

Honolulu, Hawaii

**FEB 14 2024**RE: S.B. No. 3243  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Transportation and Culture and the Arts, to which was referred S.B. No. 3243 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit foreign entities and foreign-influenced business entities from making contributions, expenditures, electioneering communications, or donations for election purposes;
- (2) Require every business entity that contributes or expends funds in a state election to file a statement of certification regarding its limited foreign influence; and
- (3) Require noncandidate committees making only independent expenditures to obtain a statement of certification from each top contributor required to be listed in an advertisement.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, Center for American Progress, Free Speech for People, International Longshore and



Warehouse Union Local 142, League of Women Voters of Hawaii, and more than one hundred seventy individuals.

Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that political spending by foreign-influenced business entities can weaken, interfere with, or disrupt Hawaii's democratic self-governance and the trust that the electorate has in its elected representatives. Your Committee further finds that corporations and similar entities have a fiduciary responsibility to their shareholders, including investors around the world, and generally prioritize the interests of shareholders, which may diverge substantially from the interests of the people of Hawaii and the United States. This measure will protect and strengthen the integrity of Hawaii's democratic self-governance by preventing foreign influence on the State's elections.

Your Committee has amended this measure by making it effective on January 1, 2026.

As affirmed by the record of votes of the members of your Committee on Transportation and Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3243, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3243, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committee on Transportation and  
Culture and the Arts,



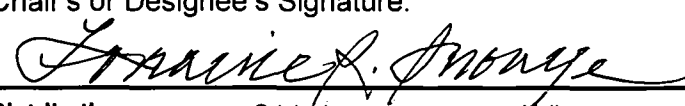
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CHRIS LEE, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Transportation and Culture and the Arts**  
**TCA**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 3243	TCA, JDC	2-6-2024		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
<b>Members</b>	<b>Aye</b>	<b>Aye (WR)</b>	<b>Nay</b>	<b>Excused</b>
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
ELEFANTE, Brandon J.C.	✓			
KANUHA, Dru Mamo	✓			
AWA, Brenton	✓			
<b>TOTAL</b>	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original      Yellow      Pink      Goldenrod File with Committee Report      Clerk's Office      Drafting Agency      Committee File Copy				

\*Only one measure per Record of Votes