ORDINANCE NO. _____

BILL NO. 100 (2026)

A BILL FOR AN ORDINANCE AMENDING SECTION 2.56.040, MAUI COUNTY CODE, TO ESTABLISH COMPREHENSIVE LOBBYIST REGULATIONS

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. The Council finds that the identity and expenditures of persons who seek to influence the actions of public officials—including Councilmembers, the Mayor, and other County officers—should be a matter of public record. Good governance is promoted by increasing transparency in the lobbying process, enhancing public confidence in the integrity of local government, and ensuring that the public's interests are not subordinate to special interests.

This Ordinance aims to strengthen lobbyist regulation by implementing registration, training, and reporting requirements through amendments to the Code of Ethics in the Maui County Code. The Ordinance also proscribes certain lobbyist activities and establishes penalties.

This Ordinance is intended to support the following core theme of the General Plan: "Strive for Good Governance."

SECTION 2. Section 2.56.040, Maui County Code, is amended to read as follows:

> "**2.56.040 Lobbyist [registration] <u>regulations</u>.** [Prior to appearing before any executive or legislative body, all lobbyists must file a certified statement with the board of ethics setting forth the

name, mailing address, business telephone number, and subject matter of the lobbyist. A lobbyist must report any change in information contained in the certified statement within 10 days of such change. A lobbyist must file a notice of termination within 10 days of ceasing activity as a lobbyist. As used herein, "lobbyist" means any person who engages himself for pay or other consideration for the purpose of attempting to influence legislative or administrative action of the county.] A. Definitions. As used in this section, unless the context requires otherwise:

"Administrative action" means the proposal, drafting, consideration, approval, amendment, enactment, or defeat by an executive-branch agency of any rule or other action governed by section 91-3, Hawai'i Revised Statutes.

"Board" means the board of ethics.

"Contribution" means a gift; subscription; forgiveness of a loan, advance, or deposit of money; or anything of value and includes a contract, promise, or agreement—whether or not enforceable—to make a contribution.

"Expenditure" means a payment distribution, forgiveness of a loan, advance, deposit, gift of money, or anything of value, including a contract, promise, or agreement—whether or not enforceable—to make an expenditure. "Expenditure" includes compensation or other consideration paid to a lobbyist for the performance of lobbying services. "Expenditure" excludes amounts expended:

1. For intrastate travel costs, including incidental meals and lodging; but this exception does not apply to amounts expended for the travel costs of councilmembers, board and commission members, or other County officers or employees; or

2. By a nonprofit organization to prepare and submit an application for a grant under chapter 3.36 and for each of the nonprofit organization's employees to lobby a maximum of 10 hours in a month for that application.

"Legislative action" means the sponsorship, drafting, introduction, consideration, modification, amendment, adoption, enactment, or defeat of any bill, resolution, amendment, report, nomination, appointment, or other matter pending or proposed before the council.

"Lobbying" means communicating directly or through an agent, or soliciting others to communicate, with any County officer or employee for the purpose of attempting to influence legislative action, administrative action, or a ballot issue. "Lobbying" does not include the preparation and submission of a grant application under chapter 3.36 by a nonprofit organization's representative.

"Lobbyist" means an individual who:

1. Receives or expects to receive, either by employment or contract, $1,000 or more in monetary or in-kind compensation in a calendar year for engaging in lobbying, either personally or through the lobbyist's agents; or

2. For pay or other consideration, on behalf of another person:

a. Engages in lobbying for more than five hours in a month of a reporting period;

b. Engages in lobbying for more than 10 hours during a calendar year; or

c. Makes expenditures of $1,000 or more of the person's or another person's money for lobbying during a reporting period;

3. An employee of a nonprofit organization who spends fewer than ten hours in any month lobbying on a grant application submitted under chapter 3.36 is not a lobbyist if the employee does not engage in lobbying on matters that are unrelated to the grant application.

"Reporting period" means January 1 through June 30 of the current year for an expenditure statement due by July 31 and July 1 through December 31 of the prior year for an expenditure statement due by January 31.

B. Initial registration. Each lobbyist must:

1. File a registration form with the board within five days of becoming a lobbyist;

2. Provide and certify the following information:

a. The lobbyist's name, mailing address, and business telephone number.

b. The name and principal place of business of each person by whom the lobbyist is retained or employed or on whose behalf the lobbyist appears or works.

c. Written authorization to act as a lobbyist from each person by whom the lobbyist is employed or with whom the lobbyist contracts.

d. The subject areas on which the lobbyist expects to lobby.

e. Documentation confirming the lobbyist's completion of the mandatory lobbyist training course under subsection C.

3. A lobbyist must report a change in the information contained in the registration statement within 10 days after the change has occurred.

4. A lobbyist must file a notice of termination within 10 days after the lobbyist ceases the activity that required the lobbyist's registration. If the lobbyist fails to file a notice of

termination, the person who employed or contracted for the services of the lobbyist may file the notice. The lobbyist and the person who employed or contracted for the services of the lobbyist remain subject to the requirements of this section for the period during which the registration was effective.

C. Training requirement. Before registering under subsection B, each lobbyist must complete a training course presented by the board, if required by the board's administrative rules. Registered lobbyists must repeat the training course as required under the board's administrative rules.

D Recorded or live training courses. The board may develop and conduct recorded or live training courses that explain this section's requirements and prohibitions to allow lobbyists to comply with subsection C, if necessary, and to educate County officers and employees and the public. Live training courses may be conducted in person or via videoconference, as necessary.

E. Administrative rules. The board must adopt administrative rules under chapter 91, Hawai'i Revised Statutes, for this section's implementation, administration, and enforcement.

F. Exceptions. This section does not apply to:

1. Individuals who represent themselves and not any other person before the council or an executive-branch agency; except that the individual must file a statement of expenditures if the individual meets any of the provisions of subsection H;

2. A federal, state, or county officer or employee acting in the officer or employee's official capacity, unless the federal, state, or county officer or employee contracts for the services of a lobbyist;

3. A newspaper, radio or television station, or other regularly published media outlet, including an individual who owns, publishes, or is employed by a regularly published media outlet while publishing in the regular course of business news items, editorials, or other comments, or paid advertisements that directly or indirectly urge the approval or defeat of legislative or administrative action; and

4. A person who possesses special skills and knowledge relevant to certain areas of legislation, whose skills and knowledge may be helpful to the legislative and executive branches of County government, and who makes an occasional appearance at the request of the council or an executive-branch agency, even if receiving reimbursement or other payment from the Council or executive-branch agency for the appearance.

5. An attorney licensed to practice law in Hawai'i who advises the attorney's clients on the construction or effect

of legislative or administrative action; except that the attorney must register if the attorney meets this section's definition of "lobbyist."

G. Registration renewal. Each registered lobbyist must renew their registration biennially by filing a new registration and authorization form with the board on or before October 1, 2029, and on or before October 1 of each odd-numbered year following that date.

H. Persons subject to reporting requirements; reporting periods. A statement of expenditures must be filed with the board on July 31 and January 31 of each year.

1. The following persons must file the statement:

a. Each lobbyist;

b. Each person who makes expenditures of $1,000 or more of the person's or another person's money in a reporting period for the purpose of lobbying; and

c. Each person who employs or contracts for the services of one or more lobbyists, whether independently or jointly with other persons.

2. The July 31 report must cover the period from January 1 through June 30 of the current year, and the January 31 report must cover the period from July 1 through December 31 of the previous year.

I. Reporting requirements. A statement required by subsection H must contain the following information:

1. The name and address of each person for whom lobbying expenditures of $25 or more were made in a single day, including the specific amount or value of the expenditure;

2. The name and address of each person for whom lobbying expenditures totaling $150 or more were made in the aggregate during the reporting period, including the amount or value of the expenditures;

3. The amount or value of lobbying expenditures made by the filer during the reporting period, categorized by:

a. Preparation and distribution of lobbying materials;

b. Media advertising;

c. Compensation paid to lobbyists;

d. Fees paid to consultants or specialized professionals for services;

e. Entertainment and events;

f. Receptions, meals, food, and beverages;

g. Gifts;

h. Loans;

i. Interstate transportation, including incidental meals and lodging; and

j. Other disbursements; except that the receipt or expenditure of money for the purpose of influencing the election or defeat of a candidate for elective office or for the passage or defeat of a measure at any special or general election is excluded from this subsection's reporting requirements.

4. The name and address of each person making contributions to the filer for the purpose of lobbying in the sum of $25 or more during the reporting period and the amount or value of the contributions; and

5. The identity, by bill number, resolution number, budget cost or program identification number, or other similar identifier of the legislative or administrative action, that was commented on, supported by, or opposed by the filer during the reporting period.

J. Reporting procedures. Statements required by this section to be filed with the board must be:

1. Filed electronically with the board using a filing system established by the board;

2. Maintained by the board for at least six years from the date of filing; and

3. Posted on the board's website within a reasonable time after filing for at least six years.

K. Restricted activities.

1. A lobbyist must not accept or agree to accept any payment contingent upon the defeat, enactment, or outcome of a legislative action or administrative action.

2. A lobbyist or entity required to file a statement of expenditures under this section must not make a gift to a County officer or employee that is prohibited under section 10-4, revised charter of the County of Maui (1983), as amended.

L. Board's authority. The board must administer and implement this section. The board may:

1. Initiate, receive, consider, and investigate or cause to be investigated charges and other information, on a confidential basis to the extent allowed by law, on alleged, possible, or potential violations of this section;

2. Prescribe forms and procedures for the registration and reporting required under this section;

3. Provide advice upon the request of any person as to whether the facts and circumstances of a particular situation would violate this section. A person receiving advice from the board may request a written summary of that advice.

The board must treat all advice requests, responses, and related materials as confidential to the extent allowed by law, unless the recipient waives confidentiality;

4. Render advisory opinions upon the request of any person subject to this section. The board may also render public advisory opinions on proper interpretations of this section, if the board finds the opinion of sufficient general interest and importance;

5. Issue subpoenas, administer oaths, and require the production for examination of records or papers for matters under investigation or in question under this section;

6. Have jurisdiction for purposes of investigation and taking appropriate action on possible violations of this section in all proceedings commenced within six years of a possible violation. A proceeding will be considered commenced by the filing of a charge with the board. The six-year period will be tolled if fraud or other unlawful device prevented discovery of a violation;

7. Distribute educational and advisory publications and initiate, administer, and maintain training programs on this section.

M. Administrative fines.

1. A person who violates a provision of this section is subject to an administrative fine imposed by the board of up to $5,000 for each violation.

2. All fines collected under this section must be deposited into the general fund.

3. Fines may only be assessed following a complaint and formal hearing under the board's administrative rules."

SECTION 3. Material to be repealed is bracketed. New material is underscored. In printing this bill, the County Clerk need not include the brackets, the bracketed material, or the underscoring.

SECTION 4. This Ordinance takes effect on July 1, 2027.

APPROVED AS TO FORM AND LEGALITY:

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paf:pah:26-037g

INTRODUCED BY:

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