



“The people of Hawaii believe that public officers and employees must exhibit the highest standards of ethical conduct and that these standards come from the personal integrity of each individual in government.”

— Hawaii State
Constitution
Article XIV

Hawaii State Ethics Commission

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The High Road

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Gifts Disclosure Deadline: July 2, 2018

The deadline for state legislators and employees to file a gifts disclosure statement with the State Ethics Commission is **July 2, 2018**. (The statutory deadline is June 30, 2018, but because June 30 falls on a Saturday this year, filers have until Monday, July 2, to file their forms.)

Who is required to file? If you are a state legislator, state employee, or member of a state board or commission, you must file a gifts disclosure if you meet all the following conditions:

- 1) Between June 1, 2017 and June 1, 2018, you (or your spouse or dependent child) received (a) a gift valued at more than \$200, or (b) two or more gifts from the same source, where the combined value of the gifts is more than \$200; and
- 2) The source of the gift(s) has interests that may be affected by your official action; and
- 3) The gift is not exempted by law from the gifts reporting requirement.

What gifts are exempt from reporting? HRS section 84-11.5(d) lists the gifts that are excluded from the reporting requirement. They include gifts from certain close relatives, gifts available to the public generally, and gifts that are returned to the donor within 30 days after receipt. For a complete list of these exemptions, click on this link: <http://ethics.hawaii.gov/guidance/publications/guidelines/qandagiftsdisclosurelaw/>

What information must be reported on a gifts disclosure? You must provide a description of each gift on the report, a good faith estimate of the value of the gift, the date on which the gift was received, and the name of the person or entity from whom the gift was received.

If I did not receive any gifts, must I still file a gifts disclosure? No. You must file a gifts disclosure only if you received a gift or gifts that meet all of the conditions listed above. If you did not receive any reportable gifts, you are not required to file a gifts disclosure.

Can filers obtain an extension of time to file? Yes. Filers may submit a written request for a 15-day extension of time to file. Extension requests must be submitted before the July 2, 2018 filing deadline.

How do I file? Gift disclosures can be filed using the State Ethics Commission's new electronic filing system. To access the form and instructions on how to use the e-filing system, click on this link: http://ethics.hawaii.gov/giftdisclosure_efiling/



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Prohibited Gifts Are Not Better When Shared With The Office

Suppose that one day at work you receive a gift basket of cookies and candy from a business that your state office regulates.

Hopefully, you know that you're not allowed to keep gifts from businesses you regulate. But can you put

the basket in a common area of the office and let your co-workers have some? No.

Just because you share a gift with the whole office – instead of keeping it all to yourself – doesn't fix the ethics problem here.

You should always call the State Ethics Commission for guidance if you have questions about what to do in situations like this, but here are some things that you should not do with a prohibited gift:

- 1) Do not give away a prohibited gift to another state employee, such as a co-worker in your office. Even if you do not keep the gift for yourself, you will still be responsible for having accepted it and you may also create ethics problems for the other employee. Your colleague will not thank you for this. Similarly, you may not simply leave a gift in a common area of an office for everyone to partake – you (and your colleagues) are still likely violating the ethics code.
- 2) Do not use a prohibited gift as a door prize for an employee party. Prohibited gifts cannot be used as door prizes for your department's holiday party, nor can they be used for raffles or auctions for employee social events.
- 3) Do not assume that you can keep a prohibited gift by reporting it on a gifts disclosure. If you receive a prohibited gift, reporting it on a gifts disclosure does not mean that the ethics code allows you to accept and keep the gift.



In general, the best thing to do with a prohibited gift is to return it to the person or business who gave it to you. If this is not possible, there may be other acceptable solutions but you should always check first with the State Ethics Commission for guidance. Depending on your circumstances, the following may be discussed with you:

- 1) Donate the gift to a charitable organization (without taking a tax deduction for the donation) or other similar entity. For example, a prohibited gift of food to a state office may be donated to a homeless shelter.
- 2) Turn the gift over to the State. Certain kinds of gifts, such as a notebook computer, may be turned over to the State to become state property.
- 3) Pay the donor for the gift. In limited situations, an employee may be allowed to pay the donor for the fair market value of the gift.

If you receive a prohibited gift that cannot be returned to the donor, contact the State Ethics Commission's office for guidance before choosing another way to dispose of the gift. Our attorney of the day will review your situation and advise you how best to proceed.

So what about that gift basket you received? Return it (or contact the Ethics Commission about possibly donating it to charity). You can thank the business that sent it to you, but explain that the State ethics laws prohibit you from accepting such a gift. By politely declining the gift, you will avoid any appearance that your actions as a state employee were improperly influenced or rewarded by the business. In addition to upholding high ethical standards, you will be helping to promote public confidence in government!

“The purpose of this chapter is to . . . establish an ethics commission which will . . . render advisory opinions and enforce the provisions of this law so that public confidence in public servants will be preserved.”

*Preamble,
Hawaii Revised
Statutes Chapter 84
(State Ethics Code)*

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Candidates Financial Disclosure Deadline: July 23, 2018

All candidates for state elective office are required to file a public disclosure of financial interests with the State Ethics Commission. The filing deadline is **July 23, 2018**.

Who is required to file? Candidates for Governor, Lieutenant Governor, State Senate, State House of Representatives, and the Office of Hawaiian Affairs Board of Trustees.

What if a candidate already filed a financial disclosure as a state official? You must file a candidate disclosure even if you have already filed a regular financial disclosure this year due to your current state position.

What financial interests must be reported? Financial interests required to be reported include income for services; business ownership interests; officer, director, or trustee positions in businesses; debts owed to creditors; real property interests; names of clients represented before state agencies; and creditor interests in insolvent businesses. Candidates are required

to report their own financial interests only; candidates are not required to report the financial interests of a spouse or dependent child.

Can a candidate receive an extension of time to file? No. The law requires that candidate disclosures be filed no later than 20 days prior to the date of the state primary election. For this election year, the filing deadline is July 23, 2018. All candidate disclosures must be filed by this date.

What are the penalties for failure to file? The State Ethics Commission will publish a list of the names of all candidates who fail to file a disclosure by the statutory deadline and will assess a \$50 late penalty against those candidates.

How do I file? Candidates can file using the State Ethics Commission's new electronic filing system. To access the form and instructions on how to use the e-filing system, click on this link: http://ethics.hawaii.gov/candidatedisclosure_efiling/

Donations for Victims of Kauai Flood and Kilauea Eruption

May state employees collect donations at the workplace for those affected by the Kauai flood and Kilauea eruption? Yes. Although the State Ethics Code restricts private fundraising in state offices, collecting donations of food and other disaster relief donations are allowed. Disaster fundraising must be authorized by the State and employees may not be coerced or pressured into donating. If a state agency wants to support a specific disaster relief organization it should first seek approval from the appropriate authority -- either the Governor, the Chief Justice, or the leadership of the State Legislature.

