

SUNSHINE LAW MEETING
MINUTES OF THE HAWAII STATE ETHICS COMMISSION

STATE OF HAWAII

Date: Thursday, January 18, 2018

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

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

* David O'Neal was Vice Chair at the commencement of the meeting;
during the meeting's scheduled election of officers for 2018,
Ruth Tschumy was elected as Vice Chair.

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 M. Campbell, Staff Attorney
Pat K. Mukai, Secretary

CALL TO ORDER

The meeting was called to order at 10:00 a.m.

Agenda Item No. I: Consideration and Approval of the Minutes of the December 14, 2017, Meeting

Vice Chair O’Neal made and Commissioner Tschumy seconded a motion to approve the minutes of the December 14, 2017, Sunshine Law Meeting. The motion carried unanimously (Graulty, O’Neal, DeGuzman, and Tschumy voting; Wood abstaining).

Agenda Item No. II: Election of Officers for 2018

Commissioner DeGuzman said that Commissioner Tschumy was recently reappointed to the Commission and has much experience with the Commission but has not yet had an opportunity to serve as the Commission’s Chair. Commissioner DeGuzman said that she wished to nominate Commissioner Tschumy for Chair. Commissioner Tschumy said that in the past, the Commissioners voted for officers without nominating any individuals and she preferred to do the same this year.

Vice Chair O’Neal said that his term ends in June and he would prefer not to be Vice Chair for this year. Executive Director Gluck explained that Vice Chair O’Neal may still be eligible for reappointment because he has not served two full four-year terms on the Commission. Executive Director Gluck said that staff can look further into this issue and an opinion can be requested from the Attorney General’s office. Commissioner DeGuzman suggested that staff also contact the Judicial Council regarding this issue.

Executive Director Gluck explained that the Commission’s rules call for a secret ballot vote for officers but the Office of Information Practices has advised that the Commissioners’ votes occur in open session with the votes recorded.

The Commissioners voted for Chair on paper ballots. Secretary Pat Mukai tabulated the votes and announced the results. Chair Graulty was re-elected as Chair. The votes for Chair were as follows: Three votes for Chair Graulty; one vote for Vice Chair O’Neal; and one vote for Commissioner Tschumy.

The Commissioners then voted for Vice Chair on paper ballots. Secretary Mukai tabulated the votes and announced the results. Commissioner Tschumy was elected as Vice Chair. The votes for Vice Chair were as follows: Four votes for Commissioner Tschumy and one vote for Vice Chair O’Neal.

Agenda Item No. III: Executive Director’s Report

Education / Training Report

Executive Director Gluck said that from 2016 to 2017, there was a fifty percent increase in the number of individuals who attended training sessions conducted by staff.

In response to a question by Commissioner Wood, Executive Director Gluck explained that staff trained all the employees of the Department of Taxation at the department's request. Executive Director Gluck said that the Office of Hawaiian Affairs also requested and received ethics training for its employees.

Guidance and Assignment Statistics – December / 2017 year-end

Attachment – 2017 guidance and assignment statistics

Executive Director Gluck reported that staff closed many cases at the end of 2017, which was reflected in the chart prepared for the Commission by staff.

Miscellaneous Office Projects / Updates

a. Electronic Filing System

Executive Director Gluck said that the new electronic filing system was up and running and he thanked Staff Attorney Chang and Computer Specialist Lui for their work on this project. Executive Director Gluck said staff also created comprehensive instructional guides for the new system. He said that legislators' financial disclosure forms are due on January 31 and all other filers have until May 31 to file their forms. He also explained that under the new electronic filing system, filers will be updating all of the information on their forms each year so there will no longer be a need for "short forms" to be filed. He said that next year the Commission can ask the Legislature to remove references to "long forms" and "short forms" in the financial disclosure law.

Executive Director Gluck also reported that he may be scheduling a media open house on February 22 when the Legislature is in recess. He invited commissioners to attend and participate in the open house.

Executive Director Gluck also reported that he is working with the Campaign Spending Commission and the Honolulu Ethics Commission to schedule a training for Commissioners on contested case hearing procedures. He said a hearing officer from the Department of Commerce and Consumer Affairs may be asked to give a 1.5 hour training session on best practices for conducting contested case hearings. Tentatively, this has been scheduled for Wednesday, May 9, at 1:00 – 2:30 p.m.

Executive Director Gluck also said that he is trying to schedule a Sunshine Law training session by the Office of Information Practices. Tentatively, a training session has been scheduled for Wednesday, April 11, at 10:00 – 11:00 a.m.

Agenda Item No. IV: Legislative Update

Executive Director Gluck reported that the Commission's bills were submitted to the Legislature. He said that four new bills by the Commission were introduced in the

House as H.B. Nos. 1737, 1738, 1739, and 1740. Staff is still waiting for the bills to be introduced in the Senate. Executive Director Gluck said he especially favors H.B. No 1739, which consolidates a number of housekeeping changes to the ethics laws. He said he will also try to push for passage of the Commission's pending bill that eliminates the statutory language concerning "willful" violations of the Lobbyists Law and another bill that addresses language in the ethics code regarding task force members and legislative functions.

Executive Director said he has heard that the Legislature is interested in amending the financial disclosure law to limit fines for volunteer board and commission members whose disclosures are not public. He said that the Senate Judiciary Committee asked staff for proposed language for the bill. Staff replied that the current law should be kept as it is, but if the Legislature is going to do something, one alternative would be to cap the fines for volunteer board and commission members at \$75.

Agenda Item No. V: Administrative Rules

Report from Permitted Interaction Group regarding staff's suggested amendments to Hawaii Administrative Rules, Title 21, Chapters 4-6

Chair Grauly explained that he and Commissioner DeGuzman met to go over chapters 4-6 of the administrative rules but were not able to complete their review of all the chapters.

Commissioner DeGuzman said that she wished to step down from the PIG due to personal reasons. Chair Grauly recommended that one of the other Commissioners take Commissioner DeGuzman's place on the PIG and that the PIG start over with its review of the rules. Chair Grauly recommended that Commissioner O'Neal be appointed to the PIG.

Executive Director Gluck explained that there will still be an opportunity for Commissioners to review all of the rules after they have been drafted by staff and submitted to the PIG for its comments.

Vice Chair Tschumy made and Commissioner Wood seconded a motion to dissolve the current PIG. The motion carried unanimously (Grauly, Tschumy, DeGuzman, O'Neal, and Wood voting).

Commissioner Wood made and Vice Chair Tschumy seconded a motion to create a new PIG for the purpose of reviewing the administrative rules. The motion carried unanimously (Grauly, Tschumy, DeGuzman, O'Neal, and Wood voting.)

Vice Chair Tschumy made and Commissioner Wood seconded a motion to appoint Chair Grauly and Commissioner O'Neal as members of the new PIG. The motion carried unanimously (Grauly, Tschumy, DeGuzman, O'Neal, and Wood voting).

Agenda Item No VI: Evaluation of Executive Director Daniel Gluck

Vice Chair Tschumy said that all evaluation materials will be ready in time for the Commission's meeting in February. Vice Chair Tschumy explained that both electronic and hard copies of the evaluation forms will be sent to Commissioners. Vice Chair Tschumy also explained that staff will be asked to complete an online survey using SurveyMonkey.

ADJOURNMENT OF SUNSHINE LAW MEETING

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

The meeting was adjourned at 10:33 a.m.

Minutes approved on: February 22, 2018