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## A BILL FOR AN ACT

RELATING TO LOBBYISTS.

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

1           SECTION 1. The legislature finds that Hawaii's lobbyist  
2 registration law is both under- and over-inclusive, such that  
3 amending the definitions of "lobbying" and "lobbyist" will  
4 provide additional transparency to the public while relieving  
5 some individuals, particularly certain representatives of  
6 charitable, non-profit organizations, from having to register as  
7 lobbyists. Similarly, the legislature finds that several  
8 provisions of the lobbyists law can be amended to avoid  
9 unnecessary paperwork and confusion. Among other things, the  
10 legislature finds that the employer of a lobbyist should have  
11 the authority to terminate that lobbyist's registration if the  
12 lobbyist does not do so on their own.

13           Accordingly, the purpose of this Act is to provide  
14 additional clarity and consistency in the administration and  
15 enforcement of Hawaii's lobbying laws.

16           SECTION 2. Section 97-1, Hawaii Revised Statutes, is  
17 amended to read as follows:



1       "§97-1 Definitions. When used in this chapter:

2       ~~[(1)]~~ "Administrative action" means the proposal, drafting,  
3       consideration, amendment, enactment, or defeat by any  
4       administrative agency of any rule, regulation, or  
5       other action governed by section 91-3.

6       ~~[(2)]~~ "Administrative agency" means a commission, board,  
7       agency, or other body, or official in the state  
8       government that is not a part of the legislative or  
9       judicial branch.

10       ~~[(3)]~~ "Contribution" includes a gift, subscription,  
11       forgiveness of a loan, advance, or deposit of money,  
12       or anything of value and includes a contract, promise,  
13       or agreement, whether or not enforceable, to make a  
14       contribution.

15       ~~[(4)]~~ "Expenditure" includes a payment, distribution,  
16       forgiveness of a loan, advance, deposit, or gift of  
17       money, or anything of value and includes a contract,  
18       promise, or agreement, whether or not enforceable, to  
19       make an expenditure. "Expenditure" also includes  
20       compensation or other consideration paid to a lobbyist  
21       for the performance of lobbying services.



1           ~~["Expenditure" excludes the expenses of preparing~~  
2           ~~written testimony and exhibits for a hearing before~~  
3           ~~the legislature or an administrative agency.]~~

4       [~~(5)~~] "Legislative action" means the sponsorship, drafting,  
5           introduction, consideration, modification, enactment,  
6           or defeat of any bill, resolution, amendment, report,  
7           nomination, appointment, or any other matter pending  
8           or proposed in the legislature.

9       [~~(6)~~] "Lobbyist" means any individual who [~~for~~]:

10       (1) Receives or expects to receive, either by employment  
11       or contract, more than \$1,000 in monetary or in-kind  
12       compensation in any calendar year for engaging in  
13       lobbying, either personally or through the lobbyist's  
14       agents; or

15       (2) For pay or other consideration [~~engages~~]:

16       (A) Engages in lobbying in excess of five hours in  
17       any month of any reporting period described in  
18       section 97-3 [~~or spends~~];

19       (B) Engages in lobbying in excess of ten hours during  
20       any calendar year;



1            (C) Engages in lobbying on three or more bills,  
2                            resolutions, or both, during any legislative  
3                            session; or

4            (D) Spends more than [~~\$750~~] \$1,000 of the person's or  
5                            any other person's money lobbying during any  
6                            reporting period described in section 97-3.

7            [~~(7)~~] "Lobbying" means communicating directly or through an  
8                            agent, or soliciting others to communicate, with any  
9                            official in the legislative or executive branch, for  
10                           the purpose of attempting to influence legislative or  
11                           administrative action or a ballot issue. Lobbying  
12                           shall not include the preparation and submission of a  
13                           grant application pursuant to chapter 42F by a  
14                           representative of a nonprofit organization, but does  
15                           include any communication with any official in the  
16                           legislative or executive branch for the purpose of  
17                           attempting to influence action on any existing or  
18                           future grant application.

19            [~~(8)~~] "Person" means a corporation, individual, union,  
20                           association, firm, sole proprietorship, partnership,  
21                           committee, club, or any other organization or a



1           representative of a group of persons acting in  
2           concert."

3           SECTION 3. Section 97-2, Hawaii Revised Statutes, is  
4 amended by amending subsections (d) and (e) to read as follows:

5           "(d) A lobbyist shall file a notice of termination within  
6 ten days after the lobbyist ceases the activity which required  
7 the lobbyist's registration. If the lobbyist fails to file a  
8 notice of termination, the person who employed or contracted for  
9 the services of the lobbyist may file the notice. The lobbyist  
10 and the [~~employer~~] person who employed or contracted for the  
11 services of the lobbyist shall remain subject, however, to the  
12 requirements of this chapter [97] for the period during which  
13 the registration was effective.

14           (e) This chapter shall not apply to:

15           (1) Any individual who represents oneself and not any  
16 other person before the legislature or administrative  
17 agency; provided that [~~such~~] the individual [~~must~~]  
18 shall nonetheless file a statement of expenditures if  
19 the individual meets any of the provisions of section  
20 97-3 (a);



- 1           (2) Any federal, state, or county official or employee  
2           acting in the official's or employee's official  
3           capacity, unless the federal, state or county  
4           official, or employee contracts for the services of a  
5           lobbyist;
- 6           (3) Any elected public official acting in the public  
7           official's official capacity, unless the public  
8           official contracts for the services of a lobbyist;
- 9           (4) Any newspaper or other regularly published periodical  
10          or radio or television station (including any  
11          individual who owns, publishes, or is employed by a  
12          newspaper or periodical or radio or television  
13          station) while publishing in the regular course of  
14          business news items, editorials, or other comments, or  
15          paid advertisements, which directly or indirectly urge  
16          the passage or defeat of legislative or administrative  
17          action;
- 18          (5) Any attorney who advises the attorney's clients on the  
19          construction or effect of proposed legislative or  
20          administrative action; provided that such attorney  
21          must nonetheless register if the attorney meets [any



1 ~~of the provisions of section 97-1(6),~~ the definition  
2 of "lobbyist" as defined in section 97-1; and

- 3 (6) Any person who possesses special skills and knowledge  
4 relevant to certain areas of legislation, whose skills  
5 and knowledge may be helpful to the legislative and  
6 executive branches of state government, and who makes  
7 an occasional appearance at the request of the  
8 legislature or an administrative agency, or the  
9 lobbyist even though receiving reimbursement or other  
10 payment from the legislature or administrative agency  
11 or the lobbyist for the appearance."

12 SECTION 4. Section 97-3, Hawaii Revised Statutes, is  
13 amended by amending subsections (a), (b), and (c) to read as  
14 follows:

15 "(a) The following persons shall file a statement of  
16 expenditures with the state ethics commission on March 31,  
17 May 31, and January 31 of each year and within thirty days after  
18 adjournment sine die of any special session of the legislature:

19 (1) Each lobbyist;

20 (2) Each person who spends [~~\$750~~] \$1,000 or more of the  
21 person's or any other person's money in any [~~six-month~~



1           ~~period]~~ reporting period described in this section for  
2           the purpose of attempting to influence legislative or  
3           administrative action or a ballot issue by  
4           communicating or urging others to communicate with  
5           public officials; provided that any amounts expended  
6           for travel costs, including incidental meals and  
7           lodging, shall not be included in the tallying of the  
8           ~~[\$750;]~~ \$1,000 and need not be reported; and provided  
9           further that any amounts expended by a nonprofit  
10           organization to prepare and submit a grant application  
11           pursuant to chapter 42F shall likewise not be included  
12           in the tallying of the \$1,000 and need not be  
13           reported; and

14           (3) Each person who employs or contracts for the services  
15           of one or more lobbyists, whether independently or  
16           jointly with other persons. If the person is an  
17           industry, trade, or professional association, only the  
18           association is the employer of the lobbyist.

19           (b) The March 31 report shall cover the period from  
20           January 1 through the last day of February. The May 31 report  
21           shall cover the period from March 1 through April 30. The





1 January 31 report shall cover the period from May 1 through  
2 December 31 of the previous year. The report to be filed within  
3 thirty days after adjournment sine die of a special session of  
4 the legislature shall ~~cover~~:

5 (1) Cover the period from May 1 through adjournment sine  
6 die of that special session [and shall apply];

7 (2) Be filed only by persons listed in subsection (a) who  
8 engage in lobbying activities, or who make  
9 expenditures for the purpose of attempting to  
10 influence legislative action considered during a  
11 special session; and

12 (3) Apply to and include only those expenditures and  
13 contributions that relate to legislative action  
14 considered during that special session[-];

15 provided that those expenditures and contributions included in  
16 the report need not be included by the person filing the report  
17 in any subsequent statement of expenditures.

18 (c) The statement shall contain the following information:

19 (1) The name and address of each person with respect to  
20 whom expenditures for the purpose of lobbying in the  
21 total sum of \$25 or more per day was made by the



1 person filing the statement during the statement  
2 period and the amount or value of [such] the  
3 expenditure;

4 (2) The name and address of each person with respect to  
5 whom expenditures for the purpose of lobbying in the  
6 aggregate of \$150 or more was made by the person  
7 filing the statement during the statement period and  
8 the amount or value of [such] the expenditures;

9 (3) The total sum or value of all expenditures for the  
10 purpose of lobbying made by the person filing the  
11 statement during the statement [~~period in excess of~~  
12 ~~\$750 during the statement~~] period; provided that the  
13 sum or value of each expenditure is itemized in the  
14 following categories, as applicable:

15 (A) Preparation and distribution of lobbying  
16 materials;

17 (B) Media advertising;

18 (C) Compensation paid to lobbyists;

19 (D) Fees paid to consultants [~~or~~] for services;

20 (E) Entertainment and events;

21 (F) Receptions, meals, food, and beverages;



- 1 (G) Gifts;
- 2 (H) Loans; [and]
- 3 (I) Inter-state transportation, including incidental
- 4 meals and lodging; and
- 5 (J) Other disbursements;

6 (4) The name and address of each person making  
7 contributions to the person filing the statement for  
8 the purpose of lobbying in the total sum of \$25 or  
9 more during the statement period and the amount or  
10 value of [such] the contributions; and

11 (5) The subject area of the legislative and administrative  
12 action which was supported or opposed by the person  
13 filing the statement during the statement period."

14 SECTION 5. Section 97-4.5, Hawaii Revised Statutes, is  
15 amended to read as follows:

16 "[+]§97-4.5[+] **Lobbyist list.** [~~As soon as is feasible~~  
17 ~~after the commencement of each regular session of the~~  
18 ~~legislature, the state ethics commission shall publish a list of~~  
19 ~~registered lobbyists, the names of the persons whom they~~  
20 ~~represent, and other pertinent information but shall not include~~  
21 ~~in such list the addresses of the lobbyists. The list shall be~~



1 ~~supplemented from time to time as may be necessary.]~~ All  
2 lobbyist registration statements shall be posted on the state  
3 ethics commission's website within a reasonable time after  
4 filing, and may be removed from the website after four years."

5 SECTION 6. The state ethics commission, in its discretion,  
6 may make any changes that it deems necessary to internal  
7 procedures or forms to aid in the implementation of this Act.

8 SECTION 7. If any provision of this Act, or the  
9 application thereof to any person or circumstance, is held  
10 invalid, the invalidity does not affect other provisions or  
11 applications of the Act that can be given effect without the  
12 invalid provision or application, and to this end the provisions  
13 of this Act are severable.

14 SECTION 8. This Act does not affect rights and duties that  
15 matured, penalties that were incurred, and proceedings that were  
16 begun before its effective date.

17 SECTION 9. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.

19 SECTION 10. This Act shall take effect upon its approval.

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INTRODUCED BY:



JAN 20 2017



# H.B. NO. 511

**Report Title:**

State Ethics Commission; Lobbyist Law; Lobbying; Enforcement

**Description:**

Makes changes to the laws governing lobbyists. Amends the definition of "expenditure," "lobbyist," and "lobbying." Allows a person who employs a lobbyist to file a notice of termination. Amends reporting requirements for reports covering special sessions of the legislature. Requires that lobbyist registration statements be posted on the state ethics commission's website within a reasonable time after filing and remain on the website for at least 4 years.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

