



THE HIGH ROAD

"Preserving public confidence in public servants."

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Hawaii State Ethics Commission

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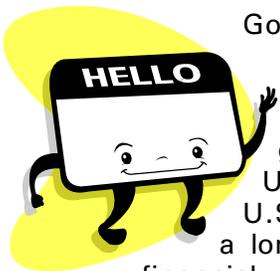
State Ethics Commission Receives Power to Fine Ethics Violators

The Hawaii State Ethics Commission now has the power to impose fines for violations of the State Ethics Code. On June 20, 2006, Acting Governor Duke Aiona signed Senate Bill No. 439 into law. The new law, Act 207, gives the Hawaii State Ethics Commission the authority to impose an administrative fine of up to \$500 for each violation of the State Ethics Code, Chapter 84, Hawaii Revised Statutes.

Act 207 gives the Commission a much-needed tool to enforce the State's ethics laws. Before Act 207 was passed, the Commission could issue a finding, after a formal hearing, that the State Ethics Code had been violated. It was then up to the state agency where a state official or state employee worked to determine the appropriate disciplinary action, if any. The Commission itself had no authority to impose any penalties against a state official or employee who violated the ethics code. Act 207 changed this by giving the Commission fining authority for ethics violations. In a news release issued on June 21, 2006, the Commission's Executive Director, Daniel J. Mollway, hailed the new law as a milestone in the enforcement of the State Ethics Code.

Act 207 took effect on June 20, 2006. The new law is posted on the Commission's web site at www.hawaii.gov/ethics (click on the link for *New Legislation*).

Governor Appoints Jerrold Fuller and Boyd McCleary to State Ethics Commission



Governor Lingle has appointed Jerrold A. Fuller to a four-year term on the Hawaii State Ethics Commission. Mr. Fuller graduated from Stanford University and served in the U.S. Navy before beginning a long, distinguished career as a financial and investment officer in Hawaii. He worked for many years for Dean Witter in Honolulu. He is also a former Vice President for the Bank of Hawaii and a former Senior Vice President for First Hawaiian Bank.

Governor Lingle has also appointed Boyd T. McCleary to a four-year term on the Commission. Mr. McCleary is a consultant with an extensive professional background in hospital administration and management. He has a Masters of Public Health degree from the University of Michigan and a Nursing degree from the Canberra Hospital School of Nursing in Australia. Mr. McCleary recently served as the Director of Ambulatory Centers for the Kapiolani Medical Center for Women and Children.

Aloha Commissioners Dawn Suyenaga and Nadine Ando

The Hawaii State Ethics Commission and its staff send their best wishes and Aloha to former Commissioners Dawn Suyenaga and Nadine Ando. Ms. Suyenaga and Ms. Ando both completed their terms on the Commission on June 30, 2006.



Ms. Suyenaga is Senior Vice President and Chief Operating Officer of Gentry-Pacific, Ltd. She was appointed to the Commission in 1999, and was reappointed to a second term in 2002. She served as a commissioner for over seven years and was the Commission's chairperson from 2005 until the end of her term in 2006.

Ms. Ando is a partner in the law firm of McCarriston Miller Mukai MacKinnon LLP. She was appointed to the Commission in 2002 and served as a commissioner for four years.

We thank Ms. Suyenaga and Ms. Ando for their exceptional work on behalf of the Hawaii State Ethics Commission.

The 2006 Legislative Session



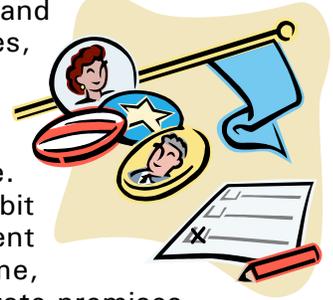
This year, the Legislature reviewed many proposed bills relating to ethics and lobbying. Most of the bills did not pass. Here are some of the important measures considered by the Legislature in 2006:

- ***Fines for ethics violations – passed.*** A bill authorizing the State Ethics Commission to impose administrative fines for violations of the ethics laws. Signed into law on June 20, 2006, by Acting Governor Duke Aiona. (SB 439/Act 207)
- ***Legislative ethics committees and conflict-of-interest rules for legislators – not passed.*** A bill to establish a legislative ethics committee in each legislative house, and to enact new conflict-of-interest rules for legislators. (SB 623)
- ***Increased disclosure by legislators of sources of income – not passed.*** A bill to require increased disclosure by legislators of annual income that is received from a single source. (SB 1177)
- ***Stricter conflict-of-interest law and public financial disclosure reporting for boards – not passed.*** A bill to broaden the conflict-of-interest law by prohibiting state employees from taking action affecting the financial interests of siblings, parents, emancipated children, or household members. Also to require public financial disclosure reporting by the University of Hawaii Board of Regents, Board of Land and Natural Resources, Board of Agriculture, Hawaiian Homes Commission, and other state boards. (SB 627)
- ***Prohibited campaign contributions by lobbyists – not passed.*** A bill to prohibit lobbyists and their employers and clients from making campaign contributions to the governor, lieutenant governor, or a legislator when the Legislature is in session. (SB 1061)

Campaign Restrictions Reminder

2006 is an election year and all state officials, employees, and board members should be aware of the campaign restrictions of the State Ethics Code.

These restrictions prohibit the use of state government resources – state time, equipment, supplies, or state premises – for campaign activities. For information about the campaign restrictions, see the Hawaii State Ethics Commission’s flyer entitled, “**Campaign Restrictions for State Officials and State Employees.**” The flyer will be sent to all state department heads as a reminder and can also be found on the Commission’s web site (click on the link for *Commission Publications*). Those who have questions about the campaign restrictions are encouraged to contact the Commission’s office at 587-0460.



New Campaign Spending Law Makes Fundraising in Government Facilities a Misdemeanor

A new state campaign spending law makes it a misdemeanor for any person to solicit a campaign contribution in a government facility that is used for the discharge of official duties by a state or county employee. The law does not apply to certain government facilities that can be used for political activities. The new law, Hawaii Revised Statutes §11-203.5, took effect on January 1, 2006, and is administered by the State Campaign Spending Commission.

The High Road is a publication of the
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