

SUNSHINE LAW MEETING
MINUTES OF THE HAWAII STATE ETHICS COMMISSION

State of Hawaii

Date: Thursday, January 19, 2017
Time: 10:00 a.m.
Place: Hawaii State Ethics Commission Conference Room
American Savings Bank Tower
1001 Bishop Street, Suite 960
Honolulu, Hawaii 96813

Present: State Ethics Commission Members

Susan N. DeGuzman, Chair
David O'Neal, Vice Chair
Ruth D. Tschumy, Commissioner
Melinda S. Wood, Commissioner

State Ethics Commission Staff

Daniel M. Gluck, Executive Director
Susan D. Yoza, Associate Director
Nancy C. Neuffer, Staff Attorney
Virginia M. Chock, Staff Attorney
Bonita Y.M. Chang, Staff Attorney
Kee Campbell, Staff Attorney
Pat Mukai, Secretary

Not Present: Reynaldo D. Graulty, Commissioner

CALL TO ORDER

The meeting was called to order at approximately 10:05 a.m. by Chair DeGuzman.

Agenda Item No. I: Consideration and Approval of the Minutes of the November 17, 2016, Meeting

Chair DeGuzman suggested some minor revisions to the minutes; none of the other Commissioners had any questions, comments, or objections to the proposed revisions.

Vice Chair O'Neal made and Commissioner Tschumy seconded a motion to approve the minutes of the November 17, 2016 Sunshine Law Meeting as amended. The motion carried unanimously (DeGuzman, O'Neal, Tschumy, and Wood voting).

Agenda Item No. II: Consideration and Approval of the Executive Session Minutes of the November 17, 2016, Meeting

Chair DeGuzman suggested some minor revisions to the minutes prior to the meeting; none of the other Commissioners had any objections to the proposed revisions.

Commissioner Tschumy made and Commissioner Wood seconded a motion to approve the Executive Session minutes of the November 17, 2016 Executive Session meeting as amended. The motion carried unanimously (DeGuzman, O'Neal, Tschumy, and Wood voting).

Agenda Item No. III: Election of Officers for 2017

Due to Commissioner Grauly's excused absence, Chair DeGuzman recommended deferring the election of officers to the next meeting. The other Commissioners concurred and the matter was deferred.

Agenda Item No. IV: Updates on Resolved Cases

- a. Hawaii State Teachers Association vs. Hawaii State Ethics Commission, Civil No. 15-1-2453-12 (RAN)

Executive Director Gluck stated that the settlement agreement had been finalized and was available on the Commission's website. He further explained that he had a productive meeting the previous week with a representative from HSTA regarding some follow-up questions, and that he and HSTA would continue to work together to ensure smooth implementation of the settlement agreement.

- b. Boyd v. Hawaii State Ethics Commission, SCWC-14-0000352

Executive Director Gluck reported that the attorneys' fee matter had been resolved and that the case was completed.

Agenda Item No. V: Executive Director's Report

1. Education / Training Report

Executive Director Gluck reported that staff has been very busy with trainings since the Commission's last meeting in November. He further reported that staff continues to explore options to provide training via the internet to reach more (and more remote) state employees. He reported on upcoming trainings, including a planned presentation to the Charter School Commission in February.

2. Guidance and Assignment Statistics

No further discussion held.

3. 2016 Year-End Statistics

Executive Director Gluck reported one typographical error on his written report, in that the correct number of new investigations in 2016 was 96. He further reported that, in 2016, the Commission issued 10 charges and resolved approximately 16 matters.

Chair DeGuzman suggested that staff send a summary of this work to the Judicial Council to help inform the Council Members about the Commission's work. Vice Chair O'Neal further suggested releasing the Commission's year-end statistics as a press release. Executive Director Gluck agreed to do so.

4. Financial Disclosures – Update

Executive Director Gluck reported that the Commission had received 1,930 out of the 1,933 financial disclosures due to the Commission.

The three outstanding disclosures were to be addressed at a later adjudicatory meeting.

5. Electronic Filing System Update

Executive Director Gluck reported that the Commission's contractor has been making excellent progress on the new e-filing system. The financial disclosure forms, gift disclosure forms, and candidate disclosure forms were nearing completion, and Executive Director Gluck offered to give the Commission a demonstration at its convenience. He reported that Enterprise Technology Services (ETS) is currently negotiating the licenses for the web portal that the public will use to access office forms, but that once ETS had completed its work the Commission should be close to launching the e-filing system.

6. Financial Report – FY2016-2017 (Quarter ending 12/31/16)

Attachment 1: Q2 Financial Report

Executive Director Gluck reported that the Commission was well under budget, in part because the positions of Executive Director and a Staff Attorney were vacant for several months. He also reported that, in his meetings with legislators, he was informed that the Commission should plan on re-negotiating a lease for private office space. Finally, he reported that the Commission staff has provided the Legislature with the Commission's proposed budget for 2017-2018, and that he continues to work with the Legislature on this matter.

7. Personnel Updates

Executive Director Gluck welcomed the Commission's new Office Manager, Christina Longman. He also reported that Commission staff participated in a Disruptive Behavior training session (on best practices for ensuring a harassment-free workplace), pursuant to a specific appropriation by the Legislature for legislative staff training for this purpose.

8. Report from COGEL conference – Dec. 11-14, 2016

Attachment 2: 2016 COGEL Conference Agenda

Executive Director Gluck referred to his report for some ideas from the COGEL conference. In response to a question from Commissioner Wood, he explained that he was attempting to obtain the model ethics code (draft) from the American Law Institute, and that he believed this might be helpful to the Commission in analyzing its current laws.

Vice Chair O'Neal asked whether any other Hawaii lawmakers attended the conference; Executive Director Gluck responded that Senator Ihara, Campaign Spending Commission Executive Director Kristin Izumi-Nitao, and two Campaign Spending Commission members attended.

Chair DeGuzman asked whether there was news about any legislative efforts to modernize the Ethics Code; Executive Director Gluck reported that he was unaware of other efforts, other than the Ethics Commission package, to perform a large-scale review of the Ethics Code; he stated that, if the Legislature were interested in a task force or other mechanism to review the Ethics Code he would welcome that process.

9. Miscellaneous Office Projects / Updates

Executive Director Gluck reported on several ongoing projects, including the office's efforts to develop a full records retention policy; that policy, in turn, would assist the staff in cleaning the office and disposing of unneeded records. Chair DeGuzman

asked whether staff had received any guidance in developing this policy; Executive Director Gluck explained that the Commission staff is using DAGS' model policy in developing its own retention schedule. He said that the Archives staff has been particularly helpful in assisting with these efforts as well.

Executive Director Gluck also briefly discussed staff's goals for 2017, including developing administrative rules; developing on-line training modules; finishing the Commission's e-filing system; and implementing a regular audit schedule for all disclosures (gift, financial, campaign, lobbying) filed with the Commission.

Commissioner Wood asked what kind of reception staff has received at our recent trainings. Associate Director Yoza reported that, at the most recent lobbyists' training, the standing-room only crowd was very engaged and the evaluations from that training came back as "excellent."

Agenda Item No. VI: Review of Proposed Legislation for the 2017 Legislative Session

Executive Director Gluck reported that the Commission's omnibus bill was being introduced in both the House and the Senate, and that the large omnibus bill has been divided into six component pieces (each of which has also been introduced in the House and the Senate). He further reported that, while it is still too early to tell what the Legislature will do, he was optimistic about moving ahead with the proposed legislation.

Chair DeGuzman asked whether the 2016 legislation regarding task force members (which made it to conference committee) was in the Commission's package this year; Executive Director Gluck confirmed that it is.

Vice Chair O'Neal asked about the proposal to remove the word "willfully" from the statute regarding failure to file certain lobbying forms; Executive Director Gluck explained that he already had conversations with lobbyists about this issue, and that he did not anticipate much push-back on this particular change.

ADJOURNMENT OF SUNSHINE LAW MEETING

At approximately 10:31 a.m., Vice Chair O'Neal made and Commissioner Tschumy seconded a motion to adjourn the Sunshine Law meeting. The motion carried unanimously (DeGuzman, O'Neal, Tschumy, and Wood voting).

The meeting was adjourned at 10:31 a.m.

Minutes approved on: February 16, 2017