

Isles can lead to reduce dark money

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American democracy is in deep trouble today. By removing all federal restraints on political gerrymandering and by eviscerating the Voting Rights Act of 1965, the U.S. Supreme Court's recent *Louisiana v. Callais* decision did immeasurable harm to the basic concept of "one person, one vote."

But the undermining of our electoral system began in 2010, with the high court's decision in *Citizens United v. FEC*, which unleashed the current flood of corporate spending to influence our elections. Fortunately, there is hope that Hawaii can lead the way in beginning to limit the damage done in the wake of *Citizens United*.

Justice Anthony Kennedy's majority opinion in *Citizens United* equated money with speech. In fact, the court boldly declared that "individual expenditures, including those made by corporations, do not give rise to corruption or the appearance of corruption." Sadly, we now know better, and the current campaign finance reality makes this statement seem woefully naive and demonstrably wrong.

During the 2024 election cycle, at least \$2.4 billion in corporate contributions could be identified. Given a magic cloak of near invisibility after *Citizens United*, wealthy individuals found ways to use corporate entities to spend massive amounts of money to help those candidates who would, in turn, help them.

Notably, the monetary tsunami has made landfall in Hawaii. As jour-

nalist Nick Grube reported, former Hawaii defense contractor Martin Kao was sentenced to 33 months in federal prison for making \$200,000 in illegal campaign contributions to U.S. Sen. Susan Collins of Maine and a super PAC supporting her reelection. Sen. Collins helped fund an \$8 million contract won by Kao's company.

It is entirely understandable that many Americans feel helpless to do anything about the corruption they see happening right before their eyes. But this session, the Hawaii Legislature did something remarkable and is poised to enact a practical response to *Citizens United*. Introduced by state Sen. Karl Rhoads, a revised version of Senate Bill 2471 was approved by a conference committee on May 1, and now awaits final action this week in both chambers.

In short, SB 2471 reaffirms the nature of corporations as artificial — not natural — beings. Corporations are creatures of the state in which they are incorporated and they have no inherent right to do anything, including to speak. Critically, they are

limited to the powers conferred upon them by the state legislatures who authorize their creation — a corporate law doctrine accepted in the United States for centuries.

Several key legislators in each chamber worked hard to craft a reasonable compromise

and SB 2471 constitutes a nuanced response to many practical issues raised during its journey to passage. If SB 2471 is enacted, Hawaii once again will lead the nation with a vital legal advance toward upholding democracy. It will position Hawaii to show that a state's longstanding authority to create corporations fully allows it to limit corporate powers, including the power to influence elections through political spending.

Some observers warn that SB 2471 will lead to litigation. But doing the right thing often triggers court challenges. And right now, our democracy is being held together by decisions coming out of federal district and appellate circuit courts around the country. The threat of "see you in court" should not deter efforts to solve serious problems.

The Artemis II moon mission dramatically illustrated the importance of thinking big, while also attending with great care to very small details. The Hawaii Legislature, by adopting SB 2471, will have taken a small step for human beings and a major leap for American democracy.