### A BILL FOR AN ACT

RELATING TO LOBBYING.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The legislature finds that transparent 2 disclosure of lobbying activities is in the public interest. 3 Under the lobbying law, chapter 97, Hawaii Revised Statutes, 4 "lobbying" an administrative agency only regards formal 5 rulemaking or other actions governed by section 91-3, Hawaii Revised Statutes. Including procurement discussions in the 6 definition of "lobbying" promotes government transparency by 7 8 providing the public with additional information regarding 9 lobbying at the administrative agency level and promotes a level playing field for all businesses. 10 11 Accordingly, the purpose of this Act is to enhance 12 government transparency by: 13 (1)Establishing certain presumptions regarding testimony when provided by a lobbyist;
- 14
- 15 (2) Making certain contracts voidable when entered into in 16 violation of the state lobbying law; and

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1	(3) Expanding the definition of "lobbying" in section
2	97-1, Hawaii Revised Statutes, to include certain
3	communications with high-level government officials
4	regarding procurement decisions.
<b>5</b>	SECTION 2. Chapter 97, Hawaii Revised Statutes, is amended
6	by adding two new sections to be appropriately designated and to
7	read as follows:
8	"§97- Presumption of lobbying on behalf of private
9	clients. Any individual with a substantial ownership interest
10	in or a paid employee, officer, or director of an organization,
11	who actively participates in lobbying activities that directly
12	benefit that organization shall be presumed to be receiving
13	compensation from the organization for their lobbying efforts.
14	§97- Contracts voidable. In addition to any other
15	penalty provided by law, any contract or other action entered
16	into by the State in violation of this chapter is voidable on
17	behalf of the State; provided that in any action to void a
18	contract pursuant to this section the interests of third parties
19	who may be damaged thereby shall be taken into account, and the
20	action to void the contract is initiated within sixty days after
21	the determination of a violation under this chapter. The

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- 1 attorney general shall have the authority to enforce this
- 2 section."
- 3 SECTION 3. Section 97-1, Hawaii Revised Statutes, is
- 4 amended by amending the definition of "lobbying" to read as
- 5 follows:
- 6 ""Lobbying" means communicating directly or through an
- 7 agent, or soliciting others to communicate, with any official in
- 8 the legislative or executive branch, for the purpose of
- 9 attempting to influence legislative or administrative action or
- 10 a ballot issue. Lobbying also includes communicating with any
- 11 person identified in section 84-17(d) concerning the
- 12 solicitation or award of a contract or proposal before an
- 13 administrative agency or a potential future vendor relationship
- 14 with an administrative agency if any of the communications are
- not governed by chapter 103D or 103F. Communications about a
- 16 request for proposals, contract, or vendor relationship are not
- 17 considered lobbying if they are initiated by a legislator or
- 18 state employee.
- 19 "Lobbying" shall not include the preparation and submission
- 20 of a grant application pursuant to chapter 42F by a
- 21 representative of a nonprofit organization."



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- 1 SECTION 4. This Act does not affect rights and duties that
- 2 matured, penalties that were incurred, and proceedings that were
- 3 begun before its effective date.
- 4 SECTION 5. If any provision of this Act, or the
- 5 application thereof to any person or circumstance, is held
- 6 invalid, the invalidity does not affect other provisions or
- 7 applications of the Act that can be given effect without the
- 8 invalid provision or application, and to this end the provisions
- 9 of this Act are severable.
- 10 SECTION 6. New statutory material is underscored.
- 11 SECTION 7. This Act shall take effect on January 1, 2027.

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INTRODUCED BY:

By Request

JAN 1 6 2025

#### Report Title:

State Ethics Commission Package; Lobbying; Transparency

### Description:

Establishes certain presumptions regarding testimony when provided by a lobbyist. Makes certain contracts voidable when entered into in violation of the state lobbying law. Expands the definition of "lobbying" in the state lobbying law to include certain communications with high-level government officials regarding procurement decisions.

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