonprofit corporation Citizens United, as an association of citizens, to exercise the collected individual rights of the U.S. citizens who gathered to create it.”^[10] Furthermore, “[t]hrough the Supreme Court did not use these exact terms, *Citizens United* centered on the ability of government to regulate the right of corporations to exercise powers of political speech that the state had granted them.”^[11] Ultimately, “[t]he sovereign authority to decide which powers states grant to the corporations they charter includes the authority to not grant their corporations the power to spend in politics.”^[12]

We in Hawai'i are lucky to have representatives and officials who take into account and respect the sentiment of their constituents. Here, you can restore our citizens' faith in the system and act in furtherance and protection of our fragile democratic constitutional republic. Unchecked corporate political spending is an absolute threat to our democracy, permitting corporations to buy policies antithetical to the common good.^[13] I ask you to take this critical opportunity to act to affirm Hawai'i's State corporation law, that corporations are artificial persons created under State law, possessing only that power which the State has granted – powers which do not include the power to spend in elections.

Please, do your part in protecting our democracy, and heed the words of President Abraham Lincoln to satisfy the great task you have been charged with fulfilling, “that government of the people, by the people, for the people, shall not perish from the earth.”^[14]

I thank you, again, for your time and for dedicating yourself to protecting our democracy.

Respectfully,

Danielle Goren

[1] 558 U.S. 130 (2010).

[2] Tom Moore, *The Corporate Power Reset That Makes Citizens United Irrelevant*, Center for American Progress, Sep. 15, 2025, <https://www.americanprogress.org/article/the-corporate-power-reset-that-makes-citizens-united-irrelevant/>.

[3] <https://www.citizen.org/article/frequently-asked-questions/>; Daniel I. Weiner, Brennan Center for Justice, *'Citizens United,' Explained*, pub. Dec. 12, 2019, updated Jan. 29, 2025, <https://www.brennancenter.org/our-work/research-reports/citizens-united-explained>.

[4] See Ashley Balcerzak, *Study: Most Americans want to kill 'Citizens United' with constitutional amendment*, The Center for Public Integrity, May 10, 2018, <https://publicintegrity.org/politics/study-most-americans-want-to-kill-citizens-united-with-constitutional-amendment/>, discussing University of Maryland School of Public Policy's Program for Public Consultation study, wherein "[t]hree-fourths of survey respondents – including 66 percent of Republicans and 85 percent of Democrats – back a constitutional amendment outlawing *Citizens United*. The study also indicates that most Americans – 88 percent overall – want to reduce the influence large campaign donors wield over lawmakers..."
Id.

[5] <https://www.citizen.org/article/frequently-asked-questions/>

[6] S.J. Res. 19, A joint resolution proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections, 113th Congress (2013-2014), <https://www.congress.gov/bill/113th-congress/senate-joint-resolution/19>; and Public Citizen, *Corporations are Not People: Frequently Asked Questions About Overturning Citizens United*, <https://www.citizen.org/article/frequently-asked-questions/>; see also, Public Citizen, Text and cosponsors of proposed amendments in the 116th Congress, <https://united4thepeople.org/amendments/>.

[7] Public Citizen, *Overturning Citizens United: By The Numbers*, <https://www.citizen.org/article/by-the-numbers/>; 2016, Hawai'i House Concurrent Resolution No. 29,

https://www.capitol.hawaii.gov/sessions/session2016/bills/HCR29_.htm.

[8] Senior fellow at American Progress former counsel then chief of staff to Commissioner Ellen L. Weintraub of the Federal Election Commission (FEC).
<https://www.americanprogress.org/people/tom-moore/>

[9] Tom Moore, *The Corporate Power Reset That Makes Citizens United Irrelevant*, Center for American Progress, September 15, 2025, <https://www.americanprogress.org/article/the-corporate-power-reset-that-makes-citizens-united-irrelevant/>; and subsequent discussion of the corporation, quoting Chief Justice John Marshall pronouncement of the creation of and existence of corporations in *Trustees of Dartmouth College v. Woodward*, 17 U.S. 518, 636-37 (1819), “A corporation is an artificial being, invisible, intangible, and existing only in contemplation of law. Being the mere creature of law, it possesses only those properties which the charter of its creation confers upon it, either expressly, or as incidental to its very existence.... The objects for which a corporation is created are universally such as the government wishes to promote. They are deemed beneficial to the country; and this benefit constitutes the consideration, and, in most cases, the sole consideration of the grant.”

<https://supreme.justia.com/cases/federal/us/17/518/>.

[10] *Id.*

[11] *Id.*

[12] *Id.*

[13] “Corporations, not being citizens, cannot be legitimate political actors.” Daniel Greenwood, *Essential Speech: Why Corporate Speech is Not Free*, 83 Iowa L. Rev. 995, 1054 (1998), <http://ssrn.com/abstract=794785>. “When the pot of [corporate] money enters the political system, it distorts the very regulatory pattern that ensures its own utility. When the pot of money is allowed to influence the rules by which it grows, it will grow faster, thus increasing its ability to influence – setting up a negative feedback cycle and assuring that the political system will be distorted to allow corporations to evade the rules that make them good for all of us (to extract rents, in the economists’ jargon).” *Id. see also*, Ciara Torres-Spelliscy, *Testimony for the House Subcommittee on Corporate Governance after Citizens United*, The Brennan Center, March 11, 2010, https://www.brennancenter.org/our-work/research-reports/testimony-house-subcommittee-corporate-governance-after-citizens-united#_ftnref13

[14] Abraham Lincoln, Gettysburg Address, November 19, 1863.

SB-2471-HD-1

Submitted on: 4/7/2026 11:18:01 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alex Tam	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill because corporations should not have the power to buy our government. Corruption is a major issue plaguing every level of government and this is one step we can take to limit the ability of powerful interests from buying elections.

SB-2471-HD-1

Submitted on: 4/7/2026 11:24:00 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Cuthbert	Individual	Support	Written Testimony Only

Comments:

SB2471 SD2 HD1

Aloha Chair Keohokalole, Vice Chair Fukunaga and Members of the Committee, I strongly support SB2471 SD1 HD1 and ask that you make it happen.

This bill affirms the State’s authority to limit the powers of artificial persons and would prohibit corporations and similar entities from spending money in elections. The bill removes the power of corporations, nonprofits, labor unions, and other artificial entities to contribute funds or anything of value to influence candidates, PACs, political parties, or ballot questions. These restrictions apply broadly, including to out-of-state entities operating in Hawai‘i, while preserving the political rights of individuals.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual’s right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

Mahalo,

David Cuthbert, Pahoa

SB-2471-HD-1

Submitted on: 4/7/2026 11:31:29 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Matthew S. LoPresti, Ph.D.	Individual	Support	In Person

Comments:

Wednesday, April 8, 2026

House Committee on Judiciary & Hawaiian Affairs

Senate Bill 2471 SD2 HD1 Relating to the Powers of Artificial Persons

Testimony in Support

Aloha Chair Tarnas, Vice Chair Poepoe, and committee members:

Public confidence and trust in government is essential to a functioning democracy. This confidence has been undermined and eroded by the corrupting influence of money in politics from corporations that have successfully re-written laws and rules that favor their bottom lines instead of the public good. This has only been possible because of the massive amounts of money they are wrongfully allowed to inject into political campaigns for those who do their bidding and against those who stand up for the common man.

SB2471 SD2 HD1 is a vital tool to correct what other democracies around the world have already done, viz., dramatically limit the role of private businesses to unduly influence elected officials with money for their campaigns. It is well within the purview of states in the United States of American to define the scope with which corporations, including non-profits, can operate in their jurisdictions.

Corporate entities are not the same as people and cannot morally be granted all the same powers as an individual; they cannot be given these rights because they cannot be held accountable the

same way individuals can through criminal law, retributive justice, or even by the most basic of human appeals to a person's conscience. By any reasonable person understands they are not the same; they are not even abstractly the same by any stretch. Therefore, they must not be given the same type of access to influence political campaigns that real human beings do and ought to have.

SB2471 SD2 HD1 substantially restores a semblance of power to the individual persons of the electorate. Prior court rulings, including the U.S. Supreme Court, support this approach because powers given to corporations by states include essentially all those enjoyed by actual people, those rights cannot be separately prohibited. However, a long history of jurisprudence and federal law has repeatedly provided states sole authority to define the breadth and depth of corporate power.

This state authority has never been revoked. As such, SB2471 SD2 HD1 takes a judicially narrow approach to addressing the consequence of Citizens United by making explicit in Hawai'i state law that corporations would no longer have a right to the power a living person has.

Please pass SB2471 SD2 HD1 with a "clean" effective date, but otherwise unamended, to maximize the bill's efficacy and likelihood of legal challenges.

Mahalo for the opportunity to testify and thank you for your service to our state.

Matthew S. LoPresti, Ph.D.

SB-2471-HD-1

Submitted on: 4/7/2026 12:34:41 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Richards	Individual	Support	Written Testimony Only

Comments:

Please show the entire country how to value citizens over corporations.

SB-2471-HD-1

Submitted on: 4/7/2026 12:41:57 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carole Mandryk	Individual	Support	Written Testimony Only

Comments:

I am writing to express my strong support for SB 2471. This legislation is a crucial step in reasserting the state's rights to regulate the "artificial persons" it charters.

It is a well-established principle that corporations are not people, but rather legal entities created by the state, granted limited liability and other privileges. It is absolutely within the power of this legislature to declare that these privileges do not include the authority to spend money to influence elections.

- **Corporations should serve the public good, not control it.** The vast amounts of corporate money flowing into our campaigns undermine the voice of individual citizens in Hawaii.
- **This bill is a necessary check on corporate influence.** By defining corporate powers to exclude political expenditure, we ensure that elections belong to the people, not to corporations.
- **This is a clear exercise of state sovereignty.** Under the Hawaii Constitution, the state retains the authority to modify or revoke privileges granted to entities.

I urge this committee to pass SB 2471 and position Hawaii as a leader in protecting democratic integrity from excessive corporate influence.

Mahalo for the opportunity to testify.

SB-2471-HD-1

Submitted on: 4/7/2026 12:55:08 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Greg Kahn	Individual	Support	Written Testimony Only

Comments:

Aloha JHA Committee Members,

I am testifying in emphatic support of SB2471.

States clearly define and regulate the powers of corporations conducting business within their states. Political spending powers are up to the states, and exist as part of this regulation of corporations. SB2471 does not purport to overturn Citizens United, but rather to ensure that the states are able to exercise their regulatory role as policy makers. People, not corporations, should be dictating state policies. Let the states regulate corporations.

Mahalo for reading my testimony,

Greg Kahn

Molokai

Testimony Regarding HI SB2471

Honorable Chairman Tarnas and Members of the JHA Committee

The most important pillar of a democratic society is free and fair elections. It is essential that our elected officials represent the interests of the people and not corporations and special interest groups. It is also essential that the state of Hawaii conduct and administer free and fair elections for local, state, and federal representatives and propositions.

I urge you to pass HI SB2471 so that powerful corporations and special interests do NOT influence Hawaii state and federal elections. Passing HI SB2471 will help to ensure the integrity of Hawaii's elections.

There is currently a great deal of evidence of corruption of elections through large donations of corporations and "dark" money pouring in from special interest groups such as American Israeli Public Affairs Committee (AIPAC).

Respectfully Submitted,

Mary Nipper

North Kohala, Big Island

SB-2471-HD-1

Submitted on: 4/7/2026 1:45:42 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeannine Johnson	Individual	Support	Written Testimony Only

Comments:

Aloha e Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471. This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

We must restore confidence in our democratic system. Please support SB2471 which can do that. Mahalo!

COMMITTEE ON JUDICIARY & HAWAIIAN
AFFAIRS
Rep. David A. Tarnas, Chair
Rep. Mahina Poepoe, Vice Chair

HEARING:
Wednesday, April 8, 2026 at 2:00 pm
Via Videoconference and Conference Room 325

IN SUPPORT OF SB 2471, SD2, HD1 - RELATING TO THE POWERS OF ARTIFICIAL PERSONS.

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,

My name is Christine Andrews, and I am an attorney licensed for over 25 years in Hawai'i and a long-term resident of Wailuku, Maui. I write to you today in **strong support of SB 2471, SD2, HD1**, Relating to the Powers of Artificial Persons, which reaffirms that artificial persons created under state law possess only those powers that are necessary or convenient to carry out lawful purposes, and that those powers do not include the power to spend money or contribute anything of value to influence elections or ballot measures. Senate Bill 2471, SD2, HD1, also revokes all prior grants of entity powers and regrants only those powers that the State determines to be necessary or convenient to conduct lawful business under the Hawaii State Constitution and laws of this State.

As an attorney and voter, the unfortunate trendline in state and national electoral politics since 2010, when the U.S. Supreme Court decision *Citizens United* was decided, is clear. *Citizens United* has resulted in unfettered business donations to, and interference in, elections. Most recently, at the national level, we have seen billionaires try to influence elections, pouring millions into state and national contests. This amplifies the influence of the few, at the expense of the rights of the many. For example, in a recent Texas State Senate election, one candidate vastly outraised another, although one candidate had less than 250 donors and the other had over 1,800.

At the local level, on Maui, we have witnessed large, global corporations use their donations to work to defeat local ballot initiatives and monied mainland investors have tried to shape our representation and influence our elected to serve their interests rather than those of our residents. The high level of business donations in electoral politics erodes public trust in electeds, such as the members of this committee, and creates the impression that electeds serve the interests of business donors and not of their constituents. Legislation such as this will help restore trust and the reputation of public servants dedicated to the public good such as yourselves.

There may be concern that legislation such as this may contravene *Citizens United*. This is not the case. I remind you that the existence of corporations and business entities is a legal fiction that finds its roots in state law. So while the *Citizens United* decision does take precedence when it comes to election law, *Citizens United* was decided on the facts of that case that do not apply when states legislate to limit the power of corporations. If you are unclear about the issues here, there is a video by Robert Reich, "Could This Actually End Citizens United?"¹ that explains the nuances of the law in an accessible way. There is a growing national movement to empower states to limit the impact of *Citizens United* upon our electoral politics through state legislation limiting the powers of corporations under corporate law. As a lawyer I am amazed no one thought of it sooner. This approach relies on well-established state corporation law, and this area of the law has been upheld by the U.S. Supreme Court for over one hundred years. It is really interesting that if states deprive corporations of a power under state law, since corporations are creations of state law, than rights, such as the First Amendment right to free speech that *Citizens United* is based upon, simply have nothing to attach to. You do not have right right to something you do not have the power to do. Hawaii law also allows for corporate powers to be changed by state law at any time. This is another well-established principle with a long history in case law. Courts have consistently upheld it under the Reserved Powers Doctrine. Please feel free to reach out to me if you have any questions regarding the legal principles at work here.

I request that you **vote in support SB 2471, SD2, HD1**, and help Hawaii join the ranks of states that are working to empower voters rather than corporate interests. This is a measure that has broad public support to empower voters over billionaire corporate donors. Mahalo nui,

Christine L. Andrews, J.D.

¹ Available at <https://youtu.be/p1fPbGHe3xE?si=kuUNIPvQyEdo2Xmk>

SB-2471-HD-1

Submitted on: 4/7/2026 1:47:02 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cristina Bacchilega	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471 because this bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures.

It is also important to note that this bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 is a good move in the process of restoring clarity, accountability, and confidence in our democratic system.

Mahalo,

Cristina Bacchilega, Honolulu

SB-2471-HD-1

Submitted on: 4/7/2026 1:49:16 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kendall Krumm	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

Average, every day American and Hawaii residents are TIRED of having those with power and money silence the will of the people. As it stands, Citizens United has made the oligarchy and corporations more rich and more powerful, while state and federal politicians mostly work for who gives their campaigns money vs. the constituents who voted for them in the first place. This is morally and ethically wrong, this is not how our democracy is supposed to work, and we are tired of it. We want a more just, equitable and democratic government and supporting this bill would get Hawaii one step closer to obtaining a community and government based on those things. Please know those of you who vote against this, We see you, and we will vote you out next term. SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Kendall Krumm, Kailua

SB-2471-HD-1

Submitted on: 4/7/2026 1:52:49 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lynda Williams	Individual	Support	Written Testimony Only

Comments:

Aloha,

I write in strong support of this Bill. Corporations are not people no matter what the Supreme Court ruled. Citizens United was a dangerous ruling that must be overturned. Corporations and billionaire entities have destroyed free and fair elections In the United States. Since the federal powers that be are not stepping up to undo Citizens United, we must take control at the state level. Please support SB2471.

Mahalo,

Lynda Williams, HILO

SB-2471-HD-1

Submitted on: 4/7/2026 1:54:51 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shay Chan Hodges	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2471. This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

Mahalo.

--Shay Chan Hodges, Maui, Hawaii

SB-2471-HD-1

Submitted on: 4/7/2026 2:00:30 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Nelson	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly support this legislation. I hope you will also, as it helps restore clarity, accountability, confidence in our democratic system. Mahalo.

Elizabeth Nelson

Kaneohe

SB-2471-HD-1

Submitted on: 4/7/2026 2:04:15 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Noelle Lindenmann	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee, Mahalo, Chair Tarnas, for scheduling this hearing.

I am submitting testimony in strong support of SB2471.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system. This confidence and clarity will do much to support trust in our democratic system.

Mahalo for this opportunity to provide testimony,
Noelle Lindenmann, Kailua-Kona

SB-2471-HD-1

Submitted on: 4/7/2026 2:17:04 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Seikai Darcy	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

My name is Lisa Darcy and I reside in Kula, Maui, HI. I work with real people, not concepts or artificial anything. Thw work I do is a living breathing work of art. Please **SUPPORT SB2471 SD2 HD1**. Elections should reflect people, not corporate money or anything artificial. This is where the magic of life lies.

Many laws are well meaning and have not adapted to community needs in real time. This bill puts people first and prioritizes an individual’s right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

The impacts of supporting this legislation will feed the community for decades to come, using foresight to champion transparency which ultimately equalizes all powers.

Deep gratitude for moving this forward. May courage, discussion, and inclusion continue to feed your work for the betterment of all community members.

Lisa Seikai Darcy

SB-2471-HD-1

Submitted on: 4/7/2026 2:18:45 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
R. Brady Peeks	Individual	Support	Written Testimony Only

Comments:

It is time to limit corporations to conducting business within the laws of the State and in accordance with their charters. This legislation is a good step in that direction.

SB-2471-HD-1

Submitted on: 4/7/2026 2:20:29 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stephanie Austin	Individual	Support	Written Testimony Only

Comments:

This bill deserves your STRONGEST support! It returns power to the citizens of our state, where it belongs. For too long, corporate power, often with few if any real ties to Hawaii, have had undue influence on our lives and well being. Corporations have a duty to increase profits to their shareholders: and seldom prioritize the needs and well being of our citizens. Let Hawaii be the bellwether for our country!

SB-2471-HD-1

Submitted on: 4/7/2026 2:20:31 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pamela Elders	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,
Pamela Elders

Laupahoehoe HI

SB-2471-HD-1

Submitted on: 4/7/2026 2:23:11 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Julie Eliason	Individual	Support	Written Testimony Only

Comments:

April 7, 2026

Honorable Chairman Tarnas and Members of the JHA Committee:

I am testifying personally and request that you advance SB 2471 HD1 unanimously and work to ensure that it passes floor votes in both chambers of the legislature.

You have an opportunity to stop billionaires and corporations from using their unlimited funds to influence our politics by contributing campaign funds, and exerting influence on candidates and government officials. Corporations should not have any more rights than natural persons in our politics. Corporations are being used precisely for these dark purposes. You have the power to stop this nefarious practice through passage of this bill. Please take the correct action to stop this corrupt influence on our elections and get dark money out of our politics in Hawaii.

Your constituents will remember your action to restore our democracy at this pivotal time. Please do not let this opportunity go by.

Thank you.

Julie Eliason

and Robert Bojorquez

SB-2471-HD-1

Submitted on: 4/7/2026 2:27:14 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bianca Isaki	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

}

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Bianca Isaki, Kane'ohe

SB-2471-HD-1

Submitted on: 4/7/2026 2:27:56 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rick Gerding	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities. The damage done to our country already by allowing powerful and wealthy corporations and company executives to buy and influence elections (and elected officials?) must be stopped. Feds haven't been able or willing to do it, so States must. Most of us don't have the financial resources to compete with them dollar wise.

Clean up our elections and restore a level playing field!

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo, Rick Gerding Kilauea, Kauai

SB-2471-HD-1

Submitted on: 4/7/2026 2:29:55 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello Chair David A. Tarnas, Vice Chair Mahina Poepoe, and Members of the Committee,

My name is Nanea Lo, and I am in strong support of SB2471.

This bill provides important clarity by affirming that the powers granted to artificial persons—such as corporations and other state-created entities—do not include spending money or anything of value to influence elections or ballot measures. It does not restrict any individual’s right to speak, organize, or participate in democracy. Rather, it draws a clear and necessary line around what entities created by the state are permitted to do.

For too long, the outsized influence of corporate spending in elections has undermined public trust and distorted our democratic process. When entities with significant financial resources are able to influence elections, it can drown out the voices of everyday people and shift decision-making away from community needs.

SB2471 helps restore balance by reinforcing that democracy should be driven by people—not by entities whose primary purpose is not civic participation. It strengthens accountability, promotes transparency, and ensures that our electoral system reflects the will of Hawai‘i’s residents.

At a time when trust in government is fragile, taking steps to protect the integrity of our elections is essential.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Please pass SB2471.

Me ke aloha ‘āina,
Nanea Lo, 96826
Sierra Club of Hawai‘i Member
Hawai‘i Workers Center Board Member
Clean Elections Hawai‘i Member
Honolulu Tenants Union Member
350 Hawai‘i Member
Carbon Cashback Hawai‘i Member
Hawai‘i Tax Fairness Coalition Member

To: Committee On Judiciary

Hearing: Wednesday, April 8, 2026, 2:00pm, Room 325

Re: Strong Support for SB2471, Relating to the Powers of Artificial Persons

Aloha e Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,

I am in **very strong support of SB2471**, which clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures, and defines the limits of what state-created entities may do as entities. I believe this may be the most important bill being heard this Session.

SB2471 is critical to maintaining fairness and confidence in our democratic system, and to preventing the types of abuses we see federally, with corporation using dollars to quash local voice, candidates, or priorities. This bill does not restrict any individual's right to speak, organize, or participate in democracy. In many ways, it simply returns our State to the "for the people" democratic values intended by the State and federal Constitutions.

Hawai'i is not alone as a State in putting forward a common-sense response to corporate takeover of individual speech and SB2471 is absolutely essential to protect Hawai'i as a State and our shared values from the divisive effects of outside money that will skew local and State priorities and conversations.

Last, the risk of a legal challenge is not a strong enough reason to let this bill die. The language of SB2471 is well designed to withstand legal challenges. **I urge you in the strongest terms to pass SB2471 to clarify individual rights and supports the intent of our Constitution and rights.**

Mahalo for your time and action on this critical bill,

Suzanne Skjold

Kaimuki, HI

SB-2471-HD-1

Submitted on: 4/7/2026 2:33:18 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Peter Matlock	Individual	Support	Written Testimony Only

Comments:

Aloha Representative Tarnas,

I am writing to you as a private citizen and resident of the Island of Hawai'i.

I strongly support SB2471.

We are seeing unprecedented use of economic wealth to influence political power, which in itself corrodes the fundamental democratic principle that every individual person has an equal voice in our government.

Worse, the Citizens United case enabled unlimited contributions to be made by legal entities (including corporations) that are not individuals, and—to make this even worse—these contributions are made without transparency to the public.

Manipulative power that acts in the dark in the service of non-public special interests is a danger to our civic society.

Please approve SB2471.

Mahalo,

Peter Matlock

SB-2471-HD-1

Submitted on: 4/7/2026 2:36:33 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ruta Jordans	Individual	Support	Written Testimony Only

Comments:

Please return power to the people of Hawai'i, not "artificial persons" who think their money is more important than our votes!. Support SB2471.

SB-2471-HD-1

Submitted on: 4/7/2026 2:36:57 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Hilary Smith	Individual	Support	Written Testimony Only

Comments:

I am a Big Island resident (near Honokaa) and I strongly support this bill. Corporations and other "artificial persons" should not be allowed to influence elections or ballot members, and the fact they currently can is outrageous.

This bill helps reign in these excesses while protecting real people's rights to participate in democracy.

SB-2471-HD-1

Submitted on: 4/7/2026 2:37:23 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Safia Gravel	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Safia Gravel, Hilo HI

SB-2471-HD-1

Submitted on: 4/7/2026 2:38:53 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
kimdonghyeon	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,
kimdonghyeon

SB-2471-HD-1

Submitted on: 4/7/2026 2:47:06 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Georgia L Hoopes	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

Elections should reflect the people not corporations.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Georgia Hoopes, Kalaheo

SB-2471-HD-1

Submitted on: 4/7/2026 2:54:02 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carla Anderson	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Carla Anderson, Kalaheo

SB-2471-HD-1

Submitted on: 4/7/2026 2:58:58 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
janet Matlock	Individual	Support	Written Testimony Only

Comments:

Aloha,

This testimony is in strong support of SB2471 HD1, reaffirming that corporations are artificial persons, not natural persons like you and I, and that we the natural people of Hawaii are the ones to define and limit what powers we grant to corporations. This bill restores the State's authority to limit corporation powers and will allow for greater transparency and accountability.

Some may argue that this Bill will be challenged as it will when it becomes law. So be it! Threat of lawsuit should never be a deterrent when by those who wish to when doing what is right for the natural people of Hawaii.

Only those who wish to continue to manipulate and influence through the use of "dark money" and PAC cover will object to clarifying the obvious: that corporations are artificial creations, which are not real, natural people with inalienable rights.

Mahalo for your support of SB2471 HD1.

Janet Matlock, Kailua Kona

SB-2471-HD-1

Submitted on: 4/7/2026 2:59:44 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
louise south	Individual	Support	Written Testimony Only

Comments:

Testimony in Support

Aloha Chair Tarnas, Vice Chair Poepoe, and committee members:

Mahalo for scheduling this very important bill for a hearing.

I testify today as an individual.

SB2471 SD2 HD1 seeks to take advantage of long-standing legal precedent that states are solely authorized to define the scope with which corporations, including non-profits, can operate in their jurisdictions.

Since the early 1900s, states have granted broad authority to corporations to essentially have all the powers as individual persons. This was largely done as a matter of expediency, rather than explicit intent. However, we've now seen, as it relates to elections and our political system, that corporate entities are not the same as people and cannot be granted all the same powers as an individual. Any reasonable person understands they are not the same.

Yes, corporations have abused with impunity the granted power to spend in elections. Consequence has been stark and terrible. Since the Supreme Court handed down its ruling in Citizens United v. FEC, corporate spending has exploded. Since 2008, spending by outside groups, corporations, has grown 28-fold (from \$144 million in 2008 to \$4.21 billion in 2024).

The practical consequence of this spending has been outsized influence on elected officials to support the position of moneyed interests versus those of ordinary people.

The ever shrinking middle class and upward cost of living can, by some measure, be directly attributed to this outsized influence. In turn, dissatisfaction in our political institutions by those same ordinary people who now feel ignored by their government has skyrocketed. To our peril

The result has been anger and hostility toward our government institutions, which in turn has led to the rise in authoritarianism in America.

Luckily, SB2471 SD2 HD1 substantially minimizes this terrible imbalance of influence in Hawai'i and restores a semblance of power to the individuals of the electorate.

Earlier court rulings, including the U.S. Supreme Court, support this approach because powers given to corporations by states include essentially all those enjoyed by actual people, those rights cannot be separately prohibited. However, a long history of jurisprudence and federal law has repeatedly provided states sole authority to define the breadth and depth of corporate power.

This state authority has never been revoked. As such, SB2471 SD2 HD1 takes a judicially narrow approach to addressing the consequence of Citizens United by making explicit in Hawai'i state law that corporations would no longer have this power, and as such, would have no right to it.

The Hawai'i Legislature has a chance to respond to the passion and dissatisfaction of their constituents by supporting this bill and making it law. Please move SB2471 SD2 HD1 with a "clean" effective date, but otherwise unamended, to maximize the bill's efficacy and likelihood of legal challenges.

Mahalo for your consideration.

Sincerely,

Louise Hockaday South



JOSH FROST

1418 Mokuna Pl.
Honolulu, HI 96816

T 808.371.9334
josh.frost@me.com

regardingfrost.com
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Wednesday, April 8, 2026
House Committee on Judiciary & Hawaiian Affairs

Senate Bill 2471 SD2 HD1 Relating to the Powers of Artificial Persons
Testimony in Support

Aloha Chair Tarnas, Vice Chair Poepoe, and committee members:

Mahalo nui for scheduling this important bill for a hearing.

I testify today as an individual. I am not here representing the ACLU of Hawai'i or any other organization.

SB2471 SD2 HD1 seeks to take advantage of long-standing legal precedent that states are solely authorized to define the scope with which corporations, including non-profits, can operate in their jurisdictions.

Since the early 1900s, states have granted broad authority to corporations to essentially have all the powers as individual persons. This was largely done as a matter of expediency, rather than explicit intent. However, we've now seen, as it relates to elections and our political system, that corporate entities are not the same as people and cannot be granted all the same powers as an individual. Any reasonable person understands they are not the same.

Corporations have abused with impunity the granted power to spend in elections. The consequence has been stark and terrible. Since the Supreme Court handed down its ruling in *Citizens United v. FEC*, corporate spending has exploded. Since 2008, spending by outside groups, corporations, has grown 28-fold (from \$144 million in 2008 to \$4.21 billion in 2024).¹

The practical consequence of this spending has been outsized influence on elected officials to support the position of moneyed interests versus those of ordinary people.

The shrinking middle class and rising cost of living can, by some measure, be directly attributed to this outsized influence. In turn, dissatisfaction in our political institutions by those same ordinary people who now feel ignored by their government has skyrocketed. To our peril.

¹ Open Secrets, "Outside Spending," available at <https://www.opensecrets.org/outside-spending/summary> (last accessed September 2025).

The result has been anger and hostility toward our government institutions, which in turn has led to the rise in authoritarianism in America.

Luckily, SB2471 SD2 HD1 substantially reduces this terrible imbalance of influence in Hawai'i and restores a semblance of power to the individual persons of the electorate.

Prior court rulings, including the U.S. Supreme Court, support this approach because powers given to corporations by states include essentially all those enjoyed by actual people, those rights cannot be separately prohibited. However, a long history of jurisprudence and federal law has repeatedly provided states sole authority to define the breadth and depth of corporate power.

This state authority has never been revoked. As such, SB2471 SD2 HD1 takes a judicially narrow approach to addressing the consequence of Citizens United by making explicit in Hawai'i state law that corporations would no longer have this power, and as such, would have no right to it.

The Hawai'i Legislature has an opportunity to respond to the anger and dissatisfaction of their constituents by supporting this bill and making it law. **Please move SB2471 SD2 HD1 with a "clean" effective date, but otherwise unamended, to maximize the bill's efficacy and likelihood of legal challenges.**

Mahalo for the opportunity to testify.

SB-2471-HD-1

Submitted on: 4/7/2026 3:08:09 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Douglas	Individual	Support	Written Testimony Only

Comments:

Ioha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

{Insert additional comments here}

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Susan Douglas, Kihei

SB-2471-HD-1

Submitted on: 4/7/2026 3:09:31 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ken Stover	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

{Insert additional comments here}

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Ken & Karen Stover, Kihei

SB-2471-HD-1

Submitted on: 4/7/2026 3:17:48 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michele Nihipali	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

There is too much outside money influencing our elections. Corporations are not people and should not be allowed to buy favor through elections.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Michele Nihipali

54-074 A Kam Hwy.

Hauula, HI 96717

SB-2471-HD-1

Submitted on: 4/7/2026 3:18:30 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathy Shimata	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

I have watched the damage Citizens United has done to our country's democratic process. At first, it seemed that corporate donations would be identified. Instead, everything is done behind closed doors. Elections have been determined by large amounts of mysterious money. We can stop this & should.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Kathy Shimata

Honolulu, HI

SB-2471-HD-1

Submitted on: 4/7/2026 3:23:49 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leo Nahe Smith	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Leo, Nu'uano

SB-2471-HD-1

Submitted on: 4/7/2026 3:28:47 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Deborah Millikan	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am writing in strong support of SB2471

I believe in an individual's right to speak, organize and participate in democracy. It's time we take the "artificial persons" out of this right.

This bill clarifies accountability and confidence for citizens in our democracy.

Mahalo for the opportunity to testify.

Debbie Millikan

District 20, Honolulu, HI

SB-2471-HD-1

Submitted on: 4/7/2026 3:38:07 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ben Emery	Individual	Support	Written Testimony Only

Comments:

The author of the Declaration of Independence called one of the three major threats to human rights in the USA pseudo aristoi or pseudo aristocrats, a.k.a., commercial monopolies in the form of the extremely wealthy or overly powerful corporations.

In the 1886 decision, Santa Clara vs Southern Pacific Railroad Company, the SCOTUS decision was not on corporate personhood, and it was even stated in the majority opinion.

For the next 20 to 30 years, corporations misrepresented the Santa Clara vs. Southern Pacific Railroad (1886) legal decision, citing the 14th Amendment over 290 times in approximately 310 cases, using the amendment to establish a personhood. The 14th Amendment was intended for former slaves and other people of color to gain citizenship rights, to recognize their basic human rights, and equal protection under the law.

In 1907, the Tillman Act was passed, which prohibited corporations from expending money from their treasuries toward federal political campaigns. The law remains on the books to this day.

To my knowledge, no law has been passed that defines corporate personhood; instead, there are only laws preventing corporations from corrupting elections and political parties.

In 2010, 24 states had laws prohibiting corporate donations to campaigns. Following the SCOTUS decisions of Citizens United (2010) and McCutcheon v. FEC (2014), our political and electoral system has been completely captured.

SB2471 is a small step moving in the correct direction.

Aloha

Ben Emery

SB-2471-HD-1

Submitted on: 4/7/2026 3:40:16 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William Greenleaf	Individual	Oppose	Written Testimony Only

Comments:

Citizen's United has been a near death blow to American Democracy. It's no problem for a multiBillionaire to devote hundreds of millions of their resources to influencing legislators to be like minded with their benefactors (campaign contributors). The Billionaires know they will make the money back and more...it's a business investment for them

This is a brilliant and good faith effort for States to tell the John Roberts Court that they made a big mistake that We the People will not accept any longer. Other States are onboard...this is a strong statement by Hawaii.

The downside may be litigation in opposition...The many States taking such action will join together to defry costs and hopefully succeed. Success will be defined by more Citizen's having their voices heard which will ultimately lead to revoking the current practice of legalized bribery.

SB-2471-HD-1

Submitted on: 4/7/2026 3:44:36 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Doris Segal Matsunaga	Individual	Support	Written Testimony Only

Comments:

Aloha,

Please pass SB2471 SD2 HD1. This is an historic opportunity to block the impact of Citizens United (aka Corporations Unleashed) in Hawai'i. In addition, please pass the bill in its current form - do NOT allow it to be amended significantly.

Mahalo

Doris Segal Matsunaga

Waimea, Hawai'i

SB-2471-HD-1

Submitted on: 4/7/2026 3:48:33 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Daniel R Freund	Individual	Support	Written Testimony Only

Comments:

Please advance this bill and put the people back in politics!

Is there a *chance* that a legal challenge would be successful? Evidently. But that means there is a chance it wouldn't. **This is a fight worth fighting for.**

- Dan Freund, Kapaa

SB-2471-HD-1

Submitted on: 4/7/2026 4:05:22 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cristina Holt	Individual	Support	Remotely Via Zoom

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe, and members of the Committee,

My name is Tina Holt and I live in Hilo. I am submitting testimony in strong support of SB2471.

I have spent my whole life watching this democracy crack and creak and crumble under the weight of corruption. And Citizens United made it so much worse. That 2010 decision flung open the doors for corporations and the mega wealthy to pour unlimited dark money into our elections. And we have all been living with the consequences ever since. In our housing costs. In our public lands. In who gets elected and who gets ignored.

SB2471 is one of the most elegant and important pieces of legislation I have seen move through this building. It does not try to out-argue the Supreme Court. It goes straight to a truth that has been at the foundation of corporate law for over two hundred years. Corporations exist because we say they can. They receive their powers and privileges from the State. And we never intended those privileges to include the power to buy our elections.

This is a slam dunk. For every single member of this committee. Passing this bill forward is a clear statement that you represent the people of Hawai'i. The working people. The people whose tax dollars pay your salaries.

And choosing to gut it, water it down, or kill it will be an equally clear statement. That you have chosen the interests of mega wealthy donors and corporate power over the people you were elected to serve. That when it counted, when Hawai'i had a real chance to lead the entire nation on this issue, you decided that dark money mattered more than democracy.

Your constituents are watching. And we will remember.

But I know you all would never do that. Because you support the people. You are the working people. And we together will show the world what taking real leadership can look like today, together.

Please pass SB2471.

Mahalo, Tina Holt Hilo, Hawai'i

SB-2471-HD-1

Submitted on: 4/7/2026 4:37:34 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marion McHenry	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the committee,

I am in strong support of SB2471.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simple defines the limits of what state created entities may do as entities.

Please give SB2471 a chance to help restore clarity, accountability, and confidence in our democratic systems. Let Hawaii be a leader in saving democracy.

Mahalo nui,

Marion McHenry

Princeville, Kauai

SB-2471-HD-1

Submitted on: 4/7/2026 4:37:58 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Galloway	Individual	Support	Written Testimony Only

Comments:

Hawaii needs to govern itself without interference by powers with no aloha. Please pass this bill.

SB-2471-HD-1

Submitted on: 4/7/2026 4:48:50 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John NAYLOR	Individual	Support	Written Testimony Only

Comments:

Aloha,

Strong Support to END citizens united in Hawaii Nei & the USA ASAP !

Mahalo, John Naylor Makawao

SB-2471-HD-1

Submitted on: 4/7/2026 4:58:39 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
fred hofer	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.
Mahalo,
Fred Hofer

Hilo 96720

SB-2471-HD-1

Submitted on: 4/7/2026 4:59:12 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tyler Graham	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

My name is Tyler Graham and I live in Makiki. I'm writing to urge you to support State Senate Bill 2471 (Relating to the Powers of Artificial Persons) because it will go a long way toward keeping dark money out of politics and return some of the power voters lost after the Citizens United SCOTUS ruling.

It feels like our power of protest and even our votes have become weaker against the juggernaut of dark money, which yes, can be protected by free speech but should not have the outsized influence that it does. I believe this artificial persons designation will work to restore our power and have a positive impact in Hawaii and beyond.

I understand the AG's concern that it will lead to an increase in litigation, and may overburden the AG's office. Could we then allocate more funding, for more hiring, for that office?

Mahalo,
Tyler Graham, Makiki

SB-2471-HD-1

Submitted on: 4/7/2026 5:06:04 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
cheryl burghardt	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in **strong support** of SB2471

We have an opportunity to set the standard! Let's do this.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Cheryl Burghardt

Nuuanu Oahu

SB-2471-HD-1

Submitted on: 4/7/2026 5:06:13 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kealakai Hammond	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

For too long, our state and country have worked for the benefit of big money and special interests rather than the people, and we need to do everything possible to stop the influence of a few and the corporations over the regular citizens of our aloha state.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Kealakai Hammond, Honolulu

SB-2471-HD-1

Submitted on: 4/7/2026 5:06:51 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kealii Pang, Ph.D.	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,

I submit this testimony in strong support of SB2471. My name is Kealii Pang. I am a retired federal wildlife biologist with 26 years of service at the U.S. Fish and Wildlife Service, Pacific Islands Fish and Wildlife Office. I live in Kaimukī, Honolulu, and I am an active member of the Hawaiian Civic Club of Honolulu.

Why This Bill Matters

SB2471 restores something simple and fundamental: elections in Hawai‘i should reflect the voices of people, not the financial power of corporations, nonprofits, labor unions, or other artificial entities.

Corporations and similar entities are legal constructs created by the state. They exist because government granted them that privilege. It follows that the state has the authority to define the boundaries of that privilege. Spending money to influence elections is not a natural right. It is an exercise of institutional power, and Hawai‘i has every reason to place limits on it.

My Perspective

Throughout my career in conservation, I worked at the intersection of science, policy, and public trust. What I learned is that institutions serve the public well only when they remain accountable to the public. The same principle applies to our elections.

When large sums of corporate or organizational money flow into campaigns, it distorts the relationship between elected officials and the people they represent. Voters lose confidence. Trust erodes. Decisions that should reflect community values instead reflect the interests of whoever can spend the most.

As a member of the Hawaiian Civic Club of Honolulu, I work alongside community members who care deeply about land, water, culture, and governance. We bring individual voices to the legislative process. SB2471 protects that space for individual participation while drawing a clear line around the power of artificial entities.

What SB2471 Does

This bill prohibits corporations and similar artificial entities from contributing money or anything of value to influence candidates, PACs, political parties, or ballot questions. It applies to entities operating in Hawai‘i, including those based out of state.

It does not restrict any individual’s right to donate, speak, organize, or participate in the political process. Individual citizens retain full political rights. This bill is about institutional power, not personal freedom.

A Clear Statement of Values

I recognize this bill operates in a complicated legal environment shaped by federal court decisions. Even so, I believe Hawai‘i should put its values on record. Passing SB2471 tells the public that our legislature prioritizes fair elections and public confidence over the unchecked influence of institutional money.

This is a statement worth making. I urge the committee to pass SB2471.

Me ka ‘oiai‘o,

Kealii Pang, Ph.D.

Kaimukī, Honolulu, Hawai‘i

SB-2471-HD-1

Submitted on: 4/7/2026 5:24:32 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kahi Pacarro	Individual	Support	Written Testimony Only

Comments:

The outsized influence of corporate campaign contributions has undermined the integrity of our democracy. This bill offers you a clear choice: stand with the people who elected you, or stand with the interests that funded you.

SB-2471-HD-1

Submitted on: 4/7/2026 5:27:07 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Natalie Brown Norberg	Individual	Support	Written Testimony Only

Comments:

Aloha e Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471.

Corporate capture of our elections has gone too far. This bill helps bring back WHO should have a voice; the people of Hawaii, not special interest.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Natalie Norberg

Pukalani Maui

SB-2471-HD-1

Submitted on: 4/7/2026 5:32:28 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann Dorsey	Individual	Support	Written Testimony Only

Comments:

Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I urge you to support SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

It is imperative that the political influence of corporations be limited as witnessed by the destructive policies they support.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Thank you

SB-2471-HD-1

Submitted on: 4/7/2026 5:33:03 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Diane Bernadette Cho	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

My name is Diane Cho and I am voicing my strong support of SB2471.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

We have seen what Corporate PAC money has done to our national elections and only the ones with the money seem to have their voices be heard. This is unconscionable and definitely not what our Founding Fathers had in mind for this county.

SB2471 helps restore clarity, accountability, and confidence in our democratic system. Please consider adding your support as well.

Very Respectfully,

Diane B. Cho
Kapolei, HI

SB-2471-HD-1

Submitted on: 4/7/2026 5:58:49 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
János Samu	Individual	Support	Written Testimony Only

Comments:

Aloha e ka Luna ho‘omalu Tarnas, Hope Luna ho‘omalu Poepoe ame nā lālā o ke Komikee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual’s right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

We nā kanaka maoli maintain the right to input any ballott question and act upon them in case this bill is approved.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

János Samu

Kalaheo, Kaua‘i

SB-2471-HD-1

Submitted on: 4/7/2026 5:59:37 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lyle Perez	Individual	Support	Written Testimony Only

Comments:

In Support. We must retake our government for the people and not corporations.

SB-2471-HD-1

Submitted on: 4/7/2026 6:08:03 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
john savino	Individual	Support	Written Testimony Only

Comments:

I support

2471 SB RELATING TO THE POWERS OF ARTIFICIAL PERSONS. Please set LIMITS
MAKE RESIDENTS PRIORITY FOR ELECTRICITY AND RESOURCES

SB-2471-HD-1

Submitted on: 4/7/2026 6:08:25 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Caitlin Supe	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

The point of government, particularly effective local government, is to serve on behalf of the maka'āinana and provide services that benefit all local residents. Corporate interest should not be involved in politics, policy, law, or government contracts. For too long our tax dollars are being spent frivolously on no bid contracts, inflated and unaccounted for expenditures, and balancing tax breaks for certain individuals and companies.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Caitlin Supe, Kaneohe

SB-2471-HD-1

Submitted on: 4/7/2026 6:14:23 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
ANDREW ISODA	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,
Andrew Isoda
Lahaina, Mau'i

SB-2471-HD-1

Submitted on: 4/7/2026 6:40:12 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nicole LeClaire	Individual	Support	Written Testimony Only

Comments:

I am in strong support of Bill SB2471. This Bill clarifies that the power granted to artificial persons do not include spending money or anything of value to influence, elections or ballot measures. This bill does not restrict any individual individuals right to speak, organize, or participate in democracy. It simply defines the limits of what state created entities may do as entities.

Corporations are not people and should not have the same rights as individuals.

SB-2471-HD-1

Submitted on: 4/7/2026 6:40:25 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Angelique Axelrode	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

{Insert additional comments here}

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

*Mahalo,
ang Kalani*

SB-2471-HD-1

Submitted on: 4/7/2026 6:41:45 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kaleiheana-a-Pohaku Stormcrow	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in **strong support** of SB2471.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,
Kaleiheana Stormcrow, Mountain View

SB-2471-HD-1

Submitted on: 4/7/2026 6:43:49 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Goodwin	Individual	Support	Written Testimony Only

Comments:

There is a long history of moneyed interests, dating to the railroad barons of the mid 19th century, gaming "personhood" into the law. Today's oligarchy influence is the result.

SB2471 asserts the rights and privileges real people should hold over artificial persons. Bill 2471 exposes the egregious wrong Citizens United has inflicted on us in its 17 year history. Don't be deterred by legal challenge threats. Please pass SB 2471

SB-2471-HD-1

Submitted on: 4/7/2026 6:53:58 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Suzanne Kashiwaeda	Individual	Support	Written Testimony Only

Comments:

I strongly support SB 2471. Corporations created and defined by State laws should not be given the right to influence elections or government decisions with dark money.

SB 2471 addresses concerning challenges to the democratic process and fair elections created by the Supreme Courts Citizen United ruling. Greater wealth and power is in the hands of the few and the wealth gap keeps growing thanks to super pacs and dark money.

Give the power back to the people...not 'artificial' entities.

SB-2471-HD-1

Submitted on: 4/7/2026 7:01:39 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Theresa Armbruster	Individual	Oppose	In Person

Comments:

Strongly OPPOSE SB2151 SD2 HD1

This measure reaffirms nothing, But attempts to Redefine corporations as "artificial" Precedent has already been set in Citizens United v Fed Elect. Comm'n--Supreme Court ruled that corporations are "associations of individuals" Therefore have the same inherent Rights as an individual, Rights protected by the Constitution--namely Free Speech, which can be expressed as political speech. Although many do not agree with this ruling, it still Stands as Law of the Land!!

Question: has anyone notified All of the corporations in the State about this proposed law, why it is deemed necessary & how it will affect them--Revoke all their powers, then only be granted powers that the State deems necessary, and be Banned from all election & ballot-issue activity?!? Perhaps legislators should get feedback from these corporations first, to see if any, or Many, may deem this Unconstitutional & prepare to sue the State? If any corporation(s) sue the State, We the taxpayers will have to pay huge legal fees DO NOT put taxpayers at Great Risk of financial harm!!!

Vote NO on SB2471 SD2 HD1

Heed State Attorney General's Firm Warnings to Stop this Bill!!!

SB-2471-HD-1

Submitted on: 4/7/2026 7:01:58 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Donna M Johnson-Elayyan	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am intentionally opening this letter with 'aloha' both literally and figuratively.

The world is currently in disarray and it sorely needs the embodiment of Aloha. I believe that taking a unique stand against Citizens United is a start to that much needed embodiment.

Elections rules are state responsibilities that are designed to facilitate fair and equitable access to a citizen's right to cast a ballot. I have worked at election polls for most of my adult life up until pre Covid. I have experienced the integrity of the process, the satisfaction of voters casting their ballot, and the sense of fulfillment in being part of something bigger than ourselves. As a community leader, I have hosted candidate forums ensuring that every candidate had a voice. And it is within this context and frame of reference that I submit support for SB2471 SD2 HD1 pertaining to disallowing Citizens United to function as they currently do.

There is just no room in the ethical exercise of voting rights for corporate influence to exist. It exerts unnecessary, unfavorable, and unequal pressure on the vulnerable election process and challenges its integrity.

Hawai'i needs to infuser Aloha into its citizens' rights to fair and equitable elections by disallowing Citizens United and any corporate monetary influences.

Mahalo for your consideration.

SB-2471-HD-1

Submitted on: 4/7/2026 7:09:11 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Supriya	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471. We are tired of having less of a say in politics than corporations.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Supriya Kumar, PT, DPT

Haleiwa

SB-2471-HD-1

Submitted on: 4/7/2026 7:25:26 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary Lu Kelley	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee.

I am writing from Kauai with strong support for SB2471.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Please support bill SB2471.

Mahalo,

Mary Lu Kelley, Koloa.

SB-2471-HD-1

Submitted on: 4/7/2026 7:40:17 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dale VanderBrink	Individual	Support	Written Testimony Only

Comments:

I support SB2471 because we need to limit money in our elections. This is one manner at which we can limit corporations money in our elections. Please pass SB2471

SB-2471-HD-1

Submitted on: 4/7/2026 8:09:32 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stacey Moniz	Individual	Support	Written Testimony Only

Comments:

I strongly support this legislation and encourage you to please take a stand now. We have got to stop the continuing problems created by Citizens United and this is a terrific first step in the right direction.

Mahalo,
Stacey Moniz
Pukalani, Maui

SB-2471-HD-1

Submitted on: 4/7/2026 8:17:49 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lee Skultety	Individual	Support	Written Testimony Only

Comments:

I support this measure. STOP THE CORRUPTION!

SB-2471-HD-1

Submitted on: 4/7/2026 8:35:34 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer Kau'i Young	Individual	Support	Written Testimony Only

Comments:

Aloha mai kākou:

‘O wau ‘o Kau‘i Young and I wholeheartedly support SB2471 SD2 HD1.

Since the 2010 Supreme Court ruling of Citizens United, we have witnessed how detrimental and destructive it is to democracy to have corporations be able to drown out our people's voices with floods of money.

It's time for us to divest from oligarchical interests and reinvest in the power of our people. We are the heirs and leaders of Hawai‘i, not the privileged few.

This is our chance to take on Citizens United and say enough. Billionaires and their mega corporations do not get to count more than the rest of us.

Me ka mana o ka ‘oia‘i‘o,

Kau‘i Young

SB-2471-HD-1

Submitted on: 4/7/2026 8:50:23 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nani Brown	Individual	Support	Written Testimony Only

Comments:

Aloha-

It is about time we pass meaningful laws and precedent to prevent big money corruption. This is a huge step in the right direction. I strongly SUPPORT this bill. LET HAWAII BE AN EXAMPLE TO THE USA on how a real democracy reflects the people.

SB-2471-HD-1

Submitted on: 4/7/2026 9:23:07 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Beth McDermott	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I write in STRONG support of SB2471

It is long past time we put the brakes on the obscene amounts of money corrupting our political system. The Citizens United ruling has done more than any other case I can think of to destroy our democracy, damaging Americans trust in a fair election system and in our elected officials.

This bill provides a measured, smart and effective means to restore integrity at the state level by limiting the power of corporate entities to influence ballot measures, legislation and campaigns.

This is the way we begin to restore our democracy! And we're not the only state pursuing this either. I want to see Hawaii among the states leading the charge on this. Let's do it!

Beth McDermott,

Honolulu

SB-2471-HD-1

Submitted on: 4/7/2026 10:01:06 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Micarah Drake	Individual	Oppose	Written Testimony Only

Comments:

DONT LET CORPORATIONS CONTROL POLITICS. IT SHOULD BE FOR THE PEOPLES BEST INTERESTS.

SB-2471-HD-1

Submitted on: 4/7/2026 10:19:18 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brigitte Leilani Axelrode	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

Our government is being run by corporations and for their benefit alone. We need to actually support our community and citizens united directly goes against that.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Brigitte Axelrode, Honolulu

SB-2471-HD-1

Submitted on: 4/7/2026 10:25:51 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Laila Moire-Selvage	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,

I am in strong support of SB2471.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

Elections should reflect people, not corporate money.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,
Laila Moire-Selvage, Mountain View (96771)

SB-2471-HD-1

Submitted on: 4/8/2026 12:07:33 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
LorrieAnn Santos	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471, which clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 affirms the State's authority to limit the powers of artificial persons and would prohibit corporations and similar entities from spending money in elections. The bill removes the power of corporations, nonprofits, labor unions, and other artificial entities to contribute funds or anything of value to influence candidates, PACs, political parties, or ballot questions. These restrictions apply broadly, including to out-of-state entities operating in Hawai'i, while preserving the political rights of individuals.

Elections should reflect the people, your constituents, not corporate money. Artificial entities are state-created privileges, not natural rights holders. This bill reasserts that Hawai'i can set boundaries on the powers it grants. Even in a tough legal environment, this is a clear statement that our state should prioritize public trust and fair elections. Individuals can still donate, speak, associate, and participate politically.

I ask for your support of SB2471 to help restore clarity, accountability, and confidence in our democratic system.

Mahalo,
Lorrie Ann Santos, Kane'ohe, O'ahu

SB-2471-HD-1

Submitted on: 4/8/2026 12:48:36 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
B.A. McClintock	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo.

SB-2471-HD-1

Submitted on: 4/8/2026 1:49:04 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kristine Donayri	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

The government should be for the people, by the people. Most people aren't wealthy and don't own corporations, and instead work 40+ hours a week to barely pay their mortgage, rent, food, and other bills- all while struggling. Who is in office should not be able to be bought!

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Kristine Donayri

SB-2471-HD-1

Submitted on: 4/8/2026 5:08:39 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kehaulani Coleman	Individual	Support	Written Testimony Only

Comments:

Thank you

SB-2471-HD-1

Submitted on: 4/8/2026 6:11:15 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Teresa Bill	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice-Chair Poepoe and Committeemembers ~

I am testifying in **STRONG SUPPORT of SB2471 SD2 HD1**, related to powers of artificial persons.

Democracy lies in the power of the **people**. This is fundamental. This bill is legally sound and offers a path for Hawai‘i to regain and reinforce that natural persons are the foundation of our democratic processes, not corporations.

This bill does not restrict any individual’s right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

The power of artificial “personhood” granted to corporations has unduly and negatively influenced our democratic processes. **Voters**, not money and corporate donations are the backbone of political participation. “Good Government” is government by the people – natural, human people. In Hawai‘i we have an opportunity to rectify, rein in and limit the powers granted to “artificial persons” like corporations authorized by the State.

SB2471 helps restore confidence in our democratic system. We know “Citizens United” is wrong and anti-democratic. We can fix that for Hawai‘i.

Mahalo, Teresa Bill

Kaimuki

SB-2471-HD-1

Submitted on: 4/8/2026 6:44:54 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kumella Aiu	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

This actually restores fairness and power to citizens rather than entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Kumella Aiu

SB-2471-HD-1

Submitted on: 4/8/2026 6:57:13 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shana Laririt	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system. In our current system democracy is lost in giving corporations and oligarchs the power to buy elections and influence public policies.

Mahalo,

Shana Laririt, Makawao

SB-2471-HD-1

Submitted on: 4/8/2026 7:15:00 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chris Woodward	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

I am writing in strong **support** of SB2471.

I have spent significant time, money, and effort trying to keep our democracy free, fair, and transparent, but it is hard to feel that my voice matters when corporations are allowed to spend virtually limitless sums to influence our elections and ballot measures.

SB2471 is a concrete step Hawaii can take to address this imbalance. It does not silence any individual person.

By passing SB2471, you can help ensure that political power in Hawaii rests with people, not corporate power. For those of us who do our best to participate in good faith, this bill is a meaningful way to restore trust that civic engagement still counts.

I respectfully urge you to pass SB2471.

Mahalo for considering my testimony.

Sincerely,
Chris Woodward
Oahu, 96706

SB-2471-HD-1

Submitted on: 4/8/2026 7:54:52 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Linda Rich	Individual	Support	Written Testimony Only

Comments:

Committee on Judiciary and Hawaiian Affairs

Rep. David A. Tarnas, Chair

Rep. Mahina Poepoe, Vice Chair

Aloha and Mahalo for the opportunity to strongly support this bill which helps protect and strengthen our democracy.

Linda Rich

House Committee on Judiciary and Hawaiian Affairs (JHA)

Chair David Tarnas, Vice Chair Mahina Poepoe

April 8, 2026, 2:00 p.m., Conference Room 325

Re: SB2471— Relating to Powers of Artificial Persons

From: Amy Monk, Individual

To: Chair Tarnas, Vice Chair Poepoe and Committee Members:

I support SB2471.

This bill limits the powers of artificial persons, such as corporate entities, limiting their ability to spend funds to influence elections or ballot measures.

I understand the concerns of unions and other organizations that have offered comments and not support for this bill. Labor unions and many organizations align with my values, and I continue to support them. Unions, well-meaning organizations, non-profits with PACs may all lose some influence by limiting the ability to make expenditures to elect candidates and ballot measures. However, allowing dark money in politics works against all of us.

By declaring that money is speech, the voice of average citizens is drowned out by the multi-millions of dollars that special interests can spend anonymously on an election or a ballot measure.

SB-2471-HD-1

Submitted on: 4/8/2026 8:43:06 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leah Laramee	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471 which clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Leah Laramee, Kahala

SB-2471-HD-1

Submitted on: 4/8/2026 9:07:58 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keri Monteith	Individual	Support	Written Testimony Only

Comments:

Aloha,

I'm submitting testimony today in strong support of SB2471. Hawaii's elections should reflect the people and corporations should not be allowed to use their wealth to influence election outcomes. We have seen public trust eroded and accountability in our democratic system lost due to the influence of corporate money. Please help restore what little confidence is left in our elections.

Mahalo for your time,

Keri Monteith, Waipahu

Date: April 8, 2026

To: Chair Tarnas, Vice Chair Poepoe, and Members of the House Committee on Judiciary & Hawaiian Affairs

From: Shawn M Rose
of Ewa Beach, HI 96706
Email: shawn.r@me.com

Re: SB 2471 HD1 – Relating to the Powers of Artificial Persons
Position: Strong Support

Re: SB 2471 HD1
Position: Strong Support

Dear Chair Tarnas and Honored Members of the House Committee on Judiciary & Hawaiian Affairs,

I write in **strong support** of **SB 2471 HD1**.

At its core, this bill addresses a basic democratic principle: **government exists to serve people, not corporations, and not politicians funded by concentrated money**. SB 2471 recognizes that corporations and other artificial entities are creations of law. They are granted valuable privileges by the State, including legal existence and limited liability, in order to conduct lawful business and organizational purposes. Those state-conferred privileges should not be converted into political power. As drafted, SB 2471 would reaffirm that these artificial entities do not possess the power to spend money or contribute anything of value to influence elections or ballot measures.

I support this bill because **money in politics has a corrupting effect, and even when corruption cannot be proven in a specific case, the appearance of corruption damages public trust**. When large entities with substantial financial resources are allowed to spend in elections, ordinary people reasonably question whether elected officials are accountable to voters or to those with the deepest pockets. That loss of confidence is itself harmful. Democracy depends not only on fair outcomes, but on the public's belief that government decisions are made with integrity.

I also support this bill because corporations are not people. **A corporation is a legal tool. It does not vote. It does not have a conscience. It does not raise children, pay rent, struggle with medical bills, or experience the real-world consequences of laws in the way human beings do.** The people of Hawai'i should not have their voices diluted by entities that exist because the law permits them to exist. The Legislature has every moral right to define the scope of the privileges it grants to such entities, especially when those privileges can be used to distort democratic decision-making.

Another important reason to support SB 2471 is the ongoing problem of **anonymous political money and dark-money influence**. There is no legitimate public interest in allowing hidden money to shape political outcomes. Anonymous or obscured funding makes it difficult or impossible for the public to evaluate motives, spot conflicts of interest, or hold anyone accountable. Transparency is not a technicality; it is essential to integrity in government. While SB 2471 is fundamentally about limiting the political powers of artificial entities, that is precisely why it is so important: rather than trying to clean up the mess after money has already entered the system, it seeks to prevent that distortion at the source.

This measure is also important because Hawai'i's government should remain accountable to the people of Hawai'i, not to corporate actors seeking favorable treatment, regulatory influence, tax advantages, contract opportunities, or leverage over public policy. **When entities that benefit from state-granted privileges are also permitted to spend heavily to influence the officials who regulate them, the public is left to wonder whether policy is being made for the common good or for private advantage.** That is not healthy self-government.

I understand that some raise constitutional objections to legislation like this. But regardless of where one stands on those legal questions, the Legislature should not be passive in the face of a system that has plainly eroded public confidence. Hawai'i has the right, and I would argue the duty, to state clearly that artificial entities created under state law are not entitled to wield state-conferred privileges as political weapons. If democratic self-government means anything, it means drawing principled lines to protect the people's voice.

SB 2471 is a values-based bill as much as a legal one. It says that democracy belongs to human beings. It says that public office is not for sale. It says that the integrity of our elections and ballot measures matters more than the preferences of entities built to accumulate and deploy capital. It says that the people of Hawai'i deserve a government that is visibly, structurally, and substantively accountable to them.

For these reasons, I respectfully urge the Committee to **pass SB 2471 HD1**.

Mahalo for the opportunity to testify and for your service to our island home.

Sincerely,



Shawn M Rose
91-1045 Kai Kukuma St.
Ewa Beach, HI 96706
shawn.r@me.com

SB-2471-HD-1

Submitted on: 4/8/2026 9:17:22 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cynthia Sandusky	Individual	Support	Written Testimony Only

Comments:

I am in support of this bill,wholeheartedly.

SB-2471-HD-1

Submitted on: 4/8/2026 9:32:34 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kencho Gurung	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471!

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,
Kencho Gurung, Hawai'i Island

SB-2471-HD-1

Submitted on: 4/8/2026 10:10:10 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lore Witt	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Parnas, Vice Chair Poepoe and members of the committee;

I am writing in support of SB 2471. There may be no more important bill that could advance in the session than this one. Citizens United decision unleashed the power of dark money to influence our elections, and I think we are seeing that all come home to roost just in the last few days.

Corporations are not people. The state can recognize this. Hawaii could lead the way for what could be the turning point in taking back our democracy and giving people the power once again. Let's not shy away from being bold and doing the right thing because the times absolutely demand it. Our ancestors and our children demand it. If there are legal challenges, we will face them. Hawaii has some of the best legal minds in the country. I am confident and we will prevail. The time has come to take action. Be brave and move this forward.

The wrecking ball that has brought us to so many constitutional crises and to this regime that has no regard for the rule of law, and no desire anymore to even hide its contempt for people who believe in democracy and decency;

a regime that no longer bothers to hide its incredible avarice and corruption and quid pro quo - ing has come about because of the floodgates of dark money allowed in the electoral process by citizens united.

Let us begin to turn the tide today with approving this bill to move forward. This is no time for anything but bold action. The emperor has no clothes and the creeping fascism has got to stop. This is the first step.

I am a 64-year-old woman and I work five very physical 12 hour days a week, growing native Hawaiian plants for forest restoration. Currently my taxes go to fund an illegal and unconstitutional genocide, Overseen by an insane clown who is violating international law. I don't want this. I didn't vote for this. I am not being represented due to, in very large part, the citizens United decision.

The never-ending wars that this regime is committed to Is accelerating our ever hastening climate change, already advancing at a galloping pace. I am writing this as our third Kona low approaches.

My kids don't have any desire to have children because they have no hope That things will improve . They don't vote because the picture of corruption that they see leaves them hopeless that their voices will ever will be heard above the noise of the influence that dark money has in these elections. When I try to convince them other wise, my words just ring hollow, because even I don't believe it anymore.

Free and fair elections, One voice, one vote, your voice being heard at the ballot box; Citizens United has made that such a laughable joke and if you believe it, you are hopelessly naïve.

With this SB2471, we have a chance to reverse this incredibly catastrophic Decision. Have some courage, and represent the will of the people who put YOU in a position of power to say yes or no over even HEARING this bill.

Faith in government is at the biggest low it's probably ever been. Not a hyperbolic statement. Approving this bill to move forward would give people just a tiny little bit of hope for transparency and accountability and honesty in government. Both in Hawaii and on the federal level.

In Hawaii this is especially true with more corruption being exposed every day. Please please please, represent the will of the people to have no more dark money in their elections; to take the money OUT of our electoral process.

This is how we start. Today. let this bill move forward and we will all move forward together out of this nightmare. thank you.

_Lore Witt

SB-2471-HD-1

Submitted on: 4/8/2026 10:33:02 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Emma Stierhoff	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am writing to express my strong support of SB2471. This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities. This will help ensure that our elected officials represent us, the people, and not corporate entities.

Please vote for SB2471 to restore clarity, accountability, and confidence in our democratic system.

Mahalo for your time,
Emma Stierhoff

SB-2471-HD-1

Submitted on: 4/8/2026 10:40:34 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Regina Gregory	Individual	Support	Written Testimony Only

Comments:

support

SB-2471-HD-1

Submitted on: 4/8/2026 10:53:42 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Aileen K . F. Yeh	Individual	Support	Written Testimony Only

Comments:

I am in support of SB2471 SD2 HD1

Aileen Yeh

SB-2471-HD-1

Submitted on: 4/8/2026 11:43:20 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tristyn Wiehl	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,

I am in strong support of SB2471

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

Allowing artificial entities to spend money in elections makes it more difficult for voters to clearly understand who is influencing political outcomes, reducing transparency and eroding public trust. When large sums of money from these entities enter the political process, it creates conditions where undue influence can take hold — and even when legal, this dynamic can resemble corruption and undermine confidence in government. Our democratic system should reflect the voices and will of individuals, not entities created by the state with access to vast financial resources. The outsized role of money in politics has contributed to widespread concerns about accountability and fairness, and this bill takes an important step toward addressing those concerns by ensuring that political influence is rooted in people, not artificial entities.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,

Tristyn, Mililani

SB-2471-HD-1

Submitted on: 4/8/2026 11:47:55 AM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steven Singer	Individual	Support	Written Testimony Only

Comments:

Please help get \$ out of our politics. At least leasen it.

SB-2471-HD-1

Submitted on: 4/8/2026 12:51:30 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lory Ono	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee,
I am in strong support of SB2471.

This bill clarifies that the powers granted to artificial persons do not include spending money or anything of value to influence elections or ballot measures. This bill does not restrict any individual's right to speak, organize, or participate in democracy. It simply defines the limits of what state-created entities may do as entities.

Elections should reflect the will of the people, not the financial influence of corporate donors. This bill will keep elections more fair than they are at present.

SB2471 helps restore clarity, accountability, and confidence in our democratic system.

Mahalo,
Lory Ono, Kaneohe

SB-2471-HD-1

Submitted on: 4/8/2026 12:56:36 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lindsay Gardner	Individual	Support	Written Testimony Only

Comments:

I am strongly in favor of SB2471. The ability of PACs and dark money to influence our elections is a present danger to our democracy and will continue to be until guardrails are put in place. The purpose of this government is to be elected by the people for the people. Not by large corporations for large corporations. The Citizens United ruling was incredibly egregious and damaging. By passing SB2471 Hawaii can become one of the first (if not the first) state to do something about it. Other states are ready to follow suit once precedence is set and we can lead that charge! It is time for Hawaii to become a leader in this country and show the mainland how to take back control from entities that want to squash the rights of the everyman. The Kingdom of Hawaii was taken over once by corporate interests. Don't let the state of Hawaii face the same fate.

SB-2471-HD-1

Submitted on: 4/8/2026 1:45:22 PM

Testimony for JHA on 4/8/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Matt Thomas	Individual	Support	Written Testimony Only

Comments:

I urge you to pass SB2471. This bill halts the incredible damage the Citizens United holding has done to American democracy, our environment, and the rights of HUMAN AMERICANS. Look at the current state of our ocean, climate, soil and government. I am silent and in pain. CORPORATIONS over people.

Let us caution our naysayers (our AG), despite the cost of a fight for our survival WE STILL HAVE TO FIGHT!

Yes, corporate America will throw every dollar, lie, short-sighted attorney and bought politician against us. That's how YOU KNOW you are doing the right thing for us non-corporate humans!