

SUNSHINE LAW MEETING



HAWAII STATE ETHICS COMMISSION

State of Hawaii · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawaii 96813
50th ANNIVERSARY 1968-2018

NOTICE OF MEETING OF THE HAWAII STATE ETHICS COMMISSION

Date: November 14, 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

AGENDA

CALL TO ORDER

- I. Consideration and Approval of the Minutes of the October 18, 2018 Meeting

- II. Consideration and Approval of the Executive Session Minutes of the October 18, 2018 Meeting (Regarding Discussion of Akana v. Hawaii State Ethics Commission, Civil No. 18-1-1019-06 (JHA))

The Commission may convene an executive session pursuant to Hawaii Revised Statutes section 92-5(a)(4) to consult with the Commission's attorneys on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.

III. Akana v. Hawaii State Ethics Commission and Daniel Gluck, Civil No. 18-1-1019-06 (JHA)

Discussion of case status.

The Commission may convene an executive session pursuant to Hawaii Revised Statutes section 92-5(a)(4) to consult with the Commission's attorneys on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.

IV. Akana v. Hawaii State Ethics Commission and Daniel Gluck, Civil No. 18-1-1665-10 (KKH) (appeal)

Discussion of case status.

The Commission may convene an executive session pursuant to Hawaii Revised Statutes section 92-5(a)(4) to consult with the Commission's attorneys on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.

V. Executive Director's Report

1. Education / Training Report

2. Guidance and Assignment Statistics – October 2018

Attachment 2: 2018 Guidance and Assignment Statistics / Website Traffic

3. 2018 Candidate Financial Disclosure Statements

4. Miscellaneous Office Projects / Updates

5. Financial Report for FY 2018-2019 (Quarter Ending September 30, 2018)

Attachment 3: First Quarter Financial Report FY2018-2019

VI. Proposed Budget: 2019-2020

Attachment 1: Proposed Budget FY2019-2020

VII. Proposed Legislation for 2019 Legislative Session

Attachment 1: Proposed "housekeeping" bill

Attachment 2: Proposal re: failure to file lobbying expenditure reports

Attachment 3: Proposal re: task force members and legislators' legislative functions

VIII. Adjournment

If you need an auxiliary aid/service or other accommodation due to a disability, please contact the Hawaii State Ethics Commission by telephone at (808) 587-0460, by facsimile at (808) 587-0470 (fax), or via email at ethics@hawaiiethics.org. Requests made as early as possible will allow adequate time to fulfill your request.

Upon request, this notice is available in alternate formats such as large print, Braille, or electronic copy.

Any interested person may submit data, views, or arguments in writing to the Commission on any agenda item. An individual or representative wishing to testify may notify any staff member of the Commission prior to the meeting or, during the meeting itself, may inform a Commissioner or Commission staff of a desire to testify. Testimony must be related to an item that is on the agenda, and the testifier shall identify the agenda item to be addressed by the testimony.

SUNSHINE LAW MEETING
AGENDA ITEM I

MINUTES: CONSIDERATION AND APPROVAL OF THE MINUTES OF THE
OCTOBER 18, 2018 MEETING

Attachment 1: Sunshine Law Meeting Minutes of the October 18, 2018 Hawaii
State Ethics Commission Meeting

SUNSHINE LAW MEETING
MINUTES OF THE HAWAII STATE ETHICS COMMISSION

STATE OF HAWAII

Date: Thursday, October 18, 2018

Time: 9:00 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

Ruth D. Tschumy, Vice Chair
Susan N. DeGuzman, Commissioner
Melinda S. Wood, Commissioner
Wesley F. Fong, 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 M. Campbell, Staff Attorney

Excused: Reynard D. Graulty, Chair

CALL TO ORDER

The meeting was called to order at 9:04 a.m.

Agenda Item No. I: Consideration and Approval of the Minutes of the September 21, 2018 Meeting

Commissioner DeGuzman made and Commissioner Wood seconded a motion to approve the minutes of the September 21, 2018 meeting. The motion carried unanimously. (Tschumy, DeGuzman, Wood, and Fong voting).

1 **Agenda Item No. II: Akana v. Hawaii State Ethics Commission,**
2 **Civil No. 18-1-1019-06 (JHA)**

3
4 **RECESS OF SUNSHINE LAW MEETING AND CONVENING OF EXECUTIVE**
5 **SESSION**

6
7 At 9:06 a.m., Commissioner Fong made and Commissioner Wood seconded a
8 motion to convene an Executive Session pursuant to Hawaii Revised Statutes section
9 92-5(a)(4) to consult with the Commission's attorneys on questions and issues
10 pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.
11 The motion carried unanimously (Tschumy, DeGuzman, Wood, and Fong voting).

12
13 The Commission met in Executive Session.

14
15
16 **ADJOURNMENT OF EXECUTIVE SESSION AND RETURN TO SUNSHINE LAW**
17 **MEETING**

18
19 At 9:12 a.m., Commissioner Wood made and Commissioner DeGuzman
20 seconded a motion to adjourn the Executive Session and return to the Sunshine Law
21 meeting. The motion carried unanimously (Tschumy, DeGuzman, Wood, and Fong
22 voting).

23
24 The Commission adjourned the Executive Session at 9:12 a.m. and returned to
25 the Sunshine Law meeting.

26
27
28 **Agenda Item No. III: Executive Director's Report**

29 *Education / Training Report*

30
31
32 Executive Director Gluck reported that staff were conducting many trainings as
33 we approach the end of the calendar year, including a CLE-approved course in
34 December.

35
36 Commissioner DeGuzman asked whether staff had conducted a training for only
37 eight people. Executive Director Gluck explained that this training included high-level
38 officials from an agency and that staff will work to accommodate any group that wants
39 ethics training.

40
41 *Guidance and Assignment Statistics – September 2018*

42
43 *Attachment 2: 2018 Guidance and Assignment Statistics / Website Traffic*

44
45 *2018 Candidate Financial Disclosure Statements*

1 *Miscellaneous Office Projects / Updates*

2

3 *a. Hiring of Office Manager / Secretary*

4

5 Executive Director Gluck reported that the Commission has hired a new Office
6 Manager and that she will begin work on Monday, November 5.

7

8 *Financial Report for FY2018-2019 (Quarter Ending September 30, 2018) – deferred to*
9 *November meeting*

10

11

12 **ADJOURNMENT OF SUNSHINE LAW MEETING**

13

14 At 9:17 a.m., Commissioner Wood made and Commissioner DeGuzman
15 seconded a motion to adjourn the Sunshine Law meeting. The motion carried
16 unanimously (Tschumy, DeGuzman, Wood, and Fong voting).

17

18

19 The meeting was adjourned at 9:17 a.m.

20

21

22 Minutes approved on: _____

SUNSHINE LAW MEETING
AGENDA ITEM III

AKANA v. HAWAII STATE ETHICS COMMISSION, CIVIL NO. 18-1-1019-06 (JHA)

Discussion of case status.

The Commission may convene an executive session pursuant to Hawaii Revised Statutes section 92-5(a)(4) to consult with the Commission's attorneys on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.

No Attachments.

SUNSHINE LAW MEETING
AGENDA ITEM IV

AKANA V. HAWAII STATE ETHICS COMMISSION AND DANIEL GLUCK, CIVIL NO.
18-1-1665-10 (KKH) (APPEAL)

Discussion of case status.

The Commission may convene an executive session pursuant to Hawaii Revised Statutes section 92-5(a)(4) to consult with the Commission's attorneys on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.

No attachments.

SUNSHINE LAW MEETING
AGENDA ITEM V

EXECUTIVE DIRECTOR'S REPORT

- Attachment 1: Executive Director's Report
- Attachment 2: 2018 Guidance and Assignments Statistics/Website Traffic
- Attachment 3: First Quarter Financial Report FY2018-2019

SUNSHINE MEETING
AGENDA ITEM IV
EXECUTIVE DIRECTOR'S REPORT
November 14, 2018

1. Education / Training Report

a. Recently held trainings/presentations:

General Ethics Training – O'ahu
Tuesday, October 23, 2018
9:30 a.m. – 11:00 a.m.
Mission Memorial Auditorium
550 South King Street
Honolulu, Hawai'i
122 attendees

General Ethics Training – Maui
Friday, October 26, 2018
10:00 a.m. – 11:30 a.m.
University of Hawai'i Maui College
310 W. Ka'ahumanu Avenue
Kahului, Hawai'i
20 attendees

DOE Introduction and Training - Maui
Friday, October 26, 2018
1:00 p.m. – 4:00 p.m.
Pu'unēnē School – Library
Pu'unēnē, Hawai'i
50 attendees

Kapiolani Community College Ethics Training
Friday, November 2, 2018
4303 Diamond Head Road
Ohia 118 Auditorium
Honolulu, Hawaii
10:00 a.m. – 11:30 a.m.
92 attendees

Ethics Training for Charter Schools Governing Boards
Tuesday, November 13, 2018
State Office Tower, Room 204
Honolulu, Hawaii
9:00 a.m.

b. Upcoming trainings/presentations:

Ethics Training for DOH Sanitation Branch
Monday, November 19, 2018
10:00 a.m. – 11:30 a.m.
99-945 Halawa Valley Street
Aiea, Hawaii

Ethics Training for State Government Attorneys
Monday, December 3, 2018
9:30 a.m. – 11:00 a.m.
State Capitol Auditorium
415 South Beretania Street
Honolulu, Hawai'i

Ethics Refresher Course
Wednesday, December 5, 2018
10:00 a.m. – 11:30 a.m.
State Capitol, Room 423
415 South Beretania Street
Honolulu, Hawai'i

Ethics Training for U.H. Manoa
Friday, December 14, 2018
1:30 p.m. – 3:00 p.m.
Location - TBD

General Ethics Training – Hilo
Monday, December 17, 2018
10:00 a.m. – 11:30 a.m.
University of Hawai'i – Hilo Campus
UCB 100
200 W. Kāwili Street
Hilo, Hawai'i

2. Guidance and Assignment Statistics – October 2018

Attachment 2: 2018 guidance and assignment statistics

3. 2018 Candidate Financial Disclosure Statements

4. Miscellaneous Office Projects / Updates

5. 2018-2019 First Quarter Financial Report

Attachment 3: First Quarter Financial Report FY2018-19

2018	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Year to date
Training statistics													
# of Trainings	3	1	4	1	3	3	0	1	4	3			23
# of People Trained	75	6	197	100	267	126	0	50	159	192			1172
Attorney of the Day	128	61	74	91	119	90	89	85	57	79			873
New assignments													
Advisory Opinion	1	0	0	0	1	2	0	0	0	0			4
Complaint	5	10	8	4	6	8	3	11	4	2			61
Gifts/Invitations/Travel	13	13	9	21	17	17	20	22	21	22			175
Guidance	11	7	2	3	4	4	6	7	3	2			49
Judicial Selection Comm'n	3	5	3	1	1	0	3	4	2				22
Training Request	0	4	1	2	1	0	0	1	0	4			13
Record Request	1	2	0	3	0	0	2	1	1	1			11
Project/Other	4	2	1	2	2	1	5	2	2	3			24
Total	38	43	24	36	32	32	39	48	33	34	0	0	359
Closed Assignments													
Advisory Opinion	0	1	0	1	0	0	0	1	0	1			4
Complaint	4	2	9	3	24	2	5	20	0	7			76
Gifts/Invitations/Travel	16	7	3	10	26	2	36	32	12	16			160
Guidance	5	5	3	1	8	1	3	6	1	7			40
Judicial Selection Comm'n	0	0	0	0	7	0	1	9	0	1			18
Training Request	0	0	1	1	1	1	0	2	0	3			9
Record Request	0	2	1	1	1	1	1	2	0	1			10
Project/Other	6	2	2	1	4	4	0	3	2	4			28
Total	31	19	19	18	71	11	46	75	15	40	0	0	345
Dataset Views													
Disclosures	115	116	190	213	435	191	222	135	73	91			1,781

Lobbyist Registrations	268	301	315	323	360	180	195	168	105	151			2,366
Organization Expenditures	119	72	195	146	239	124	96	69	36	67			1,163
Lobbyist Expenditures	118	67	157	129	221	130	85	84	35	54			1,080
Ethics Advice	79	61	152	115	124	72	52	94	67	94			910
Total	699	617	1009	926	1379	697	650	550	316	457	0	0	7,300

HAWAII STATE ETHICS COMMISSION FINANCIAL REPORT
 FY 2018-2019 (QUARTER ENDING: September 30, 2018)
 Appropriation Symbol: G-19-393-Y6**

	Amount Appropriated FY 2018-2019	Expenditures for Qtr. End 9/30/2018	Expenditures for Qtr. End 12/31/2018	Expenditures for Qtr. End 3/31/2019	Expenditures for Qtr. End 6/30/2019	Year-To-Date Expenditures Totals	% of Budget Expended	
A. PERSONAL SERVICES								
Staff Salaries	\$ 977,445.00	\$ 241,892.83	\$ 0.00	\$ 0.00	\$ 0.00	241,892.83	24.7%	\$735,552.17
Vacation Payout***	\$ 16,553.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0.0%	
Total Personal Services	\$ 977,445.00	\$ 241,892.83	\$ 0.00	\$ 0.00	\$ 0.00	\$ 241,892.83	24.7%	
B. OTHER CURRENT EXPENSES								
Office Expenses	14,650.00	3,344.66	0.00	0.00	0.00	3,344.66	22.8%	11,305.34
Intrastate Transportation and Travel	9,250.00	670.50	0.00	0.00	0.00	670.50	7.2%	8,579.50
Out-of-State Travel	12,660.00	2,713.58	0.00	0.00	0.00	2,713.58	21.4%	9,946.42
Equipment Rental and Maintenance	13,850.00	4,049.35	0.00	0.00	0.00	4,049.35	29.2%	9,800.65
Dues, Subscriptions, Training	15,500.00	2,503.91	0.00	0.00	0.00	2,503.91	16.2%	12,996.09
Newspaper Advertisements	1,200.00	70.00	0.00	0.00	0.00	70.00	5.8%	1,130.00
Comm'n Mtgs, Investigations, Hrgs	9,100.00	1,020.15	0.00	0.00	0.00	1,020.15	11.2%	8,079.85
Consulting Services	22,400.00	0.00	0.00	0.00	0.00	0.00	0.0%	22,400.00
Office Rent	102,500.00	15,389.01	0.00	0.00	0.00	15,389.01	15.0%	87,110.99
Total Other Current Expenses	\$ 201,110.00	\$ 29,761.16	\$ 0.00	\$ 0.00	\$ 0.00	\$ 29,761.16	14.8%	
C. CAPITAL OUTLAY								
Office Furniture and Equipment	4,000.00	0.00	0.00	0.00	0.00	0.00	0.0%	4,000.00
Total Capital Outlay	\$ 4,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0.0%	
GRAND TOTAL (A+B+C)	\$ 1,182,555.00	\$ 271,653.99	\$ 0.00	\$ 0.00	\$ 0.00	\$ 271,653.99	23.0%	
VACATION	\$ 16,553.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0.0%	

General Fund Allocation \$ 1,182,555.00
 Total Expenditures as of September 30, 2018 \$ 271,653.99
 Balance as of September 30, 2018 \$ 910,901.01

**includes Act 1 and Act 21
 Act 1- Appropriation 393- \$1,130,158.
 Act 21- Appropriation 395- \$52,397

*** vacation payout of \$1,291.96 not included in total for App 393

G:Share/Budget/Reports/2018-19/Q1 2018

SUNSHINE LAW MEETING
AGENDA ITEM VI

PROPOSED BUDGET: 2019-2020

Attachment 1: Proposed Budget FY2019-2020

Hawaii State Ethics Commission - Budget Projections for FY 2018-2019

	2018-2019 Approved Budget	2019-2020 Estimated Budget	Increases/ Decreases	% Increase/ Decrease
TOTAL BUDGET (excluding vacation payouts/transfers)	\$ 1,182,555	1,183,705	1,150	0.1%
A. PERSONAL SERVICES				
1. Staff Salaries	925,048	977,445	52,397	5.7%
2. Cost Adjustments for staff salaries ¹	52,397	TBD		
3. Cost Adjustment for Executive Director salary ²	--	TBD		
4. Vacation Payouts/Transfer	16,553	16,553		
TOTAL PERSONAL SERVICES (excluding vacation payouts)	977,445	977,445	0	0.0%
B. MATERIALS AND SUPPLIES				
Office Expenses:				
1. Office Supplies	3,000	3,000	0	0.0%
2. Postage	1,500	1,500	0	0.0%
3. Telephone	7,500	7,500	0	0.0%
4. Internet Access	2,650	2,650	0	0.0%
Subtotal:	14,650	14,650	0	0.0%
Intrastate Transportation and Travel				
1. Commissioners / Staff	8,500	8,500	0	0.0%
2. Car Mileage and Parking	750	750	0	--
Subtotal:	9,250	9,250	0	0.0%
Out-of-State Travel³				
1. Airfare (6 @ \$1,000 ea.)	6,000	6,000	0	0.0%
2. Lodging and per diem for 5.5 days (6 @ \$145/day x 5.5 days)	4,800	4,800	0	0.0%
3. Excess Hotel and Increases in per diem/airfare	1,700	1,700	0	0.0%
4. Taxi/bus fare	160	160	0	0.0%
Subtotal:	12,660	12,660	0	0.0%
Equipment Rental and Maintenance				
1. Postage Meter	750	750	0	0.0%
2. Copier	3,600	3,600	0	0.0%
3. Typewriter	-	0	0	
4. ReporterDeck Recorder	200	200	0	0.0%
5. Computer Equipment Maintenance	5,100	5,100	0	0.0%
6. Misc. (time clock, projector, etc.)	200	200	0	0.0%
7. Case mapping software	4,000	0	-4,000	--
Subtotal:	13,850	9,850	-4,000	-28.9%
Dues, Subscriptions, Training				
1. COGEL Membership	460	510	50	10.9%
2. COGEL Conference Registration	2,400	2,500	100	4.2%
3. Attorney Registration Fees	3,400	3,500	100	2.9%
4. Training	3,000	3,200	200	6.7%
5. Legal Reference Publications	5,200	5,400	200	3.8%
6. Newspaper Subscriptions, etc.	240	240	0	0.0%
7. Disruptive Behavior Training	800	800	0	0.0%
Subtotal:	15,500	16,150	650	4.2%
Newspaper Advertisements				
Subtotal:	1,200	1,200	0	0.0%

	2018-2019 Approved Budget	2019-2020 Estimated Budget	Increases/ Decreases	% Increase/ Decrease
Commission Meetings, Investigations and Hearings				
1. Subpoena Fees	900	900	0	0.0%
2. Court Reporter	5,000	6,500	1,500	30.0%
3. Witness Fees, Travel, Mileage	600	600	0	0.0%
4. Hearings Officer	1,500	1,500	0	--
5. Lunches for Commission Mtgs.	1,100	1,100	0	0.0%
Subtotal:	9,100	10,600	1,500	16.5%
Consulting Services				
1. MD&A	0	0	0	--
2. Computer Consulting	22,000	22,000	0	0.0%
3. Other Services (Interpreting, shredding)	400	400	0	0.0%
Subtotal:	22,400	22,400	0	0.0%
Office Rent:	102,500	105,500	3,000	2.9%
TOTAL MATERIALS AND SUPPLIES:	201,110	202,260	1,150	0.6%
C. CAPITAL OUTLAY				
Office Furn. & Equipment:	4,000	4,000	0	0.0%
TOTAL CAPITAL OUTLAY:	4,000	4,000	0	0.0%
GRAND TOTAL:	\$ 1,182,555	1,183,705	1,150	0.1%
Vacation Payouts/Transfer	16,553	16,553		

¹ Act 21 of 2017

² Pending report from DHRD Salary Comm'n; see HRS 84-35

SUNSHINE LAW MEETING
AGENDA ITEM VII

PROPOSED LEGISLATION FOR 2019 LEGISLATIVE SESSION

- Attachment 1: Proposed “housekeeping” bill
- Attachment 2: Proposal re: failure to file lobbying expenditure reports
- Attachment 3: Proposal re: task force members and legislators’ legislative functions

THE SENATE
THIRTIETH LEGISLATURE, 2019
STATE OF HAWAII

. B . NO .

A BILL FOR AN ACT

RELATING TO THE STATE ETHICS CODE.

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

1 SECTION 1. The purpose of this Act is to improve the
2 administration of the Ethics Code by clarifying provisions on
3 gifts disclosure statements, retention of financial disclosure
4 statements, investigations, and training.

5 SECTION 2. Section 84-11.5, Hawaii Revised Statutes, is
6 amended as follows:

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

8 " (a) Every legislator and employee shall file a gifts
9 disclosure statement with the state ethics commission [~~on~~] no
10 later than June 30 of each year if all the following conditions
11 are met:

12 (1) The legislator or employee, or spouse or dependent child
13 of a legislator or employee, received directly or
14 indirectly from one source any gift or gifts valued
15 singly or in the aggregate in excess of \$200, whether

1 the gift is in the form of money, service, goods, or in
2 any other form;

3 (2) The source of the gift or gifts have interests that may
4 be affected by official action or lack of action by the
5 legislator or employee; and

6 (3) The gift is not exempted by subsection (d) from
7 reporting requirements under this subsection."

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

9 "(b) The report shall cover the period from June 1 of the
10 preceding calendar year through [~~June 1~~] May 31 of the year of the
11 report."

12 3. By inserting a new subsection (g) to read:

13 "(g) For purposes of this section only, "legislator or
14 employee" includes any individual who was a legislator or employee
15 for any portion of the period from June 1 of the preceding
16 calendar year through May 31 of the year of the report."

17 SECTION 3. Section 84-17.5, Hawaii Revised Statutes, is
18 amended by amending subsection (a) as follows:

19 "(a) All financial disclosure statements filed by a
20 legislator, employee, or delegate to a constitutional convention
21 shall be maintained by the [~~state ethics~~] commission [~~during the~~
22 ~~term of office of the legislator, employee, or delegate and~~] for a
23 period of six years thereafter. Upon the expiration of the six-

1 year period, the financial disclosure statement and all copies
2 thereof shall be destroyed."

3 SECTION 4. Section 84-43, Hawaii Revised Statutes, is
4 amended as follows:

5 "(a) The [~~state ethics~~] commission shall establish, design,
6 supervise, and conduct ethics training [~~designed specifically~~] for
7 the officers and employees to whom this part applies.

8 (b) The ethics training course shall include:

- 9 (1) Explanations and discussions of the ethics laws,
10 administrative rules, and relevant internal policies;
11 (2) Specific technical and legal requirements;
12 (3) The underlying purposes and principles of ethics laws;
13 (4) Examples of practical application of the laws and
14 principles; and
15 (5) A question-and-answer participatory segment
16 regarding common problems and situations.

17 The [~~state ethics~~] commission shall develop the methods
18 and prepare any materials necessary to implement the
19 course.

20 (c) The [~~state ethics~~] commission shall:

- 21 (1) Administer the ethics training course;
22 (2) Designate those of its legal staff who are to
23 conduct the ethics training course; and

1 (3) Notify each officer or employee enumerated in
2 section 84-41 that their attendance in this
3 course is mandatory.

4 ~~[(d) The ethics training course shall be held in January of~~
5 ~~each year for those who have not attended the course previously.~~
6 ~~The course shall last at least two hours in length.]~~

7 ~~[(e)]~~(d) The ~~[state ethics]~~ commission may repeat the course
8 as necessary to accommodate all persons who are required to
9 attend.

10 ~~[(f)]~~(e) Each state agency shall provide to the ~~[state~~
11 ~~ethics]~~ commission the names of those required to take the course
12 in a timely manner and assist the commission by providing adequate
13 meeting facilities for the ethics training course."

14 SECTION 5. If any provision of this Act, or the
15 application thereof to any person or circumstance, is held
16 invalid, the invalidity does not affect other provisions or
17 applications of the Act that can be given effect without the
18 invalid provision or application, and to this end the provisions
19 of this Act are severable.

20 SECTION 6. 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.

1 SECTION 7. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 8. This Act shall take effect upon its approval.

4

5 INTRODUCED BY: _____

6

THE SENATE
THIRTIETH LEGISLATURE, 2019
STATE OF HAWAII

.B. NO.

A BILL FOR AN ACT

RELATING TO LOBBYISTS.

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

1 SECTION 1. The legislature finds that the mens rea
2 requirement to prove a violation of the lobbyists law, section 97-
3 7, Hawaii Revised Statutes, is no longer appropriate, given that
4 the failure to file a statement or report with the ethics
5 commission is no longer a criminal offense. Accordingly, the
6 purpose of this Act is to remove statutory remnants from when
7 violations of the lobbyists law resulted in criminal penalties.
8 The purpose of this Act is also to clarify that the ethics
9 commission may assess an administrative fine pursuant to a
10 settlement agreement.

11 SECTION 2. Section 97-7, Hawaii Revised Statutes, is
12 amended as follows:

13 “(a) Any person who:

14 (1) [~~Wilfully fails~~] Fails to file any statement or report
15 required by this chapter;

- 1 (2) [~~Wilfully files~~] Files a statement or report containing
2 false information or material omission of any fact;
3 (3) Engages in activities prohibited by section 97-5; or
4 (4) Fails to provide information required by section 97-2
5 or 97-3;

6 shall be subject to an administrative fine imposed by the
7 commission that shall not exceed \$1,000 for each violation of
8 this chapter. All fines collected under this section shall be
9 deposited into the general fund.

10 (b) No fine shall be assessed unless:

11 (1) The commission convenes a hearing in accordance with
12 section 97-6(c) and chapter 91 and a decision has been
13 rendered by the commission; [and] or

14 (2) [~~A decision has been rendered by the commission~~] The
15 commission and the alleged violator agree to resolve any
16 alleged violation prior to completion of the contested
17 case process and the resolution includes payment of an
18 administrative fine or restitution, or both."

19 SECTION 3. This Act does not affect rights and duties
20 that matured, penalties that were incurred, and proceedings that
21 were begun before its effective date.

22 SECTION 4. Statutory material to be repealed is bracketed
23 and stricken. New statutory material is underscored.

1 SECTION 5. This Act shall take effect upon its approval.

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3 INTRODUCED BY: _____

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THE HOUSE OF REPRESENTATIVES
THIRTIETH LEGISLATURE, 2019
STATE OF HAWAII

. B . NO .

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 a 2012 statutory
2 change designed to clarify the application of the ethics code to
3 task force members had the unintended effect of changing the law
4 with respect to legislators as well. This Act restores
5 longstanding language that protects legislators when carrying out
6 a "legislative function."

7 The Legislature further finds that a related 2012 statutory
8 change created an ambiguity regarding whether task force members
9 must file financial disclosures. This Act makes clear that task
10 force members need not file the same financial disclosures as
11 state officials.

12 Accordingly, the purpose of this Act is to provide additional
13 clarity and consistency in the administration and enforcement of
14 the State's ethics laws, and to promote integrity in state
15 government, by:

16 (1) Restoring previous statutory language protecting legislators
17 when carrying out a "legislative function";

1 (2) Clarifying the fair treatment laws with respect to task force
2 members and legislators by restoring previous statutory
3 language regarding a legislator's "legislative function";

4 (3) Clarifying that task force members need not file the
5 financial disclosure forms required of other state officials;
6 and

7 (4) Clarifying the existing requirement that task force members
8 publicly disclose conflicts of interest by requiring the
9 ethics commission to adopt rules for this public disclosure.

10
11 SECTION 2. Section 84-13, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "(a) No legislator or employee shall use or attempt to use
14 the legislator's or employee's official position to secure or
15 grant unwarranted privileges, exemptions, advantages, contracts,
16 or treatment, for oneself or others; including but not limited to
17 the following:

18 (1) Seeking other employment or contract for services for
19 oneself by the use or attempted use of the legislator's
20 or employee's office or position.

21 (2) Accepting, receiving, or soliciting compensation or
22 other consideration for the performance of the

1 legislator's or employee's official duties or
2 responsibilities except as provided by law.

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

5 (4) Soliciting, selling, or otherwise engaging in a
6 substantial financial transaction with a subordinate or
7 a person or business whom the legislator or employee
8 inspects or supervises in the legislator's or employee's
9 official capacity.

10 (b) Nothing [herein] in this section shall be construed to
11 prohibit a legislator from introducing bills and resolutions, [~~or~~
12 ~~to prevent a person from serving on a task force or~~] from serving
13 on a task force committee, or from making statements or taking
14 [~~official~~] action [~~as a legislator, or a task force member or a~~
15 ~~task force member's designee or representative.~~] in the exercise
16 of the legislator's legislative functions. Every legislator[~~, or~~
17 ~~task force member or designee or representative of a task force~~
18 ~~member~~] shall [~~file a full and complete public disclosure~~]
19 publicly disclose [~~of~~] the nature and extent of the interest or
20 transaction which the legislator [~~or task force member or task~~
21 ~~force member's designee or representative~~] believes may be
22 affected by [~~the legislator's or task force member's official~~

1 ~~action.]~~ legislative action. The commission shall establish rules
2 to provide for this public disclosure.

3 (c) Nothing in this section shall be construed to prevent a
4 person from serving on a task force or a task force committee, or
5 from making statements or taking official action as a task force
6 member or a task force member's designee or representative. Every
7 task force member or designee or representative of a task force
8 member shall publicly disclose the nature and extent of any
9 interest or transaction which the task force member or task force
10 member's designee or representative believes may be affected by
11 the task force member's official action. The commission shall
12 establish rules to provide for this public disclosure."

13 SECTION 3. Section 84-14, Hawaii Revised Statutes, is
14 amended by amending subsection (f) as follows:

15 (f) [~~Subsections (a), (b), and (d) shall not apply to a task~~
16 ~~force member or the designee or representative of that task force~~
17 ~~member whose service as a task force member would not otherwise~~
18 ~~cause that member, designee, or representative to be considered an~~
19 ~~employee, if the task force member or the designee or~~
20 ~~representative of that task force member complies with the~~
21 ~~disclosure requirements under section 84-17.] Nothing in this
22 section shall be construed to prevent a person from serving on a
23 task force or a task force committee, or from making statements or~~

1 taking official action as a task force member or a task force
2 member's designee or representative. Every task force member or
3 designee or representative of a task force member shall publicly
4 disclose the nature and extent of any interest or transaction
5 which the task force member or task force member's designee or
6 representative believes may be affected by the task force member's
7 official action. The state ethics commission shall establish
8 rules to provide for this public disclosure."

9 SECTION 4. 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 SECTION 5. If any provision of this Act, or the
13 application thereof to any person or circumstance, is held
14 invalid, the invalidity does not affect other provisions or
15 applications of the Act that can be given effect without the
16 invalid provision or application, and to this end the provisions
17 of this Act are severable.

18 SECTION 6. This Act does not affect rights and duties
19 that matured, penalties that were incurred, and proceedings that
20 were begun before its effective date.

21 SECTION 7. Statutory material to be repealed is bracketed
22 and stricken. New statutory material is underscored.

23 SECTION 8. This Act shall take effect upon its approval.

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INTRODUCED BY: _____