



# HAWAII STATE ETHICS COMMISSION

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## THE STATE ETHICS CODE – A QUICK GUIDE ON SECOND JOBS AND OTHER PRIVATE BUSINESS ACTIVITIES

The following ethics guidelines are for employees who – in addition to their state jobs – have a second job, rent out property they own, or have some other private business.<sup>1</sup>

### I. Things to know before you take a second job or start a new business

The State Ethics Code does not prohibit you from having a second job or a private business, but you cannot create a conflict of interest with your state duties or misuse your state position. Follow these guidelines if you are looking for an outside job or thinking about starting your own business:

1. Do not take a job with a business if you are likely to take action as a state employee affecting that business. For example, if you purchase state equipment from a vendor, do not get a part-time job with that vendor.
2. Do not take a job with any business<sup>2</sup> that you inspect or regulate as a state employee.
3. Do not start a business if you would take action as a state employee affecting that business. For example, if in your state job you regulate plant nurseries, do not start operating your own plant nursery business.
4. Contact the Ethics Commission for advice before you start a business with another employee in your state agency or before you hire an employee in your agency to work for your business.

### II. Things to know once you have a second job or some other source of income

If you already have an outside job or business, follow these guidelines:

1. Do not take any action as a state employee affecting your private employer, your own business, or your business clients. You must completely disqualify yourself from any “official action,” which includes making any decisions or recommendations affecting your private employer or business.<sup>3</sup>
2. Do not use your state position to advertise or promote any private business (your own or someone else’s) or to get special treatment for any business.
3. Do not use state time, equipment, facilities, or other state resources (including state personnel, state vehicles, and state e-mail) for private business purposes. This means: do not use state e-mail to rent out a property you own; do not use state time to make fundraising calls for a non-profit; and do not sell things, or ask for donations for a fundraiser,<sup>4</sup> at work.
4. Do not accept private pay for doing something that is part of your state job. You may, of course, accept overtime pay from the State, but you cannot get extra money from a private party for doing your state job.<sup>5</sup>
5. Do not assist anyone for pay on a matter before your state agency or on a matter you worked on, or will work on, as a state employee. For example, do not work for pay to help someone obtain a permit from your agency.
6. Do not solicit or enter into substantial financial transactions with anyone you supervise or regulate as a state employee. For example:
  - a. Do not rent an apartment or sell a car to anyone you supervise or regulate.
  - b. Do not perform outside work for pay for anyone you supervise or regulate and do not do any outside work for pay for your state supervisor.
7. Do not disclose any confidential information you get from your state job.

Your state agency might have additional policies that apply to outside employment or private business activities by employees, so check with your supervisor if you have questions about other rules that may apply to you.

Questions? If you have any questions or would like to request confidential guidance about a specific situation, contact the Hawaii State Ethics Commission at (808) 587-0460 or [ethics@hawaiiethics.org](mailto:ethics@hawaiiethics.org).

1 These guidelines are based on laws in the State Ethics Code, Hawaii Revised Statutes (“HRS”) Chapter 84, relating to conflicts of interests (HRS § 84-14) and the prohibited misuse of an employee’s official position (HRS § 84-13).

2 Under the State Ethics Code, a “business” includes any person or organization carrying on a business, including non-profit organizations. HRS § 84-3.

3 “Official action” also includes conducting inspections or investigations, issuing licenses or permits, and procuring goods or services. Even if you are not a final decision-maker, you are taking “official action” if you give your recommendations or opinions about something in your state job.

4 Things like the State’s Aloha United Way campaign are okay. It is also okay to collect money for a co-worker’s birthday cake, so long as no one is coerced to contribute.

5 Some employees, such as court reporters, are allowed by law to receive private pay for their state services. This is okay under the State Ethics Code.