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## A BILL FOR AN ACT

RELATING TO ETHICS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF  
HAWAII:**

1           SECTION 1.           The Legislature finds that maintaining the  
2 public's trust in government officials is vital to the strength of  
3 our democracy. As Article XIV of the Hawaii Constitution  
4 proclaims, "The people of Hawaii believe that public officers and  
5 employees must exhibit the highest standards of ethical conduct  
6 and that these standards come from the personal integrity of each  
7 individual in government." While some of our sister states have  
8 been rocked by corruption scandals in recent years - caused by  
9 poor ethics laws, inadequate enforcement of those laws, or both -  
10 Hawaii takes pride in its strong ethics laws, and the commitment  
11 of more than 50,000 state employees who demonstrate the ideals of  
12 public service every day.

13           The Legislature recognizes the importance of ethics education  
14 and advice in preventing ethics violations from occurring. This  
15 Act will clarify existing statutes to allow the Ethics Commission

1 and its staff to better educate and advise state employees,  
2 legislators, lobbyists, and the public.

3 The Legislature further finds that a recent statutory change  
4 designed to clarify the application of the Ethics Code to task  
5 force members had the unintended effect of changing the law with  
6 respect to legislators as well; this Act restores earlier language  
7 that protects legislators when carrying out a "legislative  
8 function."

9 The Legislature also finds that Hawaii's lobbyist  
10 registration law is both under- and over-inclusive, such that  
11 amending the definitions of "lobbying" and "lobbyist" will provide  
12 additional transparency to the public while relieving some  
13 individuals (specifically, certain representatives of charitable,  
14 non-profit organizations) from having to register as lobbyists.  
15 Similarly, the Legislature finds that several provisions of the  
16 lobbyists law can be streamlined to avoid unnecessary paperwork  
17 and to remove statutory remnants left over from when a violation  
18 of the lobbyists law carried criminal penalties.

19 The Legislature further finds that the current maximum  
20 penalty that the Ethics Commission can impose for a violation of  
21 the Ethics Code is \$500 per violation, but that this penalty  
22 amount has not been adjusted since being set by the Legislature in  
23 1992; adjusted for inflation, an equivalent penalty would be more

1 than \$858.00 in 2016 dollars, such that the current statutory  
2 penalty should be increased to \$1,000. The maximum penalty for  
3 violating the Lobbyists Law has also remained at \$500 since 1995  
4 and should likewise be increased to \$1,000. Similarly:

- 5 - The fine for legislators, employees, and  
6 board/commission members for failing to file a financial  
7 disclosure report on time was set in 1995 at \$50; an  
8 equivalent fine would be over \$79 in 2016 dollars. This  
9 Act increases the fine to \$75 to account for inflation.
- 10 - The fine for candidates for state elective office for  
11 failing to file a financial disclosure report on time  
12 was set in 1995 at \$25; an equivalent fine would be  
13 approximately \$40 in 2016 dollars. This Act increases  
14 the fine to \$50.

15 Likewise, this Act increases the threshold for registering as  
16 a lobbyist and for filing certain lobbying expenditure statements  
17 from \$750 to \$1,000.

18 The Legislature further finds that the expense of sending  
19 letters by registered mail, return receipt requested, to those who  
20 fail to file their financial disclosures on time is no longer  
21 justified; in 2016, each letter cost \$14.87 in postage, and the  
22 Ethics Commission sent nearly 100 letters - an unnecessary  
23 expenditure of over \$1,000 in postage for a communication that

1 could have been sent to users' state e-mail accounts and/or by  
2 first-class mail.

3 Accordingly, the purpose of this Act is to provide additional  
4 clarity and consistency in the administration and enforcement of  
5 Hawaii's ethics laws, and to promote integrity in state  
6 government, by:

- 7 (1) Clarifying the procedures used by the Hawaii State Ethics  
8 Commission and its staff for providing advice on ethics  
9 issues; educating employees, legislators, lobbyists, and the  
10 general public; collecting and publishing information from  
11 public employees, candidates, and lobbyists; and resolving  
12 investigations;
- 13 (2) Restoring previous statutory language protecting legislators  
14 when carrying out a "legislative function";
- 15 (3) Clarifying the fair treatment and conflict of interest law  
16 with respect to task force members and legislators by  
17 restoring previous statutory language regarding a  
18 legislator's "legislative function" and requiring the ethics  
19 commission to promulgate rules regarding disclosures for task  
20 force members;
- 21 (4) Increasing the maximum penalties that the Commission may  
22 impose and increasing the threshold for filing lobbying

1 expenditure reports and registering as a lobbyist to account  
2 for inflation;

3 (5) Allowing the Commission to notify individuals who fail to  
4 file their financial disclosures by the statutory deadline by  
5 e-mail and/or first-class mail, rather than by registered  
6 mail, return receipt requested;

7 (6) Removing the mens rea requirement to prove a violation of the  
8 lobbyists law, recognizing that the failure to file a report  
9 required by chapter 97 is no longer a criminal offense;

10 (7) Clarifying the definition of "lobbying" to promote  
11 transparency in the legislative process;

12 (8) Granting the employer of a lobbyist the ability to terminate  
13 a registered lobbyist, in the event that a lobbyist does not  
14 terminate her- or himself; and

15 (9) Making technical, nonsubstantive amendments for the purposes  
16 of clarity and consistency.

17  
18 SECTION 2. Section 28-8.3, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 1. By amending subsection (a) to read:

21 "(a) No department of the State other than the attorney  
22 general may employ or retain any attorney, by contract or  
23 otherwise, for the purpose of representing the State or the

1 department in any litigation, rendering legal counsel to the  
2 department, or drafting legal documents for the department;  
3 provided that the foregoing provision shall not apply to the  
4 employment or retention of attorneys:

5 (1) By the public utilities commission, the labor and  
6 industrial relations appeals board, and the Hawaii  
7 labor relations board;

8 (2) By any court or judicial or legislative office of  
9 the State; provided that if the attorney general is  
10 requested to provide representation to a court or  
11 judicial office by the chief justice or the chief  
12 justice's designee, or to a legislative office by  
13 the speaker of the house of representatives and the  
14 president of the senate jointly, and the attorney  
15 general declines to provide such representation on  
16 the grounds of conflict of interest, the attorney  
17 general shall retain an attorney for the court,  
18 judicial, or legislative office, subject to  
19 approval by the court, judicial, or legislative  
20 office;

21 (3) By the legislative reference bureau;

22 (4) By any compilation commission that may be  
23 constituted from time to time;

- 1 (5) By the real estate commission for any action
- 2 involving the real estate recovery fund;
- 3 (6) By the contractors license board for any action
- 4 involving the contractors recovery fund;
- 5 (7) By the office of Hawaiian affairs;
- 6 (8) By the department of commerce and consumer affairs
- 7 for the enforcement of violations of chapters 480
- 8 and 485A;
- 9 (9) As grand jury counsel;
- 10 (10) By the Hawaii health systems corporation, or its
- 11 regional system boards, or any of their facilities;
- 12 (11) By the auditor;
- 13 (12) By the office of ombudsman;
- 14 (13) By the insurance division;
- 15 (14) By the University of Hawaii;
- 16 (15) By the Kahoolawe island reserve commission;
- 17 (16) By the division of consumer advocacy;
- 18 (17) By the office of elections;
- 19 (18) By the campaign spending commission;
- 20 (19) By the Hawaii tourism authority, as provided in
- 21 section 201B-2.5;
- 22 (20) By the division of financial institutions for any
- 23 action involving the mortgage loan recovery fund;

1 (21) By the office of information practices; [~~or~~]

2 (22) By the state ethics commission; or

3 (23) By a department, if the attorney general, for  
4 reasons deemed by the attorney general to be good and  
5 sufficient, declines to employ or retain an attorney for  
6 a department; provided that the governor thereupon  
7 waives the provision of this section.

8 2. By amending subsection (c) to read:

9 "(c) Every attorney employed by any department on a  
10 full-time basis, except an attorney employed by the public  
11 utilities commission, the labor and industrial relations  
12 appeals board, the Hawaii labor relations board, the office  
13 of Hawaiian affairs, the Hawaii health systems corporation or  
14 its regional system boards, the department of commerce and  
15 consumer affairs in prosecution of consumer complaints,  
16 insurance division, the division of consumer advocacy, the  
17 University of Hawaii, the Hawaii tourism authority as  
18 provided in section 201B-2.5, the office of information  
19 practices, the state ethics commission, or as grand jury  
20 counsel, shall be a deputy attorney general."



1 SECTION 3. Section 84-13, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "(a) No legislator or employee shall use or attempt to  
4 use the legislator's or employee's official position to  
5 secure or grant unwarranted privileges, exemptions,  
6 advantages, contracts, or treatment, for oneself or others;  
7 including but not limited to the following:

8 (1) Seeking other employment or contract for services  
9 for oneself by the use or attempted use of the  
10 legislator's or employee's office or position.

11 (2) Accepting, receiving, or soliciting compensation or  
12 other consideration for the performance of the  
13 legislator's or employee's official duties or  
14 responsibilities except as provided by law.

15 (3) Using state time, equipment or other facilities for  
16 private business purposes.

17 (4) Soliciting, selling, or otherwise engaging in a  
18 substantial financial transaction with a  
19 subordinate or a person or business whom the  
20 legislator or employee inspects or supervises in  
21 the legislator's or employee's official capacity.

22 (b) Nothing [~~herein~~] in this section shall be construed  
23 to prohibit a legislator from introducing bills and

1        resolutions, [~~or to prevent a person from serving on a task~~  
2        ~~force or~~] from serving on [~~a task force committee,~~  
3        committees, or from making statements or taking [~~official~~]  
4        action [~~as a legislator, or a task force member or a task~~  
5        ~~force member's designee or representative.] in the exercise~~

6        of the legislator's legislative functions. Every  
7        legislator[~~, or task force member or designee or~~  
8        ~~representative of a task force member~~] shall [~~file a full and~~  
9        ~~complete public disclosure~~] publicly disclose [~~of~~] the nature  
10       and extent of the interest or transaction which the  
11       legislator [~~or task force member or task force member's~~  
12       ~~designee or representative~~] believes may be affected by [~~the~~  
13       ~~legislator's or task force member's official action.]~~  
14       legislative action. The state ethics commission shall  
15       establish rules to provide for this public disclosure.

16        (c) Nothing in this section shall be construed to  
17        prevent a person from serving on a task force or a task force  
18        committee, or from making statements or taking official  
19        action as a task force member or a task force member's  
20        designee or representative. Every task force member or  
21        designee or representative of a task force member shall  
22        publicly disclose the nature and extent of any interest or  
23        transaction which the task force member or task force

1 member's designee or representative believes may be affected  
2 by the task force member's official action. The state ethics  
3 commission shall establish rules to provide for this public  
4 disclosure."

5  
6 SECTION 4. Section 84-14, Hawaii Revised Statutes, is  
7 amended by amending subsection (f) as follows:

8 (f) [~~Subsections (a), (b), and (d) shall not apply to a~~  
9 ~~task force member or the designee or representative of that~~  
10 ~~task force member whose service as a task force member would~~  
11 ~~not otherwise cause that member, designee, or representative~~  
12 ~~to be considered an employee, if the task force member or the~~  
13 ~~designee or representative of that task force member complies~~  
14 ~~with the disclosure requirements under section 84-17.]~~

15 Nothing in this section shall be construed to prevent a  
16 person from serving on a task force or a task force  
17 committee, or from making statements or taking official  
18 action as a task force member or a task force member's  
19 designee or representative. Every task force member or  
20 designee or representative of a task force member shall  
21 publicly disclose the nature and extent of any interest or  
22 transaction which the task force member or task force  
23 member's designee or representative believes may be affected

1 by the task force member's official action. The state ethics  
2 commission shall establish rules to provide for this public  
3 disclosure."

4  
5 SECTION 5. Section 84-17, Hawaii Revised Statutes, is  
6 amended by amending subsections (i) and (j) to read as follows:

7 "(i) Failure of a legislator, a delegate to the  
8 constitutional convention, or employee to file a disclosure  
9 of financial interests as required by this section shall be a  
10 violation of this chapter. Any legislator, delegate to a  
11 constitutional convention, or employee who fails to file a  
12 disclosure of financial interests when due shall be assessed  
13 an administrative fine of [~~\$50~~] \$75. The ethics commission,  
14 upon the expiration of the time allowed for filing, shall  
15 release to the public a list of all persons who have failed  
16 to file financial disclosure statements. The state ethics  
17 commission shall notify a person, by [~~registered mail, return~~  
18 ~~receipt requested~~] electronic mail to the person's state e-  
19 mail address or by first-class mail, of the failure to file,  
20 and the disclosure of financial interests shall be submitted  
21 to the commission not later than 4:30 p.m. on the tenth day  
22 after notification of the failure to file has been mailed to  
23 the person. If a disclosure of financial interests has not

1       been filed within ten days of the due date, an additional  
2       administrative fine of \$10 for each day a disclosure remains  
3       unfiled shall be added to the administrative fine. All  
4       administrative fines collected under this section shall be  
5       deposited in the State's general fund. Any administrative  
6       fine for late filing shall be in addition to any other action  
7       the commission may take under this chapter for violations of  
8       the state ethics code. The commission may waive any  
9       administrative fines assessed under this subsection for good  
10      cause shown.

11           (j) The chief election officer, upon receipt of the  
12      nomination paper of any person seeking a state elective  
13      office, including the office of delegate to the  
14      constitutional convention, shall notify the ethics commission  
15      of the name of the candidate for state office and the date on  
16      which the person filed the nomination paper. The ethics  
17      commission, upon the expiration of the time allowed for  
18      filing, shall release to the public a list of all candidates  
19      who have failed to file financial disclosure statements and  
20      shall immediately assess a late filing penalty fee against  
21      those candidates of [~~\$25~~] \$50 which shall be collected by the  
22      state ethics commission and deposited into the general fund.  
23      The ethics commission may investigate, initiate, or receive

1 charges as to whether a candidate's financial disclosure  
2 statement discloses the financial interests required to be  
3 disclosed. After proceeding in conformance with section 84-  
4 31, the ethics commission may issue a decision as to whether  
5 a candidate has complied with section 84-17(f) and this  
6 decision shall be a matter of public record.

7  
8 SECTION 6. Section 84-31, Hawaii Revised Statutes, is amended  
9 as follows:

10 "(a) The ethics commission shall have the following  
11 powers and duties:

12 . . .

13 (2) It shall render advisory opinions upon the request  
14 of any legislator, employee, or delegate to the  
15 constitutional convention, or person formerly  
16 holding such office or employment as to whether the  
17 facts and circumstances of a particular case  
18 constitute or will constitute a violation of the  
19 code of ethics, section 11-8, or section 11-316.

20 If no advisory opinion is rendered within [~~thirty~~]  
21 ninety days after the request is filed with the  
22 commission, it shall be deemed that an advisory  
23 opinion was rendered and that the facts and

1 circumstances of that particular case do not  
2 constitute a violation of the code of ethics. The  
3 opinion rendered or deemed rendered, until amended  
4 or revoked, shall be binding on the commission in  
5 any subsequent charges concerning the legislator,  
6 employee, or delegate to the constitutional  
7 convention, or person formerly holding such office  
8 or employment, who sought the opinion and acted in  
9 reliance on it in good faith, unless material facts  
10 were omitted or misstated by such persons in the  
11 request for an advisory opinion;

- 12 (3) It shall initiate, receive, and consider charges  
13 concerning alleged violation of this chapter,  
14 initiate or make investigation, and hold  
15 hearings[+]. The commission and the subject(s) of  
16 any investigation or charge may agree to resolve  
17 any alleged violation of this chapter at any time.  
18 Any such resolution shall be in writing and shall  
19 be signed by three or more members of the  
20 commission and by the subject(s) of any  
21 investigation or charge. The resolution shall have  
22 the force and effect of a final decision and order

1 issued after a contested case hearing and shall not  
2 be appealable;"

3 . . .

4 (7) It shall distribute its publications without cost  
5 to the public and shall initiate and maintain  
6 programs with the purpose of educating the  
7 citizenry and all legislators, delegates to the  
8 constitutional convention, and employees on matters  
9 of ethics in government employment. It may issue  
10 guidance regarding the application of this chapter,  
11 provided that such guidance shall not have the  
12 force and effect of law; [~~and~~]

13 (8) It shall administer any code of ethics adopted by a  
14 state constitutional convention, subject to the  
15 procedural requirements of this part and any rules  
16 adopted thereunder[~~-~~]; and

17 (9) It may authorize its staff to provide confidential  
18 guidance to any individual as to whether the facts  
19 and circumstances of a particular case constitute  
20 or would constitute a violation under this chapter,  
21 section 11-8, and 11-316, provided that nothing  
22 herein shall establish an attorney-client  
23 relationship between the person seeking advice and



1           the commission or its staff. Any written guidance  
2           rendered by commission staff advising that proposed  
3           conduct is allowable shall, until amended or  
4           revoked, be binding upon the commission in any  
5           subsequent charges concerning the individual who  
6           sought the guidance and acted in reliance on it in  
7           good faith, unless material facts were omitted or  
8           misstated by such persons in the request for  
9           guidance. Nothing in this subsection shall prevent  
10           the commission or its staff from investigating  
11           alleged violations of this chapter."

12  
13           SECTION 7.       Section 84-39, Hawaii Revised Statutes, is  
14 amended to read as follows:

15           "(a) Where an administrative fine has not been  
16 established for a violation of a provision of this chapter,  
17 any person, including a legislator or employee, who violates  
18 a provision of this chapter shall be subject to an  
19 administrative fine imposed by the ethics commission that  
20 shall not exceed [~~\$500~~] \$1,000 for each violation. All fines  
21 collected under this section shall be deposited in the  
22 general fund.

1 (b) No fine shall be assessed under this section  
2 unless:

3 (1) The commission convenes a hearing in accordance  
4 with section 84-31(c) and chapter 91[+] and  
5 [~~2~~-A] a decision has been rendered by the  
6 commission[-]; or

7 (2) the commission and respondent agree to resolve  
8 an alleged violation prior to completion of the  
9 contested case process and the resolution includes  
10 payment of an administrative fine and/or  
11 restitution."

12  
13 SECTION 8. Section 97-1, Hawaii Revised Statutes, is  
14 amended by amending the definitions of "expenditure," "lobbyist,"  
15 and "lobbying" to read as follows:

16 "(4) "Expenditure" includes a payment, distribution,  
17 forgiveness of a loan, advance, deposit, or gift of money, or  
18 anything of value and includes a contract, promise, or  
19 agreement, whether or not enforceable, to make an  
20 expenditure. "Expenditure" also includes compensation or  
21 other consideration paid to a lobbyist for the performance of  
22 lobbying services. [~~"Expenditure" excludes the expenses of~~

1 ~~preparing written testimony and exhibits for a hearing before~~  
2 ~~the legislature or an administrative agency.]~~

3 . . .

4 (6) "Lobbyist" means any individual who:

5 (A) receives or expects to receive, either by  
6 employment or contract, more than \$1,000 in  
7 monetary or in-kind compensation in any  
8 calendar year for engaging in lobbying, either  
9 personally or through his or her agents; or

10 (B) for pay or other consideration:

11 (i) engages in lobbying in excess of five  
12 hours in any month of any reporting  
13 period described in section 97-3; [~~or~~]

14 (ii) engages in lobbying in excess of ten  
15 hours during any calendar year;

16 (iii) engages in lobbying on three or more  
17 bills, resolutions, or both, during any  
18 legislative session; or

19 (iv) spends more than [~~\$750~~] \$1,000 of the  
20 person's or any other person's money  
21 lobbying during any reporting period  
22 described in section 97-3.

1           (7) "Lobbying" means communicating directly or through  
2 an agent, or soliciting others to communicate, with any  
3 official in the legislative or executive branch, for the  
4 purpose of attempting to influence legislative or  
5 administrative action or a ballot issue. "Lobbying" shall  
6 not include the preparation and submission of a grant  
7 application pursuant to chapter 42F by a representative of a  
8 nonprofit organization, but does include any communication  
9 with any official in the legislative or executive branch for  
10 the purpose of attempting to influence action on any existing  
11 or future grant application."

12  
13           SECTION 9.       Section 97-2, Hawaii Revised Statutes, is  
14 amended by amending subsection (d) to read as follows:

15           "(d) A lobbyist shall file a notice of termination  
16 within ten days after the lobbyist ceases the activity which  
17 required the lobbyist's registration[-]; if the lobbyist  
18 fails to file a notice of termination, the person who  
19 employed or contracted for the services of the lobbyist may  
20 file such notice. The lobbyist and the person who employed  
21 or contracted for the services [employer] of the lobbyist  
22 shall remain subject, however, to the requirements of chapter

1 97 for the period during which the registration was  
2 effective."

3  
4 SECTION 10. Section 97-3, Hawaii Revised Statutes, is  
5 amended as follows:

6 "(a) The following persons shall file a statement of  
7 expenditures with the state ethics commission on March 31,  
8 May 31, and January 31 of each year and within thirty days  
9 after adjournment sine die of any special session of the  
10 legislature:

11 (1) Each lobbyist.

12 (2) Each person who spends \$1,000 [~~\$750~~] or more of the  
13 person's or any other person's money in any  
14 reporting period described in section 97-3 [~~six-~~  
15 ~~month period~~] for the purpose of attempting to  
16 influence legislative or administrative action or a  
17 ballot issue by communicating or urging others to  
18 communicate with public officials; provided that  
19 any amounts expended for intra-state travel costs,  
20 including incidental meals and lodging, shall not  
21 be included in the tallying of the [~~\$750~~] \$1,000  
22 and need not be reported, and provided further that  
23 any amounts expended by a nonprofit organization to

1 prepare and submit a grant application pursuant to  
2 chapter 42F shall likewise not be included in the  
3 tallying of the [~~\$750~~] \$1,000 and need not be  
4 reported.

- 5 (3) Each person who employs or contracts for the  
6 services of one or more lobbyists, whether  
7 independently or jointly with other persons. If  
8 the person is an industry, trade, or professional  
9 association, only the association is the employer  
10 of the lobbyist.

11 (b) The March 31 report shall cover the period from  
12 January 1 through the last day of February. The May 31  
13 report shall cover the period from March 1 through April 30.  
14 The January 31 report shall cover the period from May 1  
15 through December 31 of the previous year. The report to be  
16 filed within thirty days after adjournment sine die of a  
17 special session of the legislature shall [~~cover~~]:

- 18 (1) Cover the period from May 1 through adjournment  
19 sine die of that special session [~~and shall apply~~];  
20 (2) Be filed only by persons listed in subsection (a)  
21 who engage in lobbying activities, or who make  
22 expenditures, for the purpose of attempting to

1 influence legislative action considered during a  
2 special session; and

3 (3) Apply to and include only those expenditures and  
4 contributions that relate to legislative action  
5 considered during that special session[-];  
6 provided that those expenditures and contributions included  
7 in the report need not be included by the person filing the  
8 report in any subsequent statement of expenditures."

9 (c) The statement shall contain the following  
10 information:

11 (1) The name and address of each person with respect to  
12 whom expenditures for the purpose of lobbying in  
13 the total sum of \$25 or more per day was made by  
14 the person filing the statement during the  
15 statement period and the amount or value of [~~such~~]  
16 the expenditure;

17 (2) The name and address of each person with respect to  
18 whom expenditures for the purpose of lobbying in  
19 the aggregate of \$150 or more was made by the  
20 person filing the statement during the statement  
21 period and the amount or value of [~~such~~] the  
22 expenditures;

1 (3) The total sum or value of all expenditures for the  
2 purpose of lobbying made by the person filing the  
3 statement during the statement period [~~in excess of~~  
4 ~~\$750 during the statement period~~], provided that  
5 the sum or value of each expenditure is itemized in  
6 the following categories, as applicable:

7 (A) Preparation and distribution of lobbying  
8 materials;

9 (B) Media advertising;

10 (C) Compensation paid to lobbyists;

11 (D) Fees paid to consultants [~~or~~] for services;

12 (E) Entertainment and events;

13 (F) Receptions, meals, food, and beverages;

14 (G) Gifts;

15 (H) Loans; [~~and~~]

16 (I) Inter-state transportation, including  
17 incidental meals and lodging; and

18 (J) Other disbursements.

19 (4) The name and address of each person making  
20 contributions to the person filing the statement  
21 for the purpose of lobbying in the total sum of \$25  
22 or more during the statement period and the amount  
23 or value of [~~such~~] the contributions; and



1           (5) The subject area of the legislative and  
2           administrative action which was supported or  
3           opposed by the person filing the statement during  
4           the statement period."

5  
6           SECTION 11.       Section 97-4.5, Hawaii Revised Statutes, is  
7 amended to read as follows:

8           ~~"[As soon as is feasible after the commencement of each~~  
9           ~~regular session of the legislature, the state ethics~~  
10           ~~commission shall publish a list of registered lobbyists, the~~  
11           ~~names of the persons whom they represent, and other pertinent~~  
12           ~~information but shall not include in such list the addresses~~  
13           ~~of the lobbyists. The list shall be supplemented from time~~  
14           ~~to time as may be necessary.] All lobbyist registration~~  
15           ~~statements shall be posted on the ethics commission's website~~  
16           ~~within a reasonable time after filing, and may be removed~~  
17           ~~from the website after four years."~~

18  
19           SECTION 12.       Section 97-6, Hawaii Revised Statutes, is  
20 amended as follows:

21           "(a) The state ethics commission shall administer and  
22           implement this chapter, and shall have the following powers  
23           and duties:

- 1 (1) Initiate, receive, and consider charges concerning  
2 alleged violations of this chapter, and investigate  
3 or cause to be investigated on a confidential  
4 basis, the activities of any person to determine  
5 whether the person is in compliance with this  
6 chapter[+]. The commission and the subject(s) of  
7 any investigation or charge may agree to resolve  
8 any alleged violation of this chapter at any time.  
9 Any such resolution shall be in writing and shall  
10 be signed by three or more members of the  
11 commission and by the subject(s) of any  
12 investigation or charge. The resolution shall have  
13 the force and effect of a final decision and order  
14 issued after a contested case hearing and shall not  
15 be appealable;"
- 16 (2) Prescribe forms for the statements and reports  
17 required by sections 97-2 and 97-3 and establish  
18 orderly procedures for implementing the  
19 requirements of those provisions;
- 20 (3) Render advisory opinions upon the request of any  
21 person subject to this chapter. If no advisory  
22 opinion is rendered within [~~thirty~~] ninety days  
23 after the request is filed with the commission, it

1 shall be deemed that an advisory opinion was  
2 rendered and that the facts and circumstances of  
3 that particular case do not constitute a violation  
4 of this chapter. The opinion rendered or deemed  
5 rendered, until amended or revoked, shall be  
6 binding on the commission in any subsequent charges  
7 concerning the person subject to this chapter who  
8 sought the opinion and acted in reliance on it in  
9 good faith, unless material facts were omitted or  
10 misstated by the person in the request for an  
11 advisory opinion;

12 (4) Issue subpoenas, administer oaths, and exercise  
13 those powers conferred upon the commission by  
14 section 92-16;

15 (5) Adopt rules, not inconsistent with this chapter, as  
16 in the judgment of the commission seem appropriate  
17 for the carrying out of this chapter and for the  
18 efficient administration of this chapter, including  
19 every matter or thing required to be done or which  
20 may be done with the approval or consent or by  
21 order or under the direction or supervision of, or  
22 as prescribed by, the commission. The rules, when

1           adopted as provided in chapter 91, shall have the  
2           force and effect of law; [~~and~~]

3           (6) Have jurisdiction for purposes of investigation and  
4           taking appropriate action on alleged violations of  
5           this chapter in all proceedings commenced within  
6           three years of an alleged violation of this  
7           chapter. A proceeding shall be deemed commenced by  
8           the filing of a charge with the commission or by  
9           the signing of a charge by three or more members of  
10          the commission. Nothing shall bar proceedings  
11          against a person who by fraud or other device  
12          prevents discovery of a violation of this  
13          chapter[~~-~~];

14          (7) Issue guidance regarding the application of this  
15          chapter, provided that such guidance shall not have  
16          the force and effect of law; and

17          (8) Authorize its staff to provide confidential  
18          guidance to any individual as to whether the facts  
19          and circumstances of a particular case constitute  
20          or will constitute a violation under this chapter,  
21          provided that nothing herein shall establish an  
22          attorney-client relationship between the person  
23          seeking advice and the commission or its staff.

1           Any written guidance rendered by commission staff  
2           advising that proposed conduct is allowable shall,  
3           until amended or revoked, be binding upon the  
4           commission in any subsequent charges concerning the  
5           individual who sought the guidance and acted in  
6           reliance on it in good faith, unless material facts  
7           were omitted or misstated by such persons in the  
8           request for guidance. Nothing in this subsection  
9           shall prevent the commission or its staff from  
10           investigating alleged violations of this chapter."

11  
12           SECTION 13.       Section 97-7, Hawaii Revised Statutes, is  
13 amended by amending subsection (a) to read as follows:

14           “(a) Any person who:

- 15                   (1)   ~~[Wilfully fails]~~ Fails to file any statement or  
16                   report required by this chapter;
- 17                   (2)   ~~[Wilfully files]~~ Files a statement or report  
18                   containing false information or material omission  
19                   of any fact;
- 20                   (3)   Engages in activities prohibited by section 97-5;  
21                   or
- 22                   (4)   Fails to provide information required by section  
23                   97-2 or 97-3;

1 shall be subject to an administrative fine imposed by the  
2 commission that shall not exceed [~~\$500~~] \$1,000 for each  
3 violation of this chapter. All fines collected under this  
4 section shall be deposited into the general fund."

5  
6 SECTION 14. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8  
9 SECTION 15. The state ethics commission may, in its  
10 discretion, make any changes that it deems necessary to internal  
11 procedures or forms to aid in the implementation of this Act.

12  
13 SECTION 16. If any provision of this Act, or the  
14 application thereof to any person or circumstance, is held  
15 invalid, the invalidity does not affect other provisions or  
16 applications of the Act that can be given effect without the  
17 invalid provision or application, and to this end the provisions  
18 of this Act are severable.

19  
20 SECTION 17. This Act does not affect rights and duties  
21 that matured, penalties that were incurred, and proceedings that  
22 were begun before its effective date.

23

1 SECTION 18. This Act shall take effect upon its approval.

2

3

INTRODUCED BY: \_\_\_\_\_

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