



# HAWAII STATE ETHICS COMMISSION

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

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HOUSE COMMITTEE ON FINANCE  
The Honorable Sylvia Luke, Chair  
The Honorable Scott Y. Nishimoto, Vice Chair

## **S.B. No. 3024, S.D.1, H.D.1 Relating to the State Ethics Commission**

Hearing: Friday, April 1, 2016, 11:00 a.m.

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The Hawaii State Ethics Commission **supports** S.B. No. 3024, S.D. 1, which “re-directs” funds appropriated to the Commission for the current fiscal year.

Last year, the legislature appropriated \$130,000 to the Commission for the design and development of an electronic filing system.<sup>1</sup> The Commission had received a rough estimate of \$100,000 from Hawaii Information Consortium, the state’s portal manager, to design and develop a system that will allow financial disclosure statements, gifts disclosure statements, candidate disclosure statements, travel authorization forms, lobbyist registration forms, and lobbyist expenditure reports to be filed through the Commission’s website. The additional \$30,000 was appropriated to fund system hardware requirement, software licensing fees, and annual hosting costs.

The Commission, however, was unable to contract with Hawaii Information Consortium. The Office of Enterprise Technology Services (“ETS”) currently is assisting the Commission in designing and developing the system.

With ETS’s involvement, the Commission anticipates the costs to develop the system to be significantly less than \$130,000. Specifically, the Commission anticipates costs relating to the design and development of the electronic filing system not to exceed \$50,000, which includes costs relating to: (1) purchasing software to assist ETS in customizing the system, including integrating the information into the Commission’s current Sharepoint document management system; (2) required hardware and software upgrades; and (3) maintenance/support costs. Accordingly, the Commission supports the “re-direction” of \$80,000 appropriated in Act 151, Session Laws of Hawaii 2015, for other purposes as detailed below.

### **Lobbyist Law Task Force**

The Commission **strongly supports** Part II of the bill, which will “re-direct” some of the appropriation to fund a task force to provide assistance and advice to the

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<sup>1</sup> Act 151, Session Laws of Hawaii 2015.

Commission. More specifically, in the Commission's view, the State Lobbyists Law, chapter 97, is outdated and the legislature should consider a comprehensive overhaul of the statute. The Commission agrees that, to develop and implement a clearer, more robust law, the legislature should direct the Commission to convene a task force, comprised of: (i) registered lobbyists; (ii) representatives of organizations involved in lobbying; (iii) community "watchdog" groups; and (iv) other members of the community, to examine the statute and to recommend amendments to the law, including a complete overhaul of the current law, if deemed appropriate.

The funds will allow the Commission to hire an organization to facilitate the task force, to pay experts to educate the task force on, for example, other jurisdiction's lobbying laws, and for other necessary expenses.

The Commission respectfully suggests that at least \$80,000 be "re-directed" for purposes of supporting the task force.

Thank you for your continuing support of the Commission's work and for considering the Commission's testimony on S.B. No. 3024, S.D. 1.