

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I
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TESTIMONY
OF
BONNIE KAHAKUI, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE
ON
FINANCE

APRIL 7, 2026, 2:00 PM

SENATE BILL 2530, SD2, HD1
RELATING TO CAMPAIGN CONTRIBUTIONS

Chair Todd, Vice Chair Takenouchi, and members of the committee, thank you for the opportunity to submit testimony on Senate Bill 2530, SD2, HD1. The State Procurement Office (SPO) appreciates that the House Draft 1 version of this bill contains our recommendation to allow the purchasing agency to report all names within thirty (30) calendar days and to apply the disclosure requirement to contracts that exceed the small purchase threshold pursuant to section 103D-305, Hawaii Revised Statutes (HRS).

Recommendations

The SPO respectfully recommends the following revisions:

- **Revise for clarity SECTION 2, Page 3, lines 11-13 to read:**

"The campaign spending commission shall prescribe a standard form and require the contractor to certify the accuracy of the **information on** the form."

- **Revise SECTION 2, Page 4, lines 6-11 to read:**

"(d) [~~Failure of a contractor to submit the information required under this section shall constitute a material noncompliance.~~] A contracting state agency may [~~withhold execution,~~] **delay the notice to proceed,** suspend performance, or pursue remedies available under the contract or applicable law until the required information is submitted."

- **Revise for clarity SECTION 3, Page 5, lines 3-5 to read:**

"The campaign spending commission shall prescribe a standard form and require the contractor to certify the accuracy of the information on the form."

- **Revise SECTION 3, Page 5, lines 18-20, and Page 6, lines 1-2 to read:**

"(d) [~~Failure of a recipient to submit the information required under this section shall constitute a material failure to comply with the terms and conditions of the grant.~~] An expending agency may [~~withhold~~] delay grant funds until the required information is submitted.

- **Revise for clarity SECTION 4, Page 6, lines 16-18 to read:**

"The campaign spending commission shall prescribe a standard form and require the contractor to certify the accuracy of the information on the form."

- **Revise SECTION 4, Page 7, lines 11-13 to read:**

"(d) [~~Failure of a contractor to submit the information required under this section shall be subject to section 103D-702 and 103D-707.~~] A purchasing agency may delay the notice to proceed, suspend performance, or pursue remedies available under the contract or applicable procurement law until the required information is submitted."

- **Revise for clarity SECTION 5, Page 8, lines 6-9 to read:**

"The campaign spending commission shall prescribe a standard form and require the contractor to certify the accuracy of the information on the form."

- **Revise SECTION 5, Page 9, lines 3-8 to read:**

"(d) [~~Failure of a contractor or provider to submit the information required under this section shall constitute a material noncompliance.~~] A purchasing agency agency may [~~withhold execution,~~] delay the notice to proceed, suspend performance, or pursue remedies available under the contract or applicable law until the required information is submitted."

Thank you for the opportunity to submit testimony on this measure.

KRISTIN E. IZUMI-NITAO
EXECUTIVE DIRECTOR



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**STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION**

235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

April 6, 2026

TO: The Honorable Chris Todd, Chair
House Committee on Finance

The Honorable Jenna Takenouchi, Vice Chair
House Committee on Finance

Members of the House Committee on Finance

FROM: Kristin Izumi-Nitao, Executive Director *Kei*
Campaign Spending Commission

SUBJECT: **Testimony on S.B. No. 2530, S.D.2, H.D.1, Relating to Campaign Contributions.**
House Committee on Finance
Tuesday, April 7, 2026, at 2:00 p.m.
Conference Room 308 & Videoconference

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") supports this bill with comments which we believe will prevent the corruption, or at least the appearance of corruption, of elected officials as well as represents a crucial step towards transparency and accountability in government spending. In this respect, this bill will help improve public confidence in government and the electoral process.

H.D.1 replaced the entirety of this bill with H.B.1519 H.D.1. The measure as amended as follows: 1) extends the ban on contributions to compensated officers of the state contractors and their immediate family members during the duration of the contract exceeding the small purchase threshold under the Hawaii Public Procurement Code, 2) extends the ban on contributions to state grantees and their compensated officers and their immediate family members during the duration of the grant exceeding \$250,000, 3) limits the ban on officers and immediate family members to the branch of government awarding or administering the contract, 4) does not apply to county contractors and grantees officers and their immediate family members, and 5) limits the scope to "compensated" officers of state contractors and grantees.

The Commission is concerned that removing officers and immediate family members of county contractors and grantees from the ban, limiting the ban to the same branch of

government, and limited the ban to “compensated” officers undermines the intent of this bill and will not capture all possibilities of corruption. The Commission recommends 1) extending the ban to include immediate family members of officers of state and county contractors and state and county grantees, 2) removing the same branch of government restriction, and 3) removing “compensated” from the bill.

The bill also defines “officer” to mean an individual who is listed as an officer on the Department of Commerce and Consumer Affairs Business Registration database. The Commission believes this definition does not accurately describe these individuals for purposes of campaign finance violations and requests the definition be amended to read:

“Officer” means an individual who is:

- (1) The owner of a sole proprietorship;
- (2) A general partner of a general partnership, limited or limited liability partnership;
- (3) A manager or co-manager of a limited liability company; or
- (4) An officer of a corporation or any of the entities described in this section.

The bill requires state contractors or grantees to provide to the contracting, expending, or purchasing agency with a list of the names of any officers and immediate family members of the state contractor or grantee within thirty calendar days of executing a state contract or grant and within thirty calendar days of any change to the list of officers and immediate family members. The list of names shall then be available to candidate and noncandidate committees on a password-protected section on the Commission’s website. The Commission requests an appropriation of: 1) \$250,000 to build a password-protected section in its electronic filing system and to provide training, and administrative support, 2) \$150,000 for one full-time equivalent (1.0 FTE) information technology specialist, and 3) \$20,000 for equipment, supplies, software, and licenses to implement this part. During a WAM hearing this morning on a similar bill (H.B.1519, H.D.1, S.D.1), WAM indicated that appropriation for this bill should come out of the Hawaii Election Campaign Fund (“HECF”). The Commission objects to using the HECF to implement this part because it would use and potentially deplete funds available to candidates under the Partial Public Financing Program which is mandated by the Hawaii State Constitution.¹

With respect to any constitutional concerns regarding the scope of this bill, the Commission defers to the Department of the Attorney General but believes that there are other jurisdictions including Connecticut that have extended the campaign contributions ban to state contractors’ principals and family members and withstood challenge on First Amendment grounds.

The Commission requests that this Committee pass this bill with amendments.

¹ As of June 30, 2025, the HECF has \$2,412,282.94 which is comprised of funds from the state tax check off system, fines, and escheats which has accumulated over many years.



Committee on Finance
Chair Chris Todd, Vice Chair Jenna Takenouchi
Tuesday, April 7, 2pm
Room 308 and videoconference
SB2530 SD2 HD1 – RELATING TO CAMPAIGN CONTRIBUTIONS

TESTIMONY

Beppie Shapiro, Legislative Committee, League of Women Voters of Hawaii

Chair Todd, Vice Chair Takenouchi, and Committee Members:

The League of Women Voters of Hawaii opposes, albeit with comments, SB2530 SD2 HD1 because we believe a better alternative is available in HB1519 HD1 SD1.

SB2530 SD2 HD1 would require disclosure of the names of compensated officers, **and their immediate family members**, of state contractors with contracts exceeding the small purchase threshold established under the Hawai'i Public Procurement Code and grantees with grants exceeding \$250,000; prohibit compensated officers of **state** contractors, **and their immediate family members**, from making, promising, or soliciting **certain campaign contributions** for the duration of the contract exceeding the small purchase threshold. Prohibits state grantees, including compensated officers **and their immediate family members**, from making, promising, or soliciting **certain contributions** for the duration of the grant exceeding \$250,000. Requires unlawful contributions to be returned to the contributor or escheat to the Hawai'i Election Campaign Fund. Appropriates funds.

Why we oppose SB2530 SD2 HD1: "certain" contributions prohibits only contributions to the same branch of the state government that exercises authority over the awarding or administration of the contract" (or grant). These would be administrative branches. Thus contributions to the campaigns of legislators/county council members would not be prohibited, although they often receive requests for legislation requiring and/or funding activities which result in grants and contracts awarded by administrative bodies. This omission is likely to increase the public perception, at least, of the legislature resisting reforms which may have unwelcome effects on its members. Campaign Spending Commission data, reported in the New York Times in 2024, revealed that Between 2006 - the year the pay-to-play law (HRS 11-355) was implemented, and 2024, **people tied to government contractors gave state and local Hawaii politicians more than \$24 million: about one-fifth of all donations. Most often, these contributions were given to politicians with the most power to determine contract awards.**¹

What we like in SB2530 SD2 HD1: The prohibition of contributions from immediate family members of compensated officers. Some evidence (as well as experience and common sense) supports the frequency with which family members make such contributions. The New York Times in the same 2024 article reported that HRS 11-355 is undermined by contributions from officers, employees, **and their families (op. cit.)**. SB2530 SD2 HD1 restores only part of the intent of HRS 11-355.

¹Blaze Lovell, Eric Sagara & Irene Casado Sanchez. *Inside the Late-Night Parties Where Hawaii Politicians Raked In Money*. New York Times; January 17, 2024.
<https://www.nytimes.com/2024/04/17/us/hawaii-contractors-campaign-donations.html?searchResultPosition=7>

Thank you for the opportunity to submit testimony.

SB-2530-HD-1

Submitted on: 4/6/2026 7:19:57 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Christopher Dean	Clean the Pacific	Support	Written Testimony Only

Comments:

Everyone knows how this works. You need wealthy people to donate to your campaign. I'm sure you feel that you are immune to coercion, and that you will support the will of the people, regardless of any campaign contributions that anyone has made. But you know, you guys go out to lunch, you see each other at parties, maybe a few rounds of golf and then one day this generous donor who's never asked anything in return for his generous donations says, you know we we want to build this resort on the coastline. It's gonna be beautiful, with luxury accommodations and it's gonna provide a lot of jobs for the community, but you know how it is, these environmental activist and so forth don't want any progress, blah, blah, blah. Now you have inner conflict. One side of you knows that your constituents don't want this resort and the other side of your brain says if I don't do what he wants, no more money. I might lose the next election if I don't have enough money.

It's this paradigm that is ubiquitous across state and federal government. And this is why the natural world is going extinct at the fastest rate in the history of planet Earth, faster than any previous mass extinction. We're losing everything beautiful here in Hawaii to development. Nobody wants to see all of these islands turn into a massive tourist Miami Beach. If we don't get money out of politics, it will be impossible to stop the developers. This bill will help to disrupt this endless cycle of destruction. I know this is difficult and scary, but it is the right course of action. I promise you, if you stay in the right lane, the people will support you and your political career will flourish. Just passing this legislation will be noticed by the community. We won't forget that.



APRIL 7, 2026

SENATE BILL 2530 SD2 HD1

CURRENT REFERRAL: FIN

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Kris Coffield,
President

David Negaard,
Director

Mireille Ellsworth,
Director

Justin Salisbury,
Director

Eileen Roco,
Director

Beatrice DeRego,
Director

Corey Rosenlee,
Director

Amy Zhao,
*Policy and Partnerships
Strategist*

POSITION: OPPOSE WITH AMENDMENTS

Imua Alliance opposes and suggests amendments for SB 2530 SD2 HD1, relating to campaign contributions, which requires disclosure of the names of compensated officers, and their immediate family members, of state contractors with contracts exceeding the small purchase threshold established under the Hawai'i Public Procurement Code and grantees with grants exceeding \$250,000; prohibits the compensated officers of state contractors, and their immediate family members, from making, promising, or soliciting certain campaign contributions for the duration of the contract exceeding the small purchase threshold; prohibits state grantees, including compensated officers and their immediate family members, from making, promising, or soliciting certain contributions for the duration of the grant exceeding \$250,000; and requires unlawful contributions to be returned to the contributor or escheat to the Hawai'i Election Campaign Fund.

Imua Alliance is a Hawai'i-based organization dedicated to ending all forms of exploitation, including corporate interference in our democracy. Please amend Section 6 of this measure to ensure that it applies to all elected officials, at least at the state level, and does not exempt state legislators. The HD1 would only apply to "the candidate committee of a candidate who is a member of, or seeking election to, the same branch of the state government that exercises authority over the awarding or administration of that specific contract," i.e. the

executive branch, since the executive is responsible for the administration of public contracts.

This undermines the purpose of the proposal and would allow contractor manipulation of our campaign system to continue, with contractors still being allowed to use contributions to legislators who fund their contracts as a form of political leverage. Again, please change this provision in Section 6 and prevent contractor corruption for all state officials, which is especially important considering ongoing investigations into campaign violations in our state.

Our democracy belongs to we, the people.

At a time when our nation is experiencing extreme political turmoil and basic civil liberties are under assault, we must take steps in Hawai'i to safeguard democratic participation. In the 2024 primary election, for example, our state experienced its lowest turnout in 65 years, with only 32.1 percent of registered voters filling out a ballot. This is, in part, a reflection of the public's deep cynicism with our electoral processes.

Hawai'i continues to be embroiled in public corruption scandals, following the bribery allegations that were levied against former Senate Majority Leader Kalani English and former State Representative Ty Cullen. Legal clouds surrounding a \$35,000 alleged bribery scandal are swirling around the legislature, to the detriment of public confidence, with the Hawai'i Attorney General opening an investigation into the potential offenses and the State House adopting a measure to begin this session calling for a thorough and hasty enquiry into the matter.

Other public officials, such as employees at local permitting offices, have also recently been ensnared in bribery scandals, in some cases with connections to Milton Choy, the lobbyist who was responsible for coordinating the bribery scheme that Sen. English and Rep. Cullen became a part of. These cases show that we have a moral crisis in our public institutions and must do all we can to restore integrity to government.

In 2024, a Civil Beat/New York Times investigation unveiled just how deeply pay-to-play culture is ingrained in local politics. After reviewing hundreds of thousands of campaign contributions and more than 70,000 government contracts, reporters found that nearly \$1 out of every \$5 donated to politicians came from people tied to companies doing business with state and local governments.

As Civil Beat reported, when some companies were on the cusp of winning major government contracts, people connected to them donated large amounts of campaign funds to influential public officials who were in positions to sway the awards.

Perhaps the most telling part of the report is encapsulated in the following excerpt from the special investigation: Even though those contributors generally didn't acknowledge their connections to the companies, they were not violating Hawai'i law, which only prohibits donations directly from the firms. "Everyone gets very upset with pay-to-play, but it's legal," said Kristin Izumi-Nitao, Executive Director of the Hawai'i Campaign Spending Commission."

It might be legal today, but it shouldn't be any longer if we care about our future. Government should work for the public interest, not special interests. It is in that spirit that we support this and other reforms to restore integrity to our state's electoral and governmental processes.

With aloha,

Kris Coffield

President, Imua Alliance



**House Committee on Finance
Hawai'i Alliance for Progressive Action (HAPA) Opposes Unless Amended SB2530 SD2 HD1
Tuesday, April 7th in Conference Room 308 & Videoconference**

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

Hawai'i Alliance for Progressive Action opposes SB2530 SD2 HD1 unless it is amended, relating to campaign contributions by state and county contractors and grantees.

Existing law prohibits contractors from making political contributions while holding state contracts. But the prohibition has not gone far enough. The compensated officers and immediate family members of those contractors remain free to make substantial contributions during the same period, creating exactly the appearance of pay-to-play politics the law was designed to prevent. Grantees, who similarly receive public funds and have a direct financial interest in government decisions, face no contribution restrictions at all.

SB2530 intended to close those gaps. The original bill would have prohibited government contractors and those closely tied to them from making political contributions while seeking or holding contracts — separating public decisions from private money.

It extended the prohibition to cover officers and their immediate family members of contractors including county elected officials and contractors, and requires disclosure of their names to the Campaign Spending Commission.

The current version was amended to weaken it, applying it only to the same branch of government that executes the contract, and to cut out the counties entirely. Therefore, the legislature and counties are no longer included.

SB2530 must be amended to apply the contribution ban to all contractors, including county contractors and grantees, and to cover all branches of government, not just the same branch tied to a contract. Without these fixes, the bill leaves major loopholes that allow pay-to-play influence to simply shift, not stop.

We respectfully urge you to amend SB 2530 SD2 HD1.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read 'Anne Frederick'.

Anne Frederick, Executive Director
Hawai'i Alliance for Progressive Action



Environmental Caucus of The Democratic Party of Hawai'i

TESTIMONY OF THE ENVIRONMENTAL CAUCUS OF THE DEMOCRATIC PARTY OF HAWAI'I IN OPPOSITION UNLESS AMENDED TO SB2530 SD2 HD1 RELATING TO CAMPAIGN CONTRIBUTIONS

Chair Chris Todd, Vice Chair Jenna Takenouchi

House Committee on Finance (FIN)

Date: Tuesday, April 7, 2026

Time: 2:00 PM

Place: Conference Room 308 & Videoconference

Aloha Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

The Environmental Caucus of the Democratic Party of Hawai'i opposes SB2530 SD2 HD1 unless amended to ensure that its prohibitions and disclosure requirements apply uniformly across all branches of state government and all counties.

SB2530 SD2 HD1 strengthens campaign-finance safeguards by requiring disclosure of compensated officers and immediate family members of state contractors and grantees, and by prohibiting certain campaign contributions during the term of a contract or grant. These are important reforms. However, as drafted, the bill applies unevenly, creating gaps that undermine its stated purpose of improving standards of conduct and reducing undue influence.

1. The bill applies prohibitions only to the branch that “exercises authority” over a contract — leaving major gaps

SB2530 SD2 HD1 prohibits compensated officers of state contractors, and their immediate family members, from contributing to candidates in the same branch that oversees the contract. This structure: (1) does not cover contributions to candidates in other branches, (2) does not cover contributions to candidates in other counties, (3) does not cover contributions to candidates who may later exercise authority over the contract, and (4) creates unequal treatment depending on which branch or agency issued the contract. For campaign-finance integrity, prohibitions must apply across all branches, not only the branch directly administering the contract.

2. The bill treats state and county contractors differently

Section 11-355, as amended, applies to: (1) state contractors, (2) county contractors, (3) state grantees, and (4) compensated officers and immediate family members.

However, the new disclosure requirements in Chapters 27, 42F, 103D, and 103F apply only to state contracts and state grants, not county contracts or county grants. This creates: (1) inconsistent reporting obligations, (2) uneven transparency, and (4) enforcement gaps between state and county procurement systems. If the Legislature intends to strengthen public trust, the requirements must apply uniformly to all counties.

3. The bill creates different thresholds and standards for contractors and grantees

SB2530 SD2 HD1 uses: (1) the **small purchase threshold** for contractors, and (2) a **\$250,000 threshold** for grantees. These thresholds are not aligned and may create loopholes where entities structure agreements to avoid disclosure or contribution prohibitions. A uniform standard would better serve the bill's purpose.

4. Without uniform application, the bill risks creating new inequities

As drafted, SB2530 SD2 HD1 could: (1) restrict contributions for some contractors but not others, (2) impose disclosure on state-level entities but not county-level entities, (3) create inconsistent obligations across agencies, and (4) leave significant gaps in campaign-finance protections. These inconsistencies undermine the bill's stated intent to "improve actual and perceived standards of conduct."

Conclusion

The Environmental Caucus supports strong, consistent campaign-finance safeguards. However, SB2530 SD2 HD1 must be amended so that: (1) prohibitions apply to all branches of state government, (2) disclosure requirements apply to all counties, (3) thresholds are uniform, and (4) the law operates consistently across all procurement and grant-making systems. Absent these amendments, the Caucus respectfully urges the Committee to hold SB2530 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

Environmental Caucus Democratic Party of Hawai'i

Testimony in Support of SB1166

Submitted to the House Finance Committee
by Evan Weber on behalf of Our Hawai'i, 4/6/2026

Chair Todd, Vice Chair, and Committee Members,

On behalf of Our Hawai'i and our over 38,000 supporters across the pae 'āina and beyond, we submit testimony in **opposition of SB2530 unless amended.**

Put simply, this legislation as written does not solve the problem it purports to address. It keeps the “pay-to-play” loophole wide open, just changes the aperture slightly.

SB2530 must be amended to:

- 1) **Apply the contribution ban to all contractors**, including county contractors and grantees, and
- 2) **Cover all branches of government, including the legislature.** Without these fixes, the bill leaves major loopholes that allow pay-to-play influence to simply shift, not stop.

Let's not forget how this became a major issue — STATE LEGISLATORS were caught taking legal and illegal pay-to-play bribes from Government contractors.

The issue of STATE LEGISLATORS taking LEGAL pay-to-play campaign donations landed Hawaii on the front page of the New York Times.

For the legislature to exempt itself now would do nothing to address not just the real issues, but the public trust crisis these issues have created.

Mahalo for taking swift action.

SB-2530-HD-1

Submitted on: 4/2/2026 4:29:30 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
lynne matusow	Individual	Support	Written Testimony Only

Comments:

I am in full support of this and all other bills that will close loopholes in campaign financing. The \$35,000 in a paper bag, given to an unnamed influential legislator is reason enough to support all the bills.

lynne matusow

SB-2530-HD-1

Submitted on: 4/2/2026 8:30:34 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

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

Comments:

I support SB2530.

SB-2530-HD-1

Submitted on: 4/3/2026 11:29:06 AM

Testimony for FIN on 4/7/2026 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 SB2530 SD2 HD1, which aims to close the “pay-to-play” loophole by prohibiting state and county contractors from making political contributions. This legislation is a critical step toward ensuring fairness and transparency in Hawai‘i’s electoral and procurement systems. Allowing contractors to contribute to political campaigns creates a perception of favoritism and undermines public trust in government processes. By closing this loophole, SB2530 reinforces the principle that contracts should be awarded based on merit and public benefit, not on political connections or financial contributions. This bill also aligns with broader efforts to promote ethical governance. It helps to eliminate conflicts of interest and ensures that elected officials remain accountable to their constituents, rather than to donors with vested interests.

Mahalo for your consideration.

Marcia Kemble

Makiki

SB-2530-HD-1

Submitted on: 4/3/2026 11:31:24 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

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

Comments:

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

I am in strong support of SB2530

Preventing state and county contractors, grantees, and their families from making political contributions while their contracts or grants are active will close a serious loophole and ensure that public funds are used for their intended purposes, not to sway political campaigns or decisions.

This bill makes our elections more honest and more transparent. It also builds trust by making sure contractors and grantees stay focused on their work without causing any perception of political strings attached. Please support.

Mahalo,

Gail Morrison, Honolulu

SB-2530-HD-1

Submitted on: 4/3/2026 11:44:53 AM

Testimony for FIN on 4/7/2026 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 **support** of SB2530, SD2, HD1, which strengthens Hawai'i's campaign finance laws by expanding contribution prohibitions and disclosure requirements to state and county contractors and grantees. This bill is a critical step toward reducing pay-to-play politics and restoring public trust in how government does business.

I urge this committee to adopt the strongest possible version of this legislation by incorporating several key provisions from HB1519, SD1, while **rejecting** one amendment that would create a dangerous loophole.

The Best of Both Bills: Provisions to Embrace

The current draft of SB2530 contains the language from HB1519, HD1. This is a strong foundation, but it can be made even stronger by incorporating the following improvements from HB1519, SD1:

- 1. Expand to county contractors and grantees.** HB1519, SD1 extends the disclosure requirements and prohibitions to **county contractors and grantees** and their compensated officers. This closes a major gap that would otherwise allow the same pay-to-play dynamics to continue at the county level. There is no reason that a county contract should be subject to weaker rules than a state contract.
- 2. Remove monetary thresholds for disclosure.** HB1519, SD1 deletes the monetary thresholds for disclosure requirements of compensated officers for grants and contracts for goods, services, and construction. Thresholds create arbitrary lines that clever contractors can game. A simpler, more transparent system applies the rules uniformly, without loopholes based on contract size.
- 3. Apply disclosure to Chapter 42F grantees.** HB1519, SD1 applies the disclosure requirements to any person who receives a grant or subsidy from the State under Chapter 42F, HRS, or from a county pursuant to county charter or code. This captures a significant category of public dollars that might otherwise escape scrutiny.
- 4. Prohibit compensated officers of grantees from contributing.** HB1519, SD1 explicitly prohibits any compensated officer of a state or county grantee from contributing to any candidate

committee, noncandidate committee, or person. This ensures that the ban applies across the board, not just to contractors.

The Loophole to Reject: Immediate Family Members

I strongly urge this committee NOT to include one change from HB1519, SD1: the deletion of language that would have subjected immediate family members of compensated officers to the disclosure requirements and prohibitions.

The version of HB1519 that passed the House (HD1) included coverage of immediate family members. The Senate Judiciary Committee's SD1 removed that coverage. This creates a massive, obvious loophole that we have seen exploited time and time again in Hawai'i politics.

Without coverage of immediate family members, a contractor's spouse, child, or parent can freely make campaign contributions that the contractor itself is prohibited from making. The Campaign Spending Commission has documented that contractors have sometimes gotten around contribution bans by routing donations through connected individuals, including officers, family members, and even reimbursed straw donors using false names. This is not a hypothetical concern—it is a documented pattern of evasion.

If we are serious about reducing pay-to-play politics, we cannot leave the front door locked while the back door is wide open. The prohibition on contributions must extend to immediate family members, and the disclosure requirements must apply to them as well. Anything less is a gift to those who would exploit the system.

Why These Reforms Matter

The need for strong campaign finance guardrails has never been clearer. Recent allegations involving a lawmaker accepting \$35,000 in a paper bag have boosted public awareness of how easily money can influence our political system. Closing the contractor loophole—including family members—is a direct response to the erosion of public trust.

Existing law already prohibits a state or county contractor from making political contributions for the duration of lucrative contracts. But officers and their immediate family members may themselves make political contributions, which can create the appearance of undue influence or, conceivably, be a means for a contractor to make a contribution it would otherwise be prohibited from making. This measure increases transparency and improves public confidence in government and the electoral process by closing that gap.

I urge this committee to adopt the strongest possible version of SB2530—one that includes coverage of county contractors and grantees, removes monetary thresholds, applies to Chapter 42F grantees, prohibits compensated officers of grantees from contributing, and, critically, **retains coverage of immediate family members**. The deletion of family member coverage in HB1519, SD1 should be rejected. That loophole must remain closed.

Mahalo for the opportunity to testify.

SB-2530-HD-1

Submitted on: 4/3/2026 12:30:46 PM

Testimony for FIN on 4/7/2026 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-2530-HD-1

Submitted on: 4/3/2026 1:39:25 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lila Mower	Individual	Support	Written Testimony Only

Comments:

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SB-2530-HD-1

Submitted on: 4/3/2026 2:11:07 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

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

Comments:

I support this bill.

SB-2530-HD-1

Submitted on: 4/3/2026 4:45:19 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kehaulani Coleman	Individual	Support	Written Testimony Only

Comments:

Thank you

SB-2530-HD-1

Submitted on: 4/3/2026 4:58:13 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
john savino	Individual	Support	Written Testimony Only

Comments:

I SUPPORT SB2530 - limit contractor political contribution

SB-2530-HD-1

Submitted on: 4/3/2026 5:50:16 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kristy Gund	Individual	Support	Written Testimony Only

Comments:

I support SB2530 SD2 HD1. As a private citizen and member of the Indivisible Hawaii Statewide Network (IHSN), I appreciate the opportunity to submit testimony.

Preventing state and county contractors, grantees, and their families from making political contributions while their contracts or grants are active will close a serious loophole and ensure that public funds are used for their intended purposes, not to sway political campaigns or decisions.

Removing the opportunity for or mere appearance of wrongdoing will go a long way in rebuilding public trust in our government officials.

Mahalo

SB-2530-HD-1

Submitted on: 4/3/2026 10:47:56 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Oppose	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, STRONGLY OPPOSE POLITICAL CONTRIBUTE
PUBLIC/PRIVATE TO ALL LEVELS OF POLITICAL RACE

2530 SB RELATING TO CAMPAIGN CONTRIBUTIONS

Eileen Cain
720 Mahi'ai St., Apt. E
Honolulu, Hawai'i 96826-5635
eileencaïn808@gmail.com
April 4, 2026

Representative Chris Todd, Chair, Committee on Finance
Representative Jenna Takenouchi Vice Chair,
and Members of the Committee on Finance

Dear Representatives,

My love of fairness in government makes it necessary for me to ask you to vote in favor of SB2530 SD2 HD1, "Relating to Campaign Contributions."

1. This bill would eliminate undue financial 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 contractors acting out of selfishness, trying to sway officials or even intimidate them. Publicly financed elections would allow officials to breathe easy, to be free from such tactics by monied interests.
2. 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 contractors or large corporations.
3. 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 SB2530 SD2 HD1.

Mahalo,

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

COMMITTEE ON FINANCE
Rep. Chris Todd, Chair
Rep. Jenna Takenouchi, Vice Chair

HEARING:

Tuesday, April 7, 2026 at 2:00 pm
Via Videoconference and Conference Room 308

TESTIMONY IN SUPPORT OF SB 2530, SD2, HD1 - RELATING TO CAMPAIGN CONTRIBUTIONS.

Aloha Chair Todd, Vice Chair Takenouchi, Rep. Miyake for my Maui district, Rep. Yamashita of Maui, and Members of the Committee,

My name is Christine Andrews. I am a long-time resident of Wailuku, Maui and an attorney licensed in Hawai'i for over 25 years. I write to you today in **strong support, with comments, of SB 2530, SD2, HD1**, Relating to Campaign Contributions, requires disclosure of the names of compensated officers, and their immediate family members, of state contractors with contracts exceeding the small purchase threshold established under the Hawai'i Public Procurement Code and grantees with grants exceeding \$250,000, prohibits the compensated officers of state contractors, and their immediate family members, from making, promising, or soliciting certain campaign contributions for the duration of the contract exceeding the small purchase threshold, prohibits state grantees, including compensated officers and their immediate family members, from making, promising, or soliciting certain contributions for the duration of the grant exceeding \$250,000; requires unlawful contributions to be returned to the contributor or escheat to the Hawai'i Election Campaign Fund; and appropriates funds.

Between 2006 - the year the pay-to-play law (HRS 11-355) was implemented – and 2024, **people tied to government contractors gave state and local Hawaii politicians more than \$24 million: about one-fifth of all donations made.** Most often, these donations were given to politicians with the most power to determine contract awards. HRS 11-355 is undermined by contributions from contractor's officers, employees, and their families. Preventing contractors and grantees from donating to political campaigns reduces the risk of undue influence or favoritism in government decisions and in the awarding of contracts and grants. I respectfully request the Committee to amend SB 2530, SD2, HD1 to include county contractors and grantees and their families.

I am sure the members of the Committee are aware of the New York Times article, "Inside the Late-Night Parties Where Hawaii Politicians Raked In Money," published in January, 2024, with the tagline, "[a]fter the state passed a law barring government contractors from donating to politicians, fund-raising parties showed just how completely the reform effort failed"¹. As a resident of Maui, at a time when my Lahaina neighbors were depending on the kindness of donations pouring in from around the world to help with recovery from the wildfire, an article highlighting apparent corruption in Hawaii to a national audience is something that needs remedy.

Senate Bill 2530, SD2, HD1, with amendments to include county contractors and grantees and their families, is a necessary and timely mechanism to address concern about corruption and to rebuild trust in our elected officials. When the public sees that government contracts and grants are free from political influence, their trust in elected officials and government increases. This bill builds on feedback from similar legislation that made it all the way to Conference Committee last year by focusing on paid officers of organizations and implementing disclosure requirements. Preventing state and county contractors, grantees, and their families from making political contributions while their contracts or grants are active closes a loophole and will help ensure that public funds are used for their intended purposes, rather than to sway political campaigns or decisions. Based upon the foregoing, **I request your vote in strong support of SB 2530, SD2, HD1 with the requested amendments.**

Mahalo nui for all you are doing to restore faith in government,

Christine L. Andrews, J.D.

¹ Blaze Lovell, Eric Sagara & Irene Casado Sanchez. Inside the Late-Night Parties Where Hawaii Politicians Raked In Money. New York Times; January 17, 2024.

SB-2530-HD-1

Submitted on: 4/5/2026 5:53:00 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

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

Comments:

Please pass this bill.

Preventing contractors and grantees from donating to politicians reduces the risk of undue influence or favoritism in government decisions and in the awarding of contracts and grants.

When we, the public, see that government contracts and grants are free from political influence, our trust in elected officials and government increases, leading to better democracy.

SB-2530-HD-1

Submitted on: 4/5/2026 9:18:03 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jane Aquino	Individual	Support	Written Testimony Only

Comments:

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

I am writing in support of SB2530 SD2.

Right now, while a company holds a state contract, its officers and their family members can still make political contributions to the officials who oversee that contract. And organizations that receive state grants face no contribution restrictions at all. That creates an obvious appearance of pay-to-play politics even when no wrongdoing occurs.

SB2530 closes these gaps by extending contribution prohibitions to officers and family members of contractors and grantees above certain thresholds and requiring disclosure of their names. Government contracts and grants should be awarded on merit, not on the basis of political relationships.

Please support SB 2530, SD2.

Thank you, Jane Aquino, Indivisible Hawaii

SB-2530-HD-1

Submitted on: 4/5/2026 10:49:26 AM

Testimony for FIN on 4/7/2026 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 SB2530.

Younghee Overly, a member of Indivisible Hawaii

SB-2530-HD-1

Submitted on: 4/5/2026 11:59:07 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robin Sage	Individual	Oppose	Written Testimony Only

Comments:

Do not pass loop hole bill in the weak house proposal. Who are the House members wanting payvto play with weak standards passed.

The voters are watching.

SB-2530-HD-1

Submitted on: 4/5/2026 12:08:45 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

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

Comments:

I SUPPORT THIS BILL! STOP THE CORRUPTION

SB-2530-HD-1

Submitted on: 4/5/2026 12:10:08 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brandy Mamo Olsson-Morris	Individual	Oppose	Written Testimony Only

Comments:

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

I am in testimony in opposition to SB2530 **unless it is amended** to fully close Hawai‘i’s pay-to-play loopholes.

The current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Mahalo for your consideration.

Brandy Mamo‘ohaililani Olsson-Morris

SB-2530-HD-1

Submitted on: 4/5/2026 12:10:50 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lorna Holmes	Individual	Comments	Written Testimony Only

Comments:

I write in strong support of amending this bill so that it accomplishes what it was intended to do, reduce rampant pay-to-play in government.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix. Please amend and pass this measure, so necessary to restore public trust and make government truly representative.

Mahalo for your consideration,

Dr. Lorna Holmes, Mo'ili'ili 96826

SB-2530-HD-1

Submitted on: 4/5/2026 12:11:32 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Meredith Buck	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill unless amended to apply the contribution ban to **all contractors, including county contractors and grantees**, and to cover **all branches of government, not just the same branch tied to a contract**.

SB-2530-HD-1

Submitted on: 4/5/2026 12:28:48 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Laverne Moore	Individual	Oppose	Written Testimony Only

Comments:

TESTIMONY TO THE HAWAI‘I HOUSE COMMITTEE ON FINANCE

Item: [SB2530 SD2 HD1](#) – Relating to Taxation (Contractor Loophole Ban) **Position:** Oppose unless Amended **Hearing:** Tuesday, April 7, 2026, at 2:00 PM | Conference Room 308

To: Chair Todd, Vice Chair Takenouchi, and Members of the Committee,

I am writing to provide testimony in **opposition to SB2530 unless it is amended** to fully close Hawai‘i’s pay-to-play loopholes.

While the original intent of this bill—to prohibit government contractors from making political contributions while seeking or holding contracts—is vital for a transparent government, the current House version has been significantly weakened. By applying the ban only to the same branch of government that executes a contract and excluding counties entirely, the bill leaves major loopholes that allow "pay-to-play" influence to continue.

To be effective, I urge the committee to adopt the following amendments:

- **Apply the contribution ban to all contractors**, including county contractors and grantees.
- **Cover all branches of government**, rather than just the specific branch tied to a contract.

As a long-time educator and advocate, I believe it is critical to separate public decision-making from private money to ensure our legislative process remains fair for all. Without these amendments, SB2530 preserves the very system it was intended to fix.

Thank you for your consideration.

Laverne Moore, Former Economics & History Educator

SB-2530-HD-1

Submitted on: 4/5/2026 12:35:29 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sherry Pollock	Individual	Oppose	Written Testimony Only

Comments:

I'm opposed to this bill unless amended to apply to all branches of government, including counties.

We the people are awakening to the level of corruption in our government, and it's got to change!

Respectfully,

Sherry Pollock, Kauai

SB-2530-HD-1

Submitted on: 4/5/2026 12:58:05 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shay Chan Hodges	Individual	Oppose	Written Testimony Only

Comments:

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

I am submitting testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you for your consideration.

Shay Chan Hodges

SB-2530-HD-1

Submitted on: 4/5/2026 1:03:53 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
kimdonghyeon	Individual	Support	Written Testimony Only

Comments:

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

I am in testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you for your consideration.

kimdonghyeon

SB-2530-HD-1

Submitted on: 4/5/2026 1:04:36 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Hayley Peter-Contesse	Individual	Oppose	Written Testimony Only

Comments:

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

I am submitting testimony in **opposition to SB2530 unless it is amended** to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you for your consideration.

Hayley Peter-Contesse, Mākaha

SB-2530-HD-1

Submitted on: 4/5/2026 1:06:11 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Erin Hagan	Individual	Oppose	Written Testimony Only

Comments:

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

I submit this testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Mahalo for your consideration.

Erin Hagan, Waialua

SB-2530-HD-1

Submitted on: 4/5/2026 1:35:29 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
cheryl burghardt	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair and Committee members

I oppose this bill in its current state. Without the needed amendments, we are in the same situation we have always been in. People paying for getting what they want through the legislature. This bill could have made a difference but now it keeps us in the same systemic paths. Please consider adding amendments that will eliminate the "pay for play" ways.

Cheryl Burghardt

Nuuanu Oahu

SB-2530-HD-1

Submitted on: 4/5/2026 1:35:49 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Priscilla Stuckey	Individual	Oppose	Written Testimony Only

Comments:

Aloha, Chair and Members of the Committee,

I strongly **oppose SB2530 unless it is amended** to fully close Hawai‘i’s pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

We the voters need to know for sure that politicians are working for us, not for their buddies in the business. All the loopholes in this bill must be closed.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and it must prohibit contributions across all branches and levels of government.

Without these amendments, the bill just preserves the very system it is intended to fix. And voters will go on suspecting that our elected representatives are actually working for somebody else.

Please AMEND this bill to close the loopholes.

Mahalo,

Priscilla Stuckey, Kihei

SB-2530-HD-1

Submitted on: 4/5/2026 1:54:59 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Georgia L Hoopes	Individual	Oppose	Written Testimony Only

Comments:

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

I am in testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

Mahalo for your consideration.

Georgia Hoopes, Kalaheo

SB-2530-HD-1

Submitted on: 4/5/2026 2:09:58 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Daniel R Freund	Individual	Comments	Written Testimony Only

Comments:

In its current form, this bill preserves the very system it is intended to fix.

Please amend it include to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government. Then advance it.

Failing that please oppose it.

- Dan Freund, Kapaa

SB-2530-HD-1

Submitted on: 4/5/2026 2:13:32 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kendall Krumm	Individual	Oppose	Written Testimony Only

Comments:

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

I am in testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

The American people and the people of Hawaii are TIRED of oligarchs and corporations rigging the democratic system. Currently, we have a fake democracy and the people's will and voice are overpowered by big money. If you do not pass this bill to it's full strength, please know this is the last time you will be holding your seats at the house level.

Respectfully,

Kendall Krumm, Kailua

SB-2530-HD-1

Submitted on: 4/5/2026 2:16:33 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bianca Isaki	Individual	Oppose	Written Testimony Only

Comments:

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

I am in testimony in **opposition to SB2530 unless it is amended** to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you for your consideration.

Bianca Isaki, Kane`ohe

SB-2530-HD-1

Submitted on: 4/5/2026 2:21:15 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

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

Comments:

I Submit testimony **in opposition to SB2530 unless it is amended** to apply to all branches of government, including counties.

Close the loophole. Ask lawmakers to send a strong bill to conference.

SB-2530-HD-1

Submitted on: 4/5/2026 2:28:06 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
fred hofer	Individual	Oppose	Written Testimony Only

Comments:

I, Fred Hofer, strongly oppose thus bill

- in its gutted & de-fanged state.

Please do restore it to original form, or, silently kill it off.

Take out all those "exemptions " for starters.

Respectfully,

Fred Hofer

Hilo Hawai'i

96720

SB-2530-HD-1

Submitted on: 4/5/2026 3:26:13 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeannine Johnson	Individual	Comments	Written Testimony Only

Comments:

Aloha e Chair Todd, Vice Chair Takenouchi, and Members of the Committee,

I am in **opposition to SB2530 unless it is amended** to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix. Mahalo!

SB-2530-HD-1

Submitted on: 4/5/2026 4:17:05 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stephanie Austin	Individual	Oppose	Written Testimony Only

Comments:

This once strong bill has been weakened: it must be amended to include counties!

SB-2530-HD-1

Submitted on: 4/5/2026 4:57:49 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jackie Keefe	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Todd, Vice Chair Takenouchi, and Members of the House Committee on Finance,

My name is Jackie Keefe, and I am **in opposition to SB2530** *unless it is amended to fully close Hawai'i's pay-to-play loopholes.*

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Mahalo for the opportunity to testify.

Jackie Keefe, Lahaina

SB-2530-HD-1

Submitted on: 4/5/2026 5:16:01 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Douglas	Individual	Oppose	Written Testimony Only

Comments:

i am **in opposition to SB2530 unless it is amended** to apply to all branches of government, including counties. Close the loophole.

SB-2530-HD-1

Submitted on: 4/5/2026 5:53:40 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann Dorsey	Individual	Oppose	Written Testimony Only

Comments:

Chair Todd, Vice Chair Takenouchi, and Members of the Committee,

I urge you to **oppose SB2530 unless it is amended** to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you

SB-2530-HD-1

Submitted on: 4/5/2026 6:53:41 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Inam Rahman	Individual	Support	Written Testimony Only

Comments:

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

I write in support of SB2530 with important amendments to ensure it truly fulfills its purpose of closing Hawai‘i’s pay-to-play loopholes.

The intent of this bill—to separate public decision-making from private financial influence—is both necessary and commendable. Strengthening public trust in government must remain a top priority.

However, as currently written, the bill contains significant gaps that limit its effectiveness.

First, restricting the contribution ban to only the same branch of government allows influence to shift rather than be eliminated. Contractors may still contribute to other branches that influence approvals, oversight, or funding decisions.

Second, the exclusion of county contractors and grantees is a critical weakness. Counties play a central role in zoning, permitting, and development decisions. Without including counties, a major pathway for potential influence remains open.

To ensure this measure is effective, I respectfully recommend:

- Expanding the contribution ban to all branches of government, not just the contracting branch
- Including county contractors and grantees within the scope of the bill
- Clarifying definitions to include affiliated entities and indirect relationships to prevent circumvention

This position is consistent with my prior testimony on campaign finance reform, including HB1519, where I supported strong, enforceable safeguards that prevent pay-to-play practices while ensuring fairness and clarity in implementation.

Whether at the state or county level, and across all branches of government, the same standard should apply—public decisions must not be influenced by private contributions tied to government contracts.

With these amendments, SB2530 can become a meaningful reform that promotes transparency, fairness, and accountability. Without them, the bill risks allowing influence to simply shift rather than stop.

Thank you for the opportunity to provide testimony.

Dr Inam U. Rahman, MD

Waipahū, Hawaii

SB-2530-HD-1

Submitted on: 4/5/2026 6:55:39 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kara Hoving	Individual	Oppose	Written Testimony Only

Comments:

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

I am in testimony in opposition to SB2530 unless it is amended to fully close loopholes in Hawai'i's campaign finance laws.

While the intent of this bill - ensuring good government and ending the "pay-to-play" system of campaign contributions - is of utmost importance, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to ALL contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you very much for your consideration.

Mahalo,

Kara Hoving

Aiea, HI

SB-2530-HD-1

Submitted on: 4/5/2026 8:13:20 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Annalise Hart	Individual	Oppose	Written Testimony Only

Comments:

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

I am in testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you for your consideration.

Mahalo,

Annalise

SB-2530-HD-1

Submitted on: 4/5/2026 8:38:02 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ruta Jordans	Individual	Oppose	Written Testimony Only

Comments:

I am in testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes. Why even bother to submit this bill, as it now allows all the loopholes it was supposed to close?

SB-2530-HD-1

Submitted on: 4/5/2026 9:17:17 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elisa W Johnston	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am testifying in opposition to SB2530. It is so full of loopholes it defeats its original purpose. To protect the integrity of our government, it must be amended to apply to ALL branches of government, including counties.

Thank you, Elisa W. Johnston

Makiki

SB-2530-HD-1

Submitted on: 4/5/2026 9:23:35 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Marshall	Individual	Oppose	Written Testimony Only

Comments:

Aloha, Respectfully,

Having lost confidence in the integrity of our legislators & legislative system, I feel this proposal as currently butchered, would not prevent continued abuse of the political system. Rather it would continue enriching those who play the pay for play game.

Time to get some kahunna's and stop this nonsense now! Bring some sense of legitimacy to our voice please!

Mahalo

SB-2530-HD-1

Submitted on: 4/6/2026 5:02:20 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Troy Person	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill as it is watered down and full of loop poles. Restore the bill that was introduced to the house and then I can say I support it.

SB-2530-HD-1

Submitted on: 4/6/2026 6:26:55 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Noelle Lindenmann	Individual	Oppose	Written Testimony Only

Comments:

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

I am submitting testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to **all** contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Mahalo for this opportunity to provide testimony.

Noelle Lindenmann, Kailua-Kona

SB-2530-HD-1

Submitted on: 4/6/2026 7:48:30 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cristina Holt	Individual	Oppose	Written Testimony Only

Comments:

This bill has been gutted beyond usefulness. I oppose unless you all stuff it with all the components that made it an actual reform: apply to all branches, including counties.

We're all tired of this nonsense performative garbage. End corruption, NOW.

SB-2530-HD-1

Submitted on: 4/6/2026 7:56:02 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

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

Comments:

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

I am writing in support of SB2530.

Right now, while a company holds a state contract, its officers and their family members can still make political contributions to the officials who oversee that contract. And organizations that receive state grants face no contribution restrictions at all. That creates an obvious appearance of pay-to-play politics even when no wrongdoing occurs.

SB2530 closes these gaps by extending contribution prohibitions to officers and family members of contractors and grantees above certain thresholds and requiring disclosure of their names. Government contracts and grants should be awarded on merit, not on the basis of political relationships.

Please support SB 2530.

Joie Yonamine, Manoa

SB-2530-HD-1

Submitted on: 4/6/2026 8:17:54 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Melissa Barker	Individual	Oppose	Written Testimony Only

Comments:

Honorable Chair Todd, Vice Chair Takenouchi, and Members of the Committee,

I am writing this testimony in opposition to SB2530 **unless it is amended to fully close Hawai'i's pay-to-play loopholes.**

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you for your attention and consideration.

Melissa Barker

Kapaa, HI

SB-2530-HD-1

Submitted on: 4/6/2026 8:40:51 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rick Gerding	Individual	Comments	Written Testimony Only

Comments:

I am in testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals. This is no different than Citizens United that has ruined our Democracy by allowing big money to sway decisions.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government. Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you for your consideration.
Rick Gerding Kilauea Kauai

SB-2530-HD-1

Submitted on: 4/6/2026 8:42:51 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cheylah	Individual	Oppose	Written Testimony Only

Comments:

Close the loophole. Ask lawmakers to send a strong bill to conference.

SB-2530-HD-1

Submitted on: 4/6/2026 8:56:08 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James E Raymond	Individual	Support	Written Testimony Only

Comments:

Thank you. I am a member of Indivisible Windward.

SB-2530-HD-1

Submitted on: 4/6/2026 9:16:59 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pamela Elders	Individual	Oppose	Written Testimony Only

Comments:

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

I am in testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you for your consideration.

Pam Elders

Laupahoehoe, Hawaii Island

SB-2530-HD-1

Submitted on: 4/6/2026 9:22:47 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

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

Comments:

I oppose SB2530 SD2 HD1 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

SB2530 must be amended to apply the contribution ban to all contractors, including county contractors and grantees, **and to cover all branches of government**, not just the same branch tied to a contract. Without these fixes, these loopholes guarantee that pay-to-play influence adapts rather than disappears.

If the committee is serious about ending pay to play practices, please amend this measure accordingly.

SB-2530-HD-1

Submitted on: 4/6/2026 9:29:26 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello Chair Chris Todd, Vice Chair Scot Z. Matayoshi Takenouchi, and Members of the Committee,

I am writing in opposition to SB2530 unless it is amended to fully close Hawai‘i’s pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps that undermine its effectiveness. By limiting the contribution ban only to the same branch of government that executes a contract, the bill allows influence to shift rather than be eliminated. Contractors could still make contributions to other branches or levels of government that have significant authority over funding, oversight, or policy decisions affecting their contracts.

Additionally, the exclusion of county contractors and grantees is a major oversight. Counties play a central role in zoning, permitting, and land use decisions—areas where financial influence can have a profound impact. Leaving counties out creates a significant loophole that weakens the integrity of the entire measure.

Hawai‘i residents deserve a system where public decisions are made in the public interest—not influenced by campaign contributions from those seeking government contracts. To achieve that, this bill must be strengthened to apply to all contractors and grantees, across all branches and levels of government.

Without these amendments, SB2530 risks preserving the very system it is intended to fix, rather than meaningfully reforming it.

Please amend SB2530 to fully close these loopholes.

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

SB-2530-HD-1

Submitted on: 4/6/2026 9:49:26 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Goodwin	Individual	Oppose	Written Testimony Only

Comments:

This has become an unserious bill. Please start again, this time include meaningful campaign violation restrictions it it.

SB-2530-HD-1

Submitted on: 4/6/2026 10:31:04 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Regina Gregory	Individual	Oppose	Written Testimony Only

Comments:

This bill shields state lawmakers and county contractors and officials; it preserves the same system the public is demanding we fix.

Please revise to make it effective.

SB-2530-HD-1

Submitted on: 4/6/2026 10:53:32 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karen Takamine	Individual	Oppose	Written Testimony Only

Comments:

Please OPPOSE this current version of SB2530.

We are so tired of corruption. Close the pay-to-play loopholes!!!!!!!!!!!!!!

SB-2530-HD-1

Submitted on: 4/6/2026 11:09:32 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

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

Comments:

I am writing in strong support of SB2530 SD2 HD1 which extends existing prohibitions on political contributions from state and county contractors to also cover grantees, as well as compensated officers and family members of both contractors and grantees.

This bill will further prevent undue influence by entities and affiliated parties on the awarding of contracts by state and county bodies, and the perception of undue influence. It counters the "pay to play" dynamic which so many voters assume is active in Hawaii politics. Making the process more equitable and transparent may encourage greater voter faith in the democratic process and increase voter participation.

Thank you for considering my testimony on this important matter.

SB-2530-HD-1

Submitted on: 4/6/2026 11:42:52 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Nelson	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I would oppose this legislation unless it is amended to apply to all branches of government, including counties.

Thank you,

Elizabeth Nelson

Kaneohe

SB-2530-HD-1

Submitted on: 4/6/2026 12:16:36 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann V Saffery	Individual	Oppose	Written Testimony Only

Comments:

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

I am in testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including county contractors and grantees, and prohibit contributions across all branches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you for your consideration.

Ann V Saffery

Honolulu, HI

SB-2530-HD-1

Submitted on: 4/6/2026 12:01:02 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon Rudolph	Individual	Oppose	Written Testimony Only

Comments:

OPPOSE - unless it is amended to cover all branches and counties.

SB-2530-HD-1

Submitted on: 4/6/2026 1:05:46 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Glenn Choy	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill. Thank you.

SB-2530-HD-1

Submitted on: 4/6/2026 1:42:04 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jessica Kuzmier	Individual	Oppose	Written Testimony Only

Comments:

Aloha, I am writing in opposition to SB2530 SD2 HD1 as it is currently written.

I believe the bill should be amended to apply to all branches of government, including counties. This means all contractors, including county contractors and grantees. It should cover all branches of government, not just the same branch tied to a contract.

There should be no loopholes whatsoever or contingencies excluding any branch of government from being accountable under a pay-to-play bill.

Mahalo for your consideration.

SB-2530-HD-1

Submitted on: 4/6/2026 3:11:21 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Amber Kanehailua	Individual	Oppose	Written Testimony Only

Comments:

Aloha, my name is Amber Kanehailua.

I'm in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes. While the intent is good, the current version still allows contractors to donate across branches and excludes county contractors.

SB2530 must apply to all contractors and grantees and prohibit contributions across all branches of government.

Without these amendments, the bill preserves the very system it is meant to fix.

Thank you for this opportunity to testify.

SB2530 SD2 HD1 is supposed to fix the reform effort that failed. But gaps in the proposed legislation do not address major concerns

*Same branch loophole
*Excludes counties

The New York Times

Inside the Late-Night Parties Where Hawaii Politicians Raked In Money

After the state passed a law barring government contractors from donating to politicians, fund-raising parties showed just how completely the reform effort failed.

By Blaze Lovell, Eric Sagara and Irene Casado Sanchez
The reporters examined campaign contributions and government contracts for this article, part of a series about loopholes in Hawaii's pay-to-play laws, for The Times's Local Investigations Fellowship.

April 17, 2024



Phil Jung for The New York Times

Since 2006, when reforms went into place, people tied to government contractors have contributed more than \$24 million to Hawaii politicians.

Now, lawmakers are creating more loopholes for contractors in SB2530 SD2 HD1 by limiting to branches of government the contract is being executed by - effectively cutting out the state legislature, INCLUDING \$\$\$ Committees who approve funding for these projects.

For the better part of a decade, some of Hawaii's most powerful people huddled together at late-night parties in a cramped second-floor office where lobbyists and executives seeking government contracts lined up to drop cash and checks into a metal lockbox.

That was the entry fee for these extraordinary political fund-raisers. Inside the office, just a short walk from the State Capitol in downtown Honolulu, dozens of guests were served sushi prepared by professional chefs and unlimited beer and liquor.

At the end of the night, Wesley Yonamine, the host and a high-ranking airport official, would, together with the politicians, pop open the box and dole out campaign contributions according to a list of pledges obtained before each event.

As described by attendees, a typical party could bring in thousands of dollars in donations, giving some elected officials almost half their annual campaign haul in a single night.

It was not supposed to work this way. In 2005, in response to a series of scandals, Hawaii passed a law that barred government contractors from giving money to politicians. It was billed as one of the nation's most ambitious efforts to end pay-to-play in contracting and designed to fundamentally change the political culture of a state steeped in corruption.

But legislators wrote a loophole into the law, effectively gutting it: The ban would apply only to donations from the actual corporate entities that got contracts, but not to their owners, employees or any related businesses.



Wesley Yonamine, an airport official who hosted the events, at a University of Hawaii football game in 2012.

Mr. Yonamine’s parties illustrated just how completely the reform effort failed.

Today, Hawaii is reeling from its latest government corruption scandal, with state officials accused of taking bribes from Milton Choy, a prominent businessman who wore a wire for at least a year as part of a deal with the federal government.

But that is just one glimpse of the role money plays in politics here.

An examination of Hawaii’s contracting system by The New York Times and Honolulu Civil Beat offers a detailed look at the workings of a state known for favoritism and patronage, a culture where big companies with ties to politicians have historically dominated.

“Pay-to-play is woven into the DNA of the statehood of Hawaii,” said Camron Hurt, director of Common Cause Hawaii, a watchdog group. He pointed to the 1893 overthrow of the Hawaiian Kingdom that led to an “oligarchy” of businessmen, sugar barons and large landowners lasting decades. The industries involved had close ties to the ruling political parties well into the 1960s and 1970s, when Hawaii’s campaign finance regulations were written.

A Times and Civil Beat analysis of campaign donations and contracts found that since 2006 — the year the pay-to-play law went into place — people tied to government contractors have provided a remarkable percentage of the money fueling state and local politics. They have given state and local Hawaii politicians more than \$24 million: about one-fifth of all donations made. Of that total, \$6 million has come from people tied to just 15 companies.

Most donors rarely mentioned their employers in public records designed to bring transparency to political donations. But The Times and Civil Beat, reviewing hundreds of thousands of campaign records, linked more than 28,000 of the donations to contractors.

The analysis almost certainly captured only some contributions, in part because the state could not provide a full list of contractors. In fact, record keeping is so poor that some vendor information is collected only on paper, while electronic records are riddled with errors. Several of the state’s biggest agencies did not respond to repeated requests for financial records or said they could not find them.

The examination found more than a dozen examples over the past six years of people tied to contractors donating to political campaigns in the months before key decisions led to deals.

Some of the elected officials who could crack down on favoritism are themselves benefiting from the lack of oversight. At least a dozen legislators have worked for or co-owned companies that won state

The current versions of SB2530 SD2 HD1 only apply a ban to the duration of the contract, not before, when project funding is being decided.

contracts, some profiting in ways that have not been previously reported.

The Times contacted every politician and campaign donor named in this article. Most of those who responded said there was no link between campaign donations and the contracts they won.

Mr. Yonamine acknowledged hosting the fund-raisers but declined requests for a detailed interview. In a brief statement, he denied influencing any contract awards and said he was “raised to give back to the community.”

“It’s what drove me to work in public service for 36 years,” he said. “Helping those seeking elected office by supporting their fund-raisers is an extension of these values and an important aspect of civic engagement afforded citizens under the law.”

Political donations are regulated by the Hawaii Campaign Spending Commission, which has a staff of just five people who are responsible for tracking tens of millions of dollars in campaign contributions.

Gary Kam, the commission’s general counsel, acknowledged that the law restricted only a small portion of donations. **Executives can give freely, and if bundled together, in greater amounts than if their company donated on its own. Expanding the law to cover those people is the “key to it all,” he said.**

Many people charged with campaign finance violations have been allowed to keep giving — and to keep getting contracts, The Times and Civil Beat found.

Michael Matsumoto, president of the engineering firm SSFM International, pleaded no contest to money laundering involving campaign funds in 2003. He has since contributed \$130,000 to a range of politicians, and the company continues to win public work. He declined to comment.

Learn More

People with ties to another major contributor are on trial for corruption. In 2022, federal prosecutors accused the chief executive of the engineering firm Mitsunaga & Associates and four of its employees of bribing Keith Kaneshiro, who was the top prosecutor in Honolulu, with campaign contributions to pursue a criminal case against a former employee. The defendants have pleaded not guilty.

Dennis Mitsunaga, the chief executive, encouraged others, **including family members** and people with ties to his company, to donate to candidates, his lawyers said in court. People linked to the firm have donated heavily to a range of politicians, and the firm has won at least \$49 million in state contracts since 2011.



The parties hosted by Mr. Yonamine were held in a private, second-floor office in a building in Honolulu. Guests of the parties said executives could be introduced to lawmakers and state employees.

Family members removed from HB1519 HD1 SD1 after “concerns” that it was unfair in previous hearings.



Milton Choy at court with his lawyer, Michael Green, left. Mr. Choy and his associates donated more than \$28,000 to political campaigns around the time of the parties.

SB2530 SD2 HD1
says these
donations
are OK!
Executive
Branch would
be executing
the contract
and these
donations
came before
execution.

All contracts awarded to the firm “were based on merit,” said Nina Marino, a lawyer for Mr. Mitsunaga.

Mr. Kaneshiro’s lawyer argued that campaign contributions made to gain access to politicians were “perfectly legal.”

Other states have been more successful in curbing big campaign contributions from companies seeking government work. In Connecticut, for example, a ban on donations from corporate officers with contracts has wiped out a large swath of campaign funds, according to Joshua Foley, a lawyer for the State Elections Enforcement Commission.

While contractors in Hawaii account for about 20 percent of campaign donations, in Connecticut “the percentage is zero,” Mr. Foley said.

Following recent corruption scandals, the Hawaii Legislature convened a watchdog panel to recommend new laws to improve government transparency. But lawmakers have so far refused to adopt some of the panel’s most meaningful corrective measures.

Notably, bills that would have closed the loophole in the law by prohibiting campaign contributions from company owners, officers and their immediate family members have failed year after year, including in the current legislative session.

Timely Donations

People tied to big contractors gave more than \$1,000 on average — nearly twice as much as political donors who had no obvious government connections, the analysis found. They were also twice as likely to give the maximum for some offices.

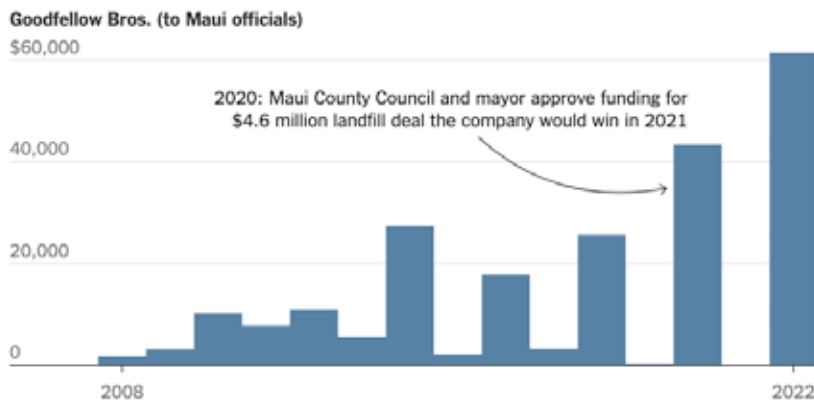
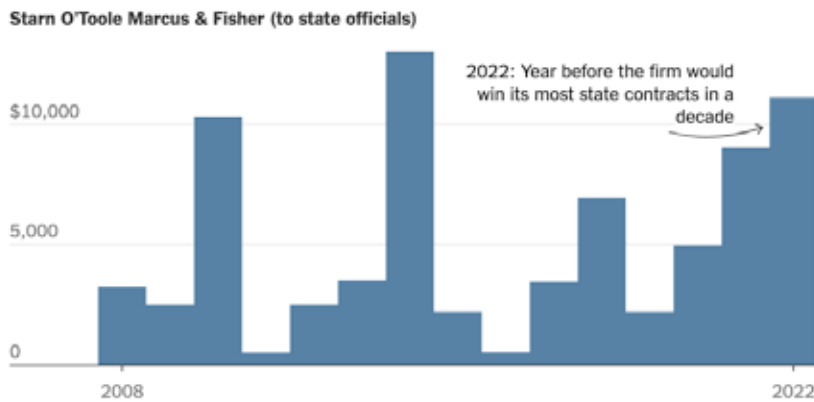
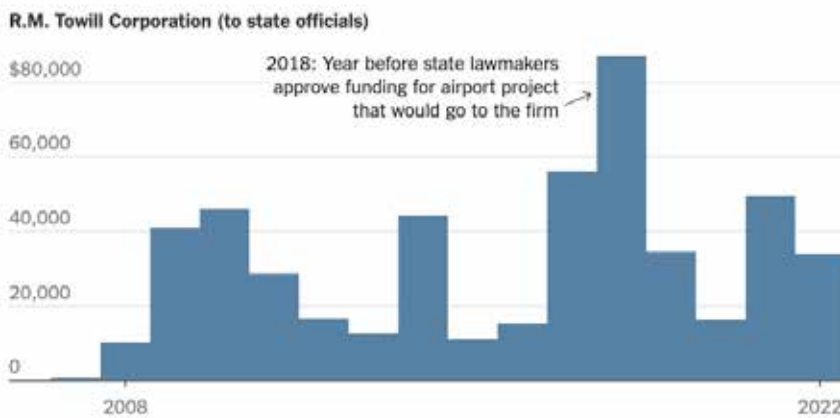
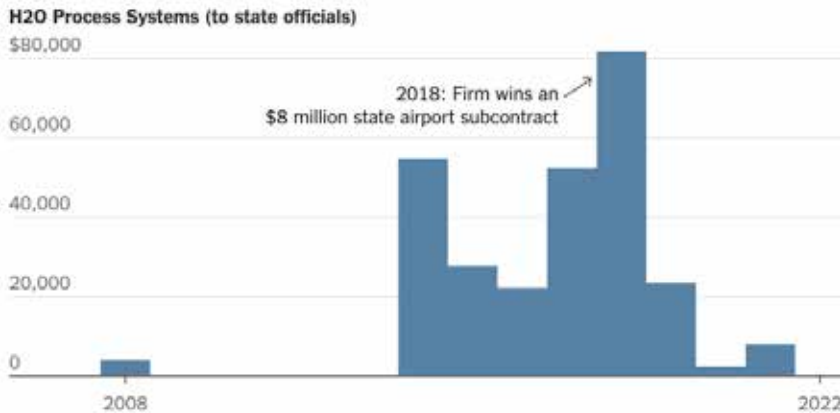
Often, their campaign contributions seemed to go to the right people at the right time.

Take R.M. Towill Corporation, a large engineering firm where employees in 2003 were fined for illegal campaign contributions. In the months leading up to the 2022 legislative session, **R.M. Towill executives donated to the campaigns of only two state senators — Stanley Chang and Donovan Dela Cruz. Later that year, the two senators were among the co-sponsors of a law that ultimately led to R.M. Towill getting a \$500,000 surveying contract.**

Mr. Chang said in a recent interview that, besides general discussions of policy, he never talked about legislation or contracts with employees of R.M. Towill. Mr. Dela Cruz did not respond to repeated requests for comment.

Well-timed donations from people linked to contractors

When some companies were on the verge of winning big government contracts, people connected to them donated larger amounts of money to the relevant officials.



Source: New York Times and Civil Beat analysis of data from the Hawaii Procurement Office and Hawaii Campaign Spending Commission By The New York Times

Historically, RRTC has been one of the largest recipients of non-bid city contracts, receiving over \$30 million across 30+ contracts during the early 2000s.

2022-2025: 9 Execs of RRTC donated \$44k to 7 of 9 HC&C

2026: \$1,3M contract from HART

2024: \$5k to Mayor Kawakami

2025: \$4.5M + \$19.8M contract from DHHL for county approved subdivision

<https://archives.starbulletin.com/2003/10/22/news/story7.html>



Senator Donovan Dela Cruz

In a statement, R.M. Towill's president, Greg Hiyakumoto, said that company employees supported candidates who pushed for new infrastructure and sustainable development, both of which were part of its mission.

A handful of powerful lawmakers who control vast sums of government money have been among the largest recipients of campaign donations from executives tied to big contractors and their families. Leaders of the influential House Finance and Senate Ways and Means committees, who **direct billions of dollars** in public works projects every year, have received more than **\$482,000** in such donations since 2018.

Representative Kyle Yamashita, the current finance chairman, who spent years overseeing the House's capital improvements budget, has **received more than \$44,000** in political contributions from people tied to big contractors. **Lt. Gov. Sylvia Luke**, who previously led the House Finance Committee, **received more than \$107,000**, while former **Representative Ty Cullen**, the vice chairman until 2022, got **\$22,100**.

Mr. Dela Cruz has received more than **\$239,000** in campaign donations from people tied to big contractors since he became Ways and Means chairman in 2018. Former **Senator Gil Keith-Agaran**, vice chairman until October, got **\$70,000** during the same time period.

In April 2023, the Senate Ways and Means Committee, led by Mr. Dela Cruz, budgeted for the purchase of a Maui hotel to convert into affordable housing and a school. That created a windfall for the law firm Starn O'Toole Marcus & Fisher, which got a \$450,000 contract to do legal work on the deal. Two of the firm's directors had recently donated a combined \$3,000 to Mr. Dela Cruz and Gov. Josh Green's campaigns.

One of the directors, Ivan M. Lui-Kwan, contributed another \$2,000 to the governor's campaign as the bill awaited his signature, and another \$1,000 after he approved the budget. Mr. Lui-Kwan and Duane Fisher, a partner at the firm, each donated \$1,000 to his campaign about two weeks before the contract was awarded.

Mr. Lui-Kwan said donations made by him and his colleagues had no bearing on state contracts. He said they made it a point to never bring up such work at political fund-raisers.

The governor said staff members involved with procurement didn't communicate with him. "We adopted this approach to avoid any potential conflicts or concerns," Mr. Green said in a statement.

People tied to big contractors have targeted local races, too.

In December 2021, Goodfellow Bros., one of Maui's largest building firms, won a \$4.6 million contract to expand a local landfill. It was the

Government contractors linked to the most campaign donations

Since 2006, more than \$6 million of the campaign money for state and local races in Hawaii has come from people associated with just 15 contractors.

Company	Associated donations	
R.M. Towill Corporation Civil engineering firm	\$1,073,400.00	+ \$26,915
Mitsunaga & Associates Architecture and engineering firm	\$795,382.14	- Investigated for bribery
Alexander & Baldwin Parent company of a road construction firm	\$794,911.44	+ \$69,150
Goodfellow Bros. Construction firm	\$488,925.98	+ \$44,550
Imanaka Asato Law firm	\$444,576.62	+ 36,400
Bowers + Kubota Engineering and consulting firm	\$403,742.84	+ \$25,000
Kobayashi Sugita & Goda Law firm	\$400,163.99	+ \$24,950
H2O Process Systems Environmental engineering firm	\$390,145.00	- Convicted for bribery
Nan Inc. Construction firm	\$350,645.00	+ \$36,550
Stanford Carr Development Developer	\$339,071.60	+ \$14,750
SSFM International Engineering and consulting firm	\$244,509.57	+ \$1,700
Royal Contracting Co. Construction	\$216,400.00	+ \$13,000
PVT Land Company Waste management firm	\$188,515.00	+ \$5,000
Navatek Military contractor	\$142,720.98	+ \$3,000
Starn O'Toole Marcus & Fisher Law firm	\$137,122.15	+ \$16,250

Since this article was published through June 2025

lowest bidder. The project was approved for funding in 2020 by the mayor at the time, Michael Victorino, and the County Council.

Afterward, executives and their family members gave around \$34,000 in campaign contributions to the mayor and to council members, making them among the biggest donors in Maui County.

Goodfellow Bros. said in a statement that its employees could donate to campaigns so long as they did not give in the company's name.

Alice Lee, chairwoman of the County Council, said that Maui-based

SB2530 SD2 HD1
excludes
counties -
contractors
and candidates



Honolulu International Airport, a major source of contracting money.

companies like Goodfellow Bros. “generally support candidates who support a stable economy, public health and safety and affordable housing.”

Doing Double Duty

In Hawaii, legislators serve part time and can hold outside jobs, which can increase the risk that they will face conflicts of interest. Nevertheless, they are among the highest-paid part-time lawmakers in the country, earning an annual state salary of about \$72,000.

An examination of their financial interests found that a dozen of them were employees, directors or co-owners of companies that had won contracts. **Since 2006, those companies have gotten at least \$56 million in state deals, according to Hawaii’s contract database.**

Disclosure records show that **Senate President Ron Kouchi earns between \$50,000 and \$100,000 annually working for his brother’s disposal company** on Kauai, which is the only provider of trash services to agencies on that island.

Representative David Alcos III works as a subcontractor on state projects. Representative Micah Aiu is a lawyer at Nan Inc., one of the state’s biggest contractors, which won at least \$39 million in projects last year. They have said they are not directly involved in their companies’ contracts.

Mr. Dela Cruz, the Ways and Means chairman, seems to have actually done hands-on work for a state contract: **He was the project manager for a \$224,000 State Health Department contract with DTL**, a communications firm where he was co-owner and vice president.

The State Health Department, which awarded the contract in 2018 for work on a vaccine campaign, said it did not know Mr. Dela Cruz was an owner.

Jason Antonio, a principal at DTL, said in an email that Mr. Dela Cruz was not a project manager and was not involved in the immunization project. But in its proposal, which was submitted to the Health Department in 2017, DTL listed Mr. Dela Cruz as the project manager who would oversee the work on behalf of the firm.

Ronald Balajadia, the department’s immunization chief, said he mostly worked with two other DTL employees and did not recall interacting with Mr. Dela Cruz.

DTL was the only firm to bid on the contract. After selling his ownership interest in the company in late 2020, Mr. Dela Cruz continued receiving money from the firm for consulting services, according to his 2022 financial disclosure.

SB2530/HB1519
does not
address this
loophole of
lawmakers
working
for/owning
contracted
businesses

A Box Full of Campaign Donations

The clearest example of how contractors and politicians regularly circumvented the reforms were the parties hosted by Mr. Yonamine, the former head of visitor information for Hawaii's airports.

Mr. Yonamine wasn't directly involved in awarding contracts, but his gatherings provided a casual setting where executives could be introduced to lawmakers and state employees who selected winners, according to attendees.

The parties started as early as 2014 at Mr. Yonamine's private office in Honolulu, according to campaign finance records, which lists dates and locations where political fund-raisers are held. They moved to the Pagoda Hotel there in 2019 and continued until at least 2020.

Lawmakers who benefited from the parties said Mr. Yonamine provided the venues while campaigns sometimes invited guests.

Attendees would stand chatting along the walls of the office, or later, on a spacious rooftop balcony at the hotel. The guests, sometimes more than 100 at the hotel, said they would **discuss legislation, as well as contracts** at the airports. Businesses seeking airport work frequently donated to a range of politicians around the time of those fund-raisers. They described the parties on the condition of anonymity because they work for the state or have business relationships with contractors they don't want to jeopardize. No one, including Mr. Yonamine, denies they took place.

One of the most prominent guests was Mr. Choy, a major political donor and government contractor who would later be sentenced to more than three years in prison for bribing officials. He and his associates donated more than \$28,000 to political campaigns around the time of the parties.

By 2020, Mr. Choy was wearing a wire and actively recording meetings to aid federal investigators.

No evidence has emerged that Mr. Choy's contributions at the parties were illegal or connected to his bribery scheme.

Many guests did work at the airports, a constant source of multimillion dollar contracts.

At least 59 companies competed for airport contracts between 2014 and 2020. But nearly **half the airports' 153 professional services contracts went to just 14 companies. Executives from those firms all donated around the time of Mr. Yonamine's parties.**

Current and former heads of the division overseeing most of the airport design and engineering contracts did not respond to requests for comment.

Milton Choy was charged with one count of bribery after spending more than \$2 million over the course of six years bribing Stewart Stant, the former director of Maui's Department of Environmental Management, in exchange for more than \$19 million in no-bid contracts.

Gave thousands to
Sen English
Rep Cullen
Sen Dela Cruz
Rep Luke

He wasn't charged in other bribery cases after agreeing to cooperate with federal prosecutors.

Choy's cooperation led to two former legislators, J. Kalani English and Ty Cullen, pleading guilty to honest services wire fraud.

Politicians who raised the most money from people tied to contractors

Some powerful politicians in Hawaii drew a fourth or more of their state and local campaign donations since 2006 from people with ties to government contractors.

	Candidate	Donations linked to contractors	Pct. of money raised
County -->	Kirk Caldwell Former mayor, Honolulu	\$2,497,085.11	33%
	Neil Abercrombie Former governor	\$2,211,911.50	24%
County -->	Mufi Hannemann Former mayor, Honolulu	\$1,352,811.92	24%
senate to exc -->	David Ige Former governor	\$1,289,028.81	26%
senate to exc -->	Josh Green Governor	\$958,675.78	16%
	Colleen Hanabusa Former U.S. rep., ran for governor	\$796,378.57	26%
	Keith Amemiya Ran for lt. gov. and Honolulu mayor	\$695,867.20	27%
County -->	Rick Blangiardi Honolulu mayor	\$619,392.00	23%
\$\$ chair to exc -->	Sylvia Luke Lt. Gov.	\$532,156.33	23%
	Shan Tsutsui Former lt. gov.	\$528,181.00	35%
	James Aiona Former lt. gov.	\$528,169.38	11%
	Brian Schatz U.S. Senator, former lt. gov.	\$392,801.60	28%
\$\$ chair -->	Donovan Dela Cruz State senator	\$358,814.54	22%
	Ron Kouchi Senate president	\$306,045.00	31%
County -->	Ikaika Anderson Former Honolulu councilman	\$298,462.92	26%

Does not include contributions to federal races. Source: New York Times and Civil Beat analysis of Hawaii Campaign Spending Commission data By The New York Times

The contracts were worth a combined total of more than \$131 million, according to the state's Department of Transportation.

These professional services contracts are for design or consulting jobs, and winners are selected based on their qualifications or proposals rather than just their price. The rules tend to give public officials more leeway to choose a company based on favoritism.

Executives at firms that won airport contracts donated a combined

\$101,000 around the time of the parties, according to campaign finance records, which show when checks were cashed and not when they were given. Candidates raised a total of more than \$470,000.

When presented with The Times and Civil Beat’s findings, Ford Fuchigami, then transportation director and now head of the Airports Division, said he could not comment on the awarding of contracts because he was not in charge of selecting the winners. Mr. Fuchigami said he did not recall attending the parties, though records show he donated around the time of a party in 2019. He said he did not know what the state’s rules were for employees like Mr. Yonamine who were politically active or for officials who attended political gatherings.

“What you do on your personal time is what you do on your personal time,” he said.

The fund-raising parties do not appear to have violated the state’s ethics laws.

Robert Harris, director of the Hawaii State Ethics Commission, said there were generally no prohibitions on political activity during off-hours as long as state employees did not use any state resources.

Other lawmakers who received campaign money around the time of Mr. Yonamine’s parties were Ms. Luke, the lieutenant governor; former Gov. David Ige; Mr. Kouchi, the Hawaii Senate president; and former Mayor Kirk Caldwell of Honolulu, according to fund-raising documents.

Mr. Caldwell and Mr. Kouchi did not respond to repeated requests for comment.

Mr. Ige said he mostly remembered seeing Transportation Department employees at Mr. Yonamine’s office but did not recall recognizing contractors.

Mr. Yonamine — who has a certain renown because his uncle Wally Yonamine was a famous athlete — is a figure in local sports. In 2018, one year after he was named varsity baseball coach at Pearl City High School, state lawmakers, some of whom received campaign contributions from his parties, approved \$3 million in funding to convert the field from grass to artificial turf.

As Mr. Yonamine spoke from the refurbished field at an opening ceremony in 2022, a Hawaiian priest sprinkled rainwater on home plate.

“Thank you to all who helped make our dreams come true,” Mr. Yonamine said.

visit <https://www.nytimes.com/2024/04/17/us/hawaii-contractors-campaign-donations.html> for the original article and reporting

Limiting the ban to the same branch and excluding county council, makes it completely ineffective. Since over 99% of contracts are awarded by the Executive branch, the policy would mainly restrict donations to the Governor and Lt. Governor.

But that’s not where the influence is.

Contractors give to legislators and council members who control zoning, permitting, and funding.

Current SB2530/ HB1519 leaves the real pay-to-play system untouched.



16 years ago,
Honolulu
Advertiser
addressed
this issue,
nothing has
changed.

Sunday, March 7, 2010

Contractor-linked donations soar in Hawaii gubernatorial campaign

BY Rick Daysog
Advertiser Staff Writer

Five years after state legislators approved a law aimed at curbing pay-to-play politics, donors linked to state and city contractors are again pouring big money into major political races.

An Advertiser study of more than 2,300 contributions made during the second half of 2009 found that employees of government contractors, their subcontractors and relatives of company officials gave more than \$300,000 to Honolulu Mayor Mufi Hannemann and gubernatorial candidate and former U.S. Rep. Neil Abercrombie.

About half of that money came from people working for firms who are helping to build the \$5.3 billion mass-transit system.

State law bars contractors from contributing directly to candidates running for state or county offices. But these donations are allowed because they were made by subcontractors, company employees and their relatives.

Hannemann, who is expected to declare his candidacy for the governor's race later this year, received \$208,000 from donors linked to government contractors, or nearly 20 percent of the amount he collected between July and December.

Abercrombie took in \$88,700, or about 10.6 percent of his total collections during the last six months of 2009 from people linked to firms that have contracts with the state or city. Lt. Gov. James "Duke" Aiona received \$4,215, or 1.7 percent.

Craig Holman, a campaign finance expert at Public Citizen, a Washington, D.C.-based consumer advocacy group, said that while the donations are legal there are plenty of concerns.

"This strongly suggests that in order to compete for a government contract you have to give campaign contributions," Holman said.

That's a charge the campaigns deny.

•••

Architects and engineers figure prominently in the contractor-related donations.

Executives at R.M. Towill Corp. contributed \$27,000 to Hannemann's campaign during the second half of 2009. Since 2005, the engineering firm received nearly \$30 million in state and city work, including a \$4.9 million subcontract on the city's mass-transit project.

The company has also been the target of several investigations into illegal campaign contributions.

In 2004, the company's president, Russell Figueiroa, and the company's former chairman, Donald Kim, pleaded no contest to misdemeanor charges of making illegal campaign contributions to former Honolulu Mayor Jeremy Harris' campaign.

Figueiroa also paid a \$50,800 fine to the state Campaign Spending Commission in 2006, although the fine came with no admission of wrongdoing.

•••

Bob Watada, former executive director of the state Campaign Spending Commission, said the large number of donations from employees of city and state contractors to the Hannemann and Abercrombie campaigns underscore a major loophole in the state's pay-to-play ban. The law bars any company receiving work from the state or the city from making direct contributions in local elections.

But it allows executives and employees of government contractors and their relatives to donate to local politicians so long as they are not reimbursed by the companies.

EARLIER SCANDALS

The law was enacted in 2005 in response to the campaign finance scandals involving Harris and other Democrats.

More than 30 local engineers, architects and other donors pleaded no contest to misdemeanor charges of violating the state's campaign law between 2003 and 2005 while another 90 architects, engineers and other donors paid out more than \$1.8 million in fines to the state Campaign Spending Commission for making illegal donations.

Holman said it's **troubling that such a large proportion of campaign donations are again coming from people linked to government contractors.**

He said that anytime a campaign receives more than 10 percent of their money from a single source, it raises questions about the candidate's independence. When a candidate receives more than 20 percent from a

Currently, 19.7% of donations are related to contractors representing \$420,674 in contributions from November 2024 through July 2025.

That figure does not include family members.

single group, it raises questions of whether a culture of pay-to-play exists, he said.

Political corruption scandals in New Jersey, Connecticut and, most recently, Illinois with disgraced former Gov. Rod Blagojevich, involved donations from local contractors that accounted for 20 percent to 25 percent of his campaign money, he said.

Holman said he expects the amount of contractor-connected givings to grow in Hawai'i unless state officials address the loopholes in the system.

“You’re going to see this spiraling,” he said.

Same loophole
referenced in
2022 NTY Article

EASING RESTRICTIONS

Tightening up Hawai'i's pay-to-play law, however, is not high on state lawmakers' agendas. This session, state Rep. Jon Riki Karamatsu, the chairman of the House Judiciary Committee and a candidate for lieutenant governor, introduced a bill to **loosen the restriction on government contractor contributions by limiting the ban only to contractors who receive non-bid contracts from the state and city.**

Contractors that take part in competitive bidding on state and city jobs would be allowed to donate to political races under this bill.

Karamatsu, D-41st (Waipahu, Village Park, Waikele), said several small state contractors, such as physicians and human services providers who work for the state under contract, expressed concerns that they can't contribute to candidates because of the law. Karamatsu said none of the big contractors talked to him about the bill.

“I feel for some of the small contract workers who can't participate,” Karama-tsu said. “Competitive bidders should be able to participate because they have to make bids that are the best and lowest.”

The measure made it to the floor but was recommitted to the Judiciary Committee, diminishing its chances of passing this session. House members recently passed a version that exempts contractors receiving \$50,000 or less in state or city work from the ban.

Nikki Love, executive director of Common Cause Hawaii, which opposes the measures, said weakening the ban will “open the door for more donations” from special interests.

“If I give \$25 to a candidate, it won't be as much as the \$6,000 from a city or state contractor who can clearly afford it,” she said.

Most lawmakers haven't participated in this current pay-to-play system and gain nothing from keeping it in place. But by allowing it to continue, they're forced to carry the consequences anyway. One bad apple doesn't just spoil itself; it erodes trust in the entire institution.



HONOLULU
CIVIL BEAT

The House Finance Committee Is Now Key To Pay-To-Play Reform

Rep. Chris Todd has the power to send a strong bill to conference, giving lawmakers something meaningful to work with.

By Aria Juliet Castillo | March 29, 2026

Nearly two decades after Hawaii promised to end pay-to-play politics, we are still trying to fix the same broken system and are at risk of getting it wrong again.

In 2005, after a series of corruption scandals, lawmakers passed one of the most ambitious bans on contractor donations in the country. It was supposed to fundamentally change our political culture. But a loophole meant it applied only to contracting companies, not to their owners, executives or family members.

That loophole has defined the system ever since.

Now, the Legislature faces a critical choice: fully close the loophole for good or again risk reforms that will leave the original system of political influence intact.

House Bill 1519, introduced by House Judiciary Chair David Tarnas, arrived already compromised. It included a “same-branch” limitation that bans contractors from donating only to the branch that awards their contracts. More than 99% of state contracts are executed by the executive branch. That means the ban would largely apply to the governor and lieutenant governor, while leaving out state lawmakers who control the budget and decide which projects get funded.

That is not where influence ends. It is where it begins.

Contractors do not just seek influence after contracts are signed. They invest in relationships with legislators who appropriate funds, and county officials who control zoning, permitting, and project approvals. Records show [donations spike](#) before project approval and contract awards.

Inside the Late-Night Parties Where Hawaii Politicians Raked In Money

After the state passed a law barring government contractors from donating to politicians, fund-raising parties showed just how completely the reform effort failed.

By Blaze Lovell, Eric Sagara, Irene Casado Sánchez
April 17, 2024

How A Major Campaign Donor Got A Million-Dollar Cleaning Contract In Honolulu

The contract, as well as a job on Maui, was approved after Gov. David Ige suspended procurement rules.

As HB 1519 moved through the House, it was further weakened, stripping out the counties entirely. Counties control zoning, permitting and project approvals. The [Maui case](#), where a contractor secured millions in no-bid contracts while making political contributions, helped reignite this issue in 2020. Under the current bills, that nexus would remain untouched.

Sen. Karl Rhoads took a different approach. Senate Bill 2530 covered all state and county contractors and grantees above a meaningful threshold, and was part of the Hawaii Campaign Spending Commission package introduced by Senate President Ron Kouchi.

Then it crossed into the House.

Legislature 2025

Hawai'i Lawmakers Kill Pay-to-Play Bill — Again

The Legislature's powerful money committees wouldn't sign-off on what had become a much-watered down measure.

Rep. Tarnas cut out SB 2530 and replaced it with the weaker HB 1519 language, arguing it was the only version that could pass conference. Given what happened [last year](#), he may not be wrong.

In turn, when the House version reached Sen. Rhoads' committee, although it wasn't clear from the hearing, the committee report reflects he amended it to remove the same-branch limitation and to add back county officials. He did remove family members, even though households often max out contributions in tandem. A reasonable amendment would restore the ban as "spouses and dependents."

Now, the committees most affected by contractor money are next in line to decide whether to strengthen this reform or keep it as is.

Sen. Karl Rhoads, left, and Rep. David Tarnas are leading the efforts to crack down on pay-to-play campaign contributions but with widely varying approaches. (Caitlin Thompson/Civil Beat/2026) These committees sit at the center of the process. They decide what gets funded, how much, and which projects move forward. For contractors, that makes them one of the most important points of access in government. It is no coincidence that lawmakers on these committees consistently receive maxed-out contributions from industries that rely on public spending.

Since the previous Senate version passed out of the Ways and Means Committee with limited amendments, there is reason to believe that the amendments Sen. Rhoads made to the House version hold, even though Senate leadership has long benefited from the current system.

That is why what happens next in House Finance matters so much, and why Rep. Chris Todd, chair of the House Finance Committee, now faces a genuinely consequential decision.

Rep. Todd is new to the Finance chair. He did not build the system. He has not yet [benefited](#) as much as his Senate counterpart, Donovan Dela Cruz, has. Todd has the power to send a stronger bill to conference, one that removes the same-branch limitation, restores the county requirement and reaffirms the family member provision. That would give conferees something real to work with and put meaningful pressure on the final outcome, rather than surrendering the negotiation before it starts.

Are lawmakers willing to meaningfully change a system that has benefited them, or will reform once again be diluted at the final stage, where so many good-government bills quietly die?

From Honolulu's rail to large-scale housing developments, major contractors have [consistently directed contributions](#) to those shaping the pipeline of projects. Some of the city's largest contractors are among the most consistent donors to county officials, underscoring the intertwining of public contracts and political donations.

None of this is about blocking development or punishing contractors. Hawaii needs housing, infrastructure and investment. Those projects should move forward on merit, not on who has spent years cultivating relationships with those controlling the money. A real contractor ban does not stop good projects. It ensures they are chosen for the right reasons.

Sen. Rhoads advanced a bill worth passing. [It was weakened in the House](#). Now the question is whether it will be restored by Chair Todd and the Finance Committee before conference.

The difference between real reform and more of the same comes down to whether those loopholes are finally closed.

Judiciary, Finance, and House leadership have a choice: pass a bill that covers all branches and the full process, or leave the loophole in place and continue allowing pay-to-play politics to persist.

Elections 2024

Hawaii Contractors Are Still Big Contributors To Political Campaigns, Thanks To Loopholes In State Law

Updated: Companies involved in a land deal with the state and flood control plans in Honolulu made substantial contributions to Hawaii politicians.

The Sunshine Blog: Pay To Play Isn't Dead Yet But It Is Mortally Wounded

SB-2530-HD-1

Submitted on: 4/6/2026 7:29:07 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kealii Pang, Ph.D.	Individual	Oppose	Written Testimony Only

Comments:

As written, this bill is not worthy of your time.

Kealii Pang

SB-2530-HD-1

Submitted on: 4/6/2026 7:47:34 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary Lu Kelley	Individual	Oppose	Written Testimony Only

Comments:

Aloha from Kauai.

I Oppose unless [SB2530](#) is Amended : Contractor Loophole Ban

Thank you,

Mary Lu Kelley, Koloa

SB-2530-HD-1

Submitted on: 4/6/2026 8:17:05 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Emily Grave	Individual	Oppose	Written Testimony Only

Comments:

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

I am in testimony in opposition to SB2530 unless it is amended to fully close Hawai'i's pay-to-play loopholes.

While the intent of this bill is good, the current version leaves critical gaps. It does not apply the contribution ban across all branches of government and fails to fully include county contractors and grantees, despite the central role counties play in zoning, permitting, and project approvals.

To be effective, SB2530 must apply to all contractors, including could contractors and grantees, and prohibit contributions across all braches and levels of government.

Without these amendments, the bill is preserving the very system it is intended to fix.

Thank you for your consideration.

Emily Grave, Honolulu

SB-2530-HD-1

Submitted on: 4/6/2026 10:26:04 PM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gregory Misakian	Individual	Support	Remotely Via Zoom

Comments:

I support SB2530 SD2 HD1.

Gregory Misakian

SB-2530-HD-1

Submitted on: 4/7/2026 7:09:20 AM

Testimony for FIN on 4/7/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Teresa Bill	Individual	Oppose	Written Testimony Only

Comments:

I urge the committeemembers to AMEND SB 2530, SD2, HD1 to INCLUDE State AND COUNTY contractors in this reporting process to the campaign finance commission.

UNLESS such an amendment is included, I OPPOSE and urge you to OPPOSE this bill as currently written.

We need Campaign Finance Reform with teeth - that everyone believes actually changes the current "pay to play" system.

Thank you