



HAWAII STATE ETHICS COMMISSION

State of Hawaii • Bishop Square, 1001 Bishop Street, ASB Tower 970 • Honolulu, Hawaii 96813

MEMORANDUM

DATE: January 9, 2001
TO: Lobbyists; Clients of Lobbyists; Legislators
FROM: Daniel J. Mollway
Executive Director and General Counsel
SUBJECT: Informational or Educational Trips as Lobbying Expenditures

It has come to our attention that lobbyists, or organizations represented by lobbyists, may pay for the travel and lodging expenses of Hawaii legislators in connection with what lobbyists or their clients may believe are solely informational or educational trips. We believe there is a high probability that informational or educational trips paid for by lobbyists, or organizations represented by lobbyists, would constitute "lobbying" for purposes of the Lobbyists Law, Chapter 97, Hawaii Revised Statutes (HRS). As you are aware, lobbying expenditures are required to be reported under HRS section 97-3.

Therefore, we suggest that lobbyists or organizations represented by lobbyists that wish to pay for legislators' expenses in connection with informational or educational trips contact our office in advance of the trip for a determination as to whether or not expenditures made would have to be reported to the State Ethics Commission under HRS section 97-3.

This situation will also trigger the "gifts" law contained in the State Ethics Code, Chapter 84, HRS. HRS section 84-11 prohibits a state official from soliciting or accepting a gift if it is reasonable to infer that the gift is given either to influence or reward official action. The State Ethics Commission generally weighs three major considerations in determining whether the acceptance of a gift is proper: (1) the value of the gift; (2) what official action the state legislator has taken or may be taking that directly affects the donor of the gift; and (3) the extent to which the gift benefits the State or benefits the State legislator personally. Legislators who are offered a gift of travel should contact our office in advance of the trip for a determination as to whether or not acceptance of the gift is proper.

In addition, should our office determine that a particular gift of travel is proper, HRS section 84-11.5 will require that the gift of travel be reported to the State Ethics Commission on an annual gifts disclosure form if three conditions are met: (1) the legislator (or legislator's spouse or dependent child) receives directly or indirectly from one source any gift or gifts in any form valued singly or in the aggregate in excess of \$200; (2) the source of the gift has interests that may be affected by official action on the part of the legislator; and (3) the gift is not otherwise exempted from reporting requirements. The disclosure period for gifts runs from June 1 of the preceding calendar year to June 1 of the current year. The disclosure report is then due on June 30 of the relevant year.

Should you have any questions regarding the above, please contact our office at 587-0460.