



HAWAI'I STATE ETHICS COMMISSION

Komikina Ho'opono Kulekele o Hawai'i Moku'āina

Settlement of Investigation 2025-3

(REQ-2025-0907)

HAWAIIAN ELECTRIC COMPANY, INC., LOBBYING ORGANIZATION, FOR NOT REGISTERING OR REPORTING EXPENDITURES FOR CERTAIN LOBBYISTS UNDER HAW. REV. STAT. CHAPTER 97

November 19, 2025

The Hawai'i State Ethics Commission ("Commission") hereby resolves an investigation of Hawaiian Electric Company, Inc. ("Hawaiian Electric") for not registering or reporting expenditures for certain lobbyists under the State Lobbyists Law, Hawai'i Revised Statutes Chapter 97.

As part of the Commission's statutory obligation to review lobbyist reporting, Haw. Rev. Stat. § 97-6, Commission staff reviewed testimony submitted to the Legislature in the calendar years 2023, 2024, and 2025. Commission staff observed that some individuals submitted significant quantities of testimony on behalf of Hawaiian Electric without registering as lobbyists.

Commission staff contacted Hawaiian Electric and invited it to review its records and determine whether an amendment of its lobbying reports was justified. Hawaiian Electric cooperated throughout the process. As a result of conversations with Commission staff, Hawaiian Electric filed significant amendments to its lobbying disclosures.

I. Stipulated Facts

Hawaiian Electric hereby admits the following facts are true and correct:

- (a) Hawaiian Electric interpreted Haw. Rev. Stat. § 97-2(e)(6) to exempt employees with specialized knowledge who testify at the request of a lobbyist from the Lobbyist Law. Accordingly, while Hawaiian Electric reported extensive lobbying activity during the years in question, it did not report the lobbying activity of certain employees who testified, at the request of a registered lobbyist, on bills involving specialized issues.
- (b) Hawaiian Electric was unaware of the Commission's interpretation of this statute in a prior Settlement of Investigation to which Hawaiian Electric was not a party, [Resolution of Investigation 2015-1](#), in which the parties agreed that Haw. Rev. Stat. § 97-2(e)(6) does not apply to individuals who advocate for a position or otherwise attempt to influence legislative action.

After discussions with Commission staff, Hawaiian Electric voluntarily took steps to register previously unreported lobbyists, disclose the amended expenditures, and required those individuals still employed by the company to complete mandatory ethics training.

- (c) Hawaiian Electric amended its 2023 reports, which originally included four registered lobbyists, to include five additional lobbyists with a total compensation of \$5,485.86.
- (d) This increased Hawaiian Electric's total compensation paid to lobbyists in 2023 to \$149,341.76 from the previously reported \$143,855.90.
- (e) Hawaiian Electric amended its 2024 reports, which originally included sixteen registered lobbyists, to include eight additional lobbyists with a total compensation of \$13,598.61.
- (f) This increased Hawaiian Electric's total compensation paid to lobbyists in 2024 to \$440,073.96 from the previously reported \$426,475.35.
- (g) Hawaiian Electric amended its 2025 reports, which originally included thirteen registered lobbyists, to include seven additional lobbyists with a total compensation of \$11,790.18.
- (h) This increased Hawaiian Electric's total compensation paid to lobbyists in 2025 to \$180,402.03 from the previously reported \$168,611.85.
- (i) In addition, nine Hawaiian Electric employees met the mandatory ethics training requirement by completing the class in August or September 2025.

II. State Lobbyists Law

A. Constitutional Mandate and Statutory Purpose

Article XIV of the Hawai'i Constitution directs the Legislature to enact a code of ethics, including provisions on lobbyist registration and regulation. Haw. Const., art. XIV. In accordance with this constitutional mandate, the Legislature enacted the State Lobbyists Law, Haw. Rev. Stat. Chapter 97 and charged the Commission with administering and enforcing the law. Haw. Rev. Stat. § 97-6. The Lobbyists Law requires lobbyists who meet certain criteria to register with the Commission; the law also requires lobbyists and their clients to submit periodic expenditure reports. Haw. Rev. Stat. §§ 97-2, 97-3.

In passing Hawaii's lobbying laws, the Legislature underscored the importance of transparency and accountability in the governmental process. "The intent of this bill is to make persons who lobby accountable for their actions to [e]nsure against the exercise of undue or improper influence." S. Stand. Comm. Rep. No 874, in 1975 Senate Journal, at 1170

(Haw. 1975). The Legislature further noted, “it is not the intent of your Committee to restrict persons who lobby in the performance of their function, but rather to provide a mechanism by which the public including the members of the legislature and administrative agencies can identify persons who seek to influence the content, introduction, passage or defeat of legislative or administrative matters” *Id.*

B. Requirement To Register as a Lobbyist

People who qualify as lobbyists must register with the Commission within five days of becoming a lobbyist. Haw. Rev. Stat. § 97-2. Further, lobbyists must renew their registration on a biennial basis, matching the biennial legislative session. Haw. Rev. Stat. § 97-2.5.

This registration requirement does not apply to:

Any 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 state government, and who makes an occasional appearance at the request of the legislature or an administrative agency, or the lobbyist even though receiving reimbursement or other payment from the legislature or administrative agency or the lobbyist for the appearance.

Haw. Rev. Stat. § 97-2(e)(6). In a prior settlement, to which Hawaiian Electric was not a party, [Resolution of Investigation 2015-1](#),¹ the Commission interpreted this provision as exempting “those who provide expert information . . . but who do not attempt to advocate for a position or otherwise influence legislative action.” *Id.* at 2. The Commission continued, “[t]hose who provide information to the legislature, or attempt to educate the legislature, while also advocating for a position are not exempt from the requirements of the Lobbyist Law.” *Id.*

Without reviewing each occurrence of testimony submission, the Commission generally observes that, here, Hawaiian Electric employees frequently submitted testimony that took an advocacy position representing Hawaiian Electric’s viewpoint. As such, the Commission considers the exemption in Haw. Rev. Stat. § 97-2(e)(6) to be generally inapplicable.²

¹ Available at <https://files.hawaii.gov/ethics/advice/ROI2015-1.pdf> or at ethics.hawaii.gov.

² For purposes of this settlement, the Commission does not need to address whether the employees at hand had special skills or knowledge under Haw. Rev. Stat. § 97-2(e)(6). Nor does it address whether these employees were expressly invited to submit testimony by a registered lobbyist in each instance as required by Haw. Admin. R. § 21-10-3 (“A copy of the written request for an appearance by the legislature, administrative agency, or lobbyist shall be provided to the commission within five business days of the commission’s request.”).

C. Requirement to File Expenditure Reports

Each lobbyist and each person “who employs or contracts for the services of one or more lobbyists,” must file periodic expenditure reports. Haw. Rev. Stat. § 97-3; *see also* Haw. Admin. R. § 21-10-2. A statement of expenditures must be filed on March 31, May 31, and January 31 of each year. *Id.*

Here, it is uncontested that numerous Hawaiian Electric employees did not submit timely expenditure reports in the calendar years of 2023, 2024, and 2025. Further, during the same period, many of Hawaiian Electric’s reports were later amended to be consistent with the Commission’s interpretation of Haw. Rev. Stat. § 97-2(e)(6).

D. Requirement to Undergo Mandatory Ethics Training

Before registering as a lobbyist, each lobbyist is required to complete a training course administered by the Commission. Haw. Rev. Stat. § 97-2.2. Since the Hawaiian Electric employees in question acted under the assumption that they did not need to register as lobbyists, they also did not complete the required ethics training.

III. Settlement of the Investigation

Hawaiian Electric fully cooperated with the Commission’s investigation. Upon being contacted by the Commission, it promptly filed the required expenditure reports for 2023, 2024, and 2025. It registered the employees in question and took steps to ensure compliance with the mandatory training requirement. Hawaiian Electric also committed to adjusting its lobbyist registration practices to avoid future potential violations. As such, the Commission believes it is reasonable, fair, and in the public interest to resolve this investigation by (1) issuing this Settlement of Investigation and (2) requiring Hawaiian Electric to pay an administrative penalty of \$10,000 to the State of Hawai‘i. Hawaiian Electric agreed that no portion of the administrative penalty will be borne by its utility ratepayers. The Commission further declines to take action against the individual employees, noting they acted under Hawaiian Electric’s misinterpretation of the law.

The Commission notes that future lobbying entities and lobbyists should be on notice of its narrow interpretation of the exemption contained in Haw. Rev. Stat. § 97-2(e)(6). Although the Commission agreed to a modest penalty in this instance, future violations of this nature may warrant more significant sanctions.