

ACT 63

H.B. NO. 412

A Bill for an Act Relating to Lobbying.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that transparent disclosure of lobbying activities is in the public interest. Under the state lobbying law, chapter 97, Hawaii Revised Statutes, “lobbying” an administrative agency only regards formal rulemaking or other actions governed by section 91-3, Hawaii Revised Statutes. Including procurement discussions in the list of actions subject to influence within the statutory definition of “lobbying” promotes government

transparency by providing the public with additional information regarding lobbying at the administrative agency level and promoting a level playing field for all businesses.

Accordingly, the purpose of this Act is to enhance government transparency by:

- (1) Establishing certain presumptions regarding lobbying on behalf of private clients;
- (2) Making certain contracts voidable when entered into in violation of the state lobbying law; and
- (3) Expanding the definition of “lobbying” under the state lobbying law to include certain communications with high-level government officials regarding procurement decisions.

SECTION 2. Chapter 97, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

“§97- Presumption of lobbying on behalf of private clients. Any individual with a substantial ownership interest in or a paid employee, officer, or director of an organization, who actively participates in lobbying activities that directly benefit that organization, shall be presumed to be receiving compensation from the organization for their lobbying efforts. This presumption shall not include communications made solely for informational purposes, ceremonial interactions, or routine relationship building that do not involve advocacy for or against specific outcomes.

§97- Contracts voidable. In addition to any other penalty provided by law, any contract or other action entered into by the State in violation of this chapter shall be voidable on behalf of the State; provided that in any action to void a contract pursuant to this section, the interests of third parties who may be damaged thereby shall be taken into account; provided further that the action to void the contract shall be initiated no later than sixty days after the determination of a violation under this chapter. The attorney general, in consultation with the head of the purchasing agency impacted, shall have the authority to enforce this section.”

SECTION 3. Section 97-1, Hawaii Revised Statutes, is amended by amending the definition of “lobbying” to read as follows:

““Lobbying” means communicating directly or through an agent, or soliciting others to communicate, with any official in the legislative or executive branch, for the purpose of attempting to influence legislative or administrative action or a ballot issue. “Lobbying” includes communicating with any person identified in section 84-17(d) concerning the solicitation or award of a contract by or proposal before an administrative agency or a potential future vendor relationship with an administrative agency if any of the communications are not governed by chapter 103D or 103F.

“Lobbying” ~~shall~~ does not include [the]:

- (1) Communications about a request for proposals, contract, or vendor relationship if the communications are initiated by a legislator or state employee; or
- (2) The preparation and submission of a grant application pursuant to chapter 42F by a representative of a nonprofit organization.”

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

ACT 63

SECTION 5. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on January 1, 2027.

(Approved May 16, 2025.)

Note

1. Edited pursuant to HRS §23G-16.5.