

SUNSHINE LAW MEETING



HAWAII STATE ETHICS COMMISSION

State of Hawaii · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawaii 96813

NOTICE OF MEETING OF THE HAWAII STATE ETHICS COMMISSION

Date: April 18, 2019
Time: 10:00 a.m.
Place: Hawaii State Ethics Commission Conference Room
American Savings Bank Tower
1001 Bishop Street, Suite 960
Honolulu, Hawaii 96813

A G E N D A

CALL TO ORDER

- I. Consideration and Approval of the Minutes of the March 21, 2019 Meeting
- II. Consideration and Approval of the Minutes of the March 21, 2019 Executive Session Meeting
- III. Executive Director's Report
 1. Education / Training Report
 2. Guidance and Assignment Statistics – March 2019
Attachment 2: 2019 Guidance and Assignment Statistics / Website Traffic
 3. Financial Report for FY 2018-2019 (Quarter Ending March 31, 2019)
Attachment 3: Third Quarter Financial Report FY2018-2019

4. Miscellaneous Office Projects / Updates

- a. On-line training system for state employees
- b. Lobbying e-filing system
- c. New telephone system

IV. 2019 Legislative Session

1. Ethics Commission bills (supporting all):

[HB169](#): Clarifies the State Ethics Code by clarifying provisions regarding gift disclosure statements, retention of financial disclosure statements, and ethics training.

[HB170](#): Restores statutory protection for legislators when carrying out a legislative function. Clarifies public disclosure requirements for task force members.

[SB144](#): Removes statutory remnants from when violations of the lobbyist law resulted in criminal penalties. Allows the state ethics commission to assess an administrative fine pursuant to a settlement agreement.

2. Budget bill (supporting):

[HB348](#): Makes appropriations for public employment cost items of and cost adjustments for employees of various legislative agencies. Appropriates funds.

3. Other bills (still alive):

[HB615](#): Amends the Board of Education membership by inviting the exclusive representative for bargaining unit (5) (teachers and other personnel of the Department of Education) to appoint a nonvoting public school teacher representative to the Board.

4. Other bills (no longer alive):

- [HB361](#): Prohibits any Governor or county mayor, while holding those offices, to maintain any other employment or receive any emolument, beginning on the sixty-first calendar day after their election or appointment to office.
- [HB391](#): Relating to Ethics. Establishes restrictions on the participation in political activities of certain state employees and officers. Imposes penalties for violations.
- [HB1381](#): Prohibits former legislators and executive branch employees subject to senate confirmation from engaging in lobbying for 24 months after termination of employment as a legislator or executive branch employee.
- [HB1382](#): Defines "contract with the State". Eliminates campaign fundraising on the property of persons that have accepted legislatively appropriated funds, or received or rendered services to the State, with an aggregate value of \$100,000.
- [SB955](#): Relating to Public Financial Disclosure Statement. Requires financial disclosure statements of state agency executive directors to be public records available for inspection and duplication.

V. *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.

VI. *Akana v. Hawaii State Ethics Commission and Daniel Gluck*, Civil No. 19-1-0379-03 (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.

VII. Evaluation of Executive Director Daniel Gluck

The Hawaii State Ethics Commission may convene an executive session pursuant to Hawaii Revised Statutes section 92-5(a)(2) to discuss matters relating to the evaluation of an employee.

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

CONSIDERATION AND APPROVAL OF THE MINUTES OF THE
MARCH 21, 2019 MEETING

Attachment 1: Sunshine Law Meeting Minutes of the March 21, 2019 Hawaii State
Ethics Commission Meeting

SUNSHINE LAW MEETING
MINUTES OF THE HAWAII STATE ETHICS COMMISSION

STATE OF HAWAII

Date: Thursday, March 21, 2019

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

Ruth D. Tschumy, Vice Chair
Susan N. DeGuzman, 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 M. Campbell, Staff Attorney

Excused: Reynard D. Gaulty, Chair
Wesley F. Fong, Commissioner

CALL TO ORDER

Vice Chair Tschumy called the meeting to order at 10:00 a.m.

Agenda Item No. I: Consideration and Approval of the Minutes of the February 21, 2019 Meeting

Commissioner DeGuzman made and Commissioner Wood seconded a motion to approve the minutes of the January 24, 2019 Sunshine Meeting. The motion carried unanimously (Tschumy, DeGuzman, and Wood voting).

1 **Agenda Item No. II: Executive Director’s Report**

2
3 *Education / Training Report*

4
5 Executive Director Gluck referred to his report; he noted that staff have been
6 busy with trainings on Oahu and the neighbor islands, and that staff will conduct training
7 specifically for personnel of the Department of Land and Natural Resources, Division of
8 Boating and Ocean Recreation (“DOBOR”). He reported that the training for DOBOR-
9 Oahu personnel would be on March 29, not March 19 as indicated in his report.

10
11 *Guidance and Assignment Statistics – February 2019*

12
13 *Attachment 2: 2019 Guidance and Assignment Statistics / Website Traffic*

14
15 Executive Director Gluck stated that staff worked to close out old assignments in
16 February, and that the office has opened many new assignments as well.

17
18 *Miscellaneous Office Projects / Updates*

19
20 a. Possible state-wide ethics conference

21
22 Executive Director Gluck asked the Commissioners for their feedback as to
23 whether they would support a Hawaii ethics conference, to be attended by
24 commissioners and staff of the county and state ethics commissions. The
25 Commissioners supported the idea and indicated they would like to attend; the
26 Commissioners also stated that it would be appropriate, if necessary, for the
27 Commission to use some of its funds to help pay for travel costs for neighbor island
28 participants.

29
30 b. Staff – hiring update

31
32 Executive Director Gluck stated that the office has hired someone to fill the
33 vacant secretary position, and that this person will start in early May.

34
35 c. E-filing system for lobbying disclosures

36
37 Executive Director Gluck stated that the office launched the e-filing system for
38 lobbying. He recognized staff, including Computer Specialist Patrick Lui and Staff
39 Attorney Bonita Chang, for their hard work in launching this system.

40
41 Commissioner DeGuzman praised the staff for creating the e-filing guide for the
42 Financial Disclosure system, which she described as being particularly helpful.

1 **Agenda Item No. III: 2019 Legislative Session**

2
3 Executive Director Gluck reported that the Commission's three bills were all still
4 alive, and he gave an update as to the status of each (HB169, HB170, and SB144). He
5 gave a brief update as to the budget bills, HB1 and HB348. With respect to HB615,
6 which would add a teacher representative to the Board of Education, he stated that he
7 had submitted testimony raising concerns about the bill at first, but – upon further
8 discussion with staff – had taken a more restrained view of possible ethics restrictions
9 on this new teacher representative. He gave a brief status update on other ethics-
10 related legislation.

11
12
13 **Agenda Item No. IV: Akana v. Hawaii State Ethics Commission and Daniel Gluck,**
14 **Civil No. 18-1-1019-06 (JHA)**

15
16 Executive Director Gluck reported that there was no movement in this case since
17 the last Commission meeting.

18
19
20 **Agenda Item No. V: Akana v. Hawaii State Ethics Commission and Daniel Gluck,**
21 **Civil No. 19-1-0379-03 (JHA)**

22
23 Executive Director Gluck stated that Ms. Akana appealed the Commission's
24 Decision and Order to the Circuit Court, that Ms. Akana had moved to stay the
25 Commission's Decision and Order, and that the Circuit Court would hear the motion on
26 April 2. The Commissioners had questions regarding the posture of the case, and
27 Executive Director Gluck suggested that the Commission continue its discussion in
28 executive session.

29
30 At approximately 10:22 a.m., Commissioner DeGuzman made and
31 Commissioner Wood seconded a motion to convene an Executive Session pursuant to
32 Hawaii Revised Statutes section 92-5(a)(4) to consult with the Commission's attorneys
33 on questions and issues pertaining to the Commission's powers, duties, privileges,
34 immunities, and liabilities. The motion carried unanimously (Tschumy, DeGuzman, and
35 Wood voting).

36
37 The Commission met in Executive Session.

38
39
40 **ADJOURNMENT OF EXECUTIVE SESSION AND RETURN TO SUNSHINE LAW**
41 **MEETING**

42
43 At 10:27 a.m., Commissioner DeGuzman made and Commissioner Wood
44 seconded a motion to adjourn the Executive Session and return to the Sunshine Law
45 meeting. The motion carried unanimously (Tschumy, DeGuzman, and Wood voting).
46

1 The Commission adjourned the Executive Session at 10:27 a.m. and returned to
2 the Sunshine Law meeting.

3
4
5 **Agenda Item No. VI: Administrative Rules**

6
7 Commissioner DeGuzman stated that she met with Executive Director Gluck
8 earlier that morning and provided him with some suggestions for non-substantive edits.
9 Commissioner DeGuzman also suggested one quasi-substantive edit, changing the title
10 of one of the proposed rules in chapter 8.

11
12 Executive Director Gluck said that, if the Commission approved these changes,
13 he would send the draft to the Department of the Attorney General and the Office of the
14 Governor for approval to send the rules out for public hearing.

15
16 Commissioner Wood made and Commissioner DeGuzman seconded a motion to
17 move forward with this draft, as amended, through the steps necessary for public notice
18 and comment. The motion carried unanimously (Tschumy, DeGuzman, and Wood
19 voting).

20
21 The Commissioners thanked the staff for their work in putting this draft together,
22 and specifically asked that Executive Director Gluck express its thanks to Deputy
23 Attorney General Robyn Chun for her assistance as well.

24
25
26 **Agenda Item No. VII: Evaluation of Executive Director Daniel Gluck**

27
28 Commissioner Wood stated that, at least two weeks prior to the next meeting, a
29 SurveyMonkey would be sent out electronically to the staff for their completion and the
30 Commissioners would be given a paper survey to complete. This data would then be
31 compiled prior to the next Commission meeting.

32
33
34 **ADJOURNMENT OF SUNSHINE LAW MEETING**

35
36 At 10:33 a.m., Commissioner DeGuzman made and Commissioner Wood
37 seconded a motion to adjourn the Sunshine Law meeting. The motion carried
38 unanimously (Tschumy, DeGuzman, and Wood voting).

39
40 The meeting was adjourned at 10:33 a.m.

41
42
43 Minutes approved on: _____

SUNSHINE LAW MEETING
AGENDA ITEM II

CONSIDERATION AND APPROVAL OF THE MINUTES OF THE
MARCH 21, 2019 MEETING (REGARDING DISCUSSION OF AKANA V. HAWAII
STATE ETHICS COMMISSION, CIVIL NO. 19-1-0379-03 (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.

Attachment 1: Minutes of the March 21, 2019 Executive Session

SUNSHINE LAW MEETING
AGENDA ITEM III

EXECUTIVE DIRECTOR'S REPORT

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

SUNSHINE MEETING
AGENDA ITEM III
EXECUTIVE DIRECTOR'S REPORT
April 18, 2019

1. Education / Training Report

a. Recently held trainings/presentations:

DLNR-DOBOR Ethics Training – Oahu
Tuesday, March 29, 2019
10:00 a.m. – 12:00 p.m.; 27 attendees
2:00 p.m. – 4:00 p.m.; 21 attendees
Keehi Small Boat Harbor Conference Room
4 Sand Island Access Road
Honolulu, Hawaii

General Ethics Training – Kona
Monday, April 8, 2019
10:00 a.m. – 11:30 a.m.
Natural Energy Laboratory of Hawaii Authority (NELHA)
Hale Iako Training Classroom, Room #119
Kailua-Kona, Hawaii
22 attendees

DLNR-DOBOR Ethics Training – Kona
Monday, April 8, 2019
12:30 p.m. – 2:30 p.m.
Natural Energy Laboratory of Hawaii Authority (NELHA)
Hale Iako Training Classroom, Room #119
Kailua-Kona, Hawaii
16 attendees

Mandatory Ethics Training
Wednesday, April 10, 2019
1:00 p.m. – 3:00 p.m.
State Capitol, Room 430
Honolulu, Hawaii
6 attendees

b. Upcoming trainings/presentations:

General Ethics Training
Monday, April 22, 2019
University of Hawaii College of Tropical Agriculture and Human Resources
Via videoconference
9:00 a.m. – 10:30 a.m.

General Ethics Training – Maui
Monday, May 3, 2019
10:00 a.m. – 11:30 a.m.
University of Hawaii Maui College
Ka‘a‘ike Building, Room 105BCD
310 W. Kaahumanu Avenue
Kahului, Hawaii

DLNR-DOBOR Ethics Training – Maui
Monday, May 3, 2019
1:00 p.m. – 3:00 p.m.
Maui State Office Building
54 S. High Street
Wailuku, Hawaii

Mandatory Ethics Training
Monday, May 13, 2019
10:00 a.m. – 12:00 p.m.
State Capitol, Room 423
Honolulu, Hawaii

General Ethics Training – Kapolei
Friday, May 17, 2019
10:00 a.m. – 11:30 a.m.
Leeward Community College
ED 201, A/B
96-045 Ala Ike
Pearl City, Hawaii

2. Guidance and Assignment Statistics – 2019

Attachment 2: 2019 guidance and assignment statistics

3. 2018-2019 Third Quarter Financial Report

Attachment 3: Third Quarter Financial Report FY2018-19

4. Miscellaneous Office Projects / Updates

- a. On-line training system for state employees
- b. Lobbying e-filing system
- c. New telephone system

2019	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Year to date
Training statistics													
# of Trainings	7	1	6										14
# of People Trained	348	7	213										568
Attorney of the Day	119	84	127										330
New assignments													
Advisory Opinion	1	1	0										2
Complaint	5	8	7										20
Gifts/Invitations/Travel	14	16	22										52
Guidance	2	5	0										7
Judicial Selection Comm'n	2	1	2										5
Training Request	0	0	0										0
Record Request	2	3	0										5
Project/Other	1	7	1										9
Total	27	41	32	0	0	0	0	0	0	0	0	0	100
Closed Assignments													
Advisory Opinion	0	0	1										1
Complaint	3	5	3										11
Gifts/Invitations/Travel	9	28	20										57
Guidance	0	10	1										11
Judicial Selection Comm'n	0	10	5										15
Training Request	0	2	0										2
Record Request	2	3	0										5
Project/Other	0	6	2										8
Total	14	64	32	0	0	0	0	0	0	0	0	0	110

Dataset Views

Disclosures	113	105	87																		305	
Lobbyist Registrations	531	436	421																			1,388
Organization Expenditures	203	119	225																			547
Lobbyist Expenditures	159	79	145																			383
Ethics Advice	94	92	106																			292
Total	1100	831	984	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,915

HAWAII STATE ETHICS COMMISSION FINANCIAL REPORT
 FY 2019 (QUARTER ENDING: March 31, 2019)
 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	\$ 231,575.53	\$ 240,394.98	\$ 0.00	713,863.34	73.0%
Vacation Payout	\$ 16,553.00	\$ 0.00	\$ 1,291.96	\$ 12,783.95	\$ 0.00	\$ 14,075.91	85.0%
Total Personal Services	\$ 977,445.00	\$ 241,892.83	\$ 231,575.53	\$ 240,394.98	\$ 0.00	\$ 727,939.25	74.5%
B. OTHER CURRENT EXPENSES							
Office Expenses	14,650.00	3,344.66	5,903.51	4,349.52	0.00	13,597.69	92.8%
Intrastate Transportation and Travel	9,250.00	670.50	1,418.18	2,165.54	0.00	4,254.22	46.0%
Out-of-State Travel	12,660.00	2,713.58	6,072.87	0.00	0.00	8,786.45	69.4%
Equipment Rental and Maintenance	13,850.00	4,049.35	1,389.38	1,565.63	0.00	7,004.36	50.6%
Dues, Subscriptions, Training	15,500.00	2,503.91	1,631.42	5,039.29	0.00	9,174.62	59.2%
Newspaper Advertisements	1,200.00	70.00	70.00	35.00	0.00	175.00	14.6%
Comm'n Mtgs, Investigations, Hrgs	9,100.00	1,020.15	7,162.30	163.98	0.00	8,346.43	91.7%
Consulting Services	22,400.00	0.00	24,037.39	2,343.66	0.00	26,381.05	117.8%
Office Rent	102,500.00	15,389.01	24,813.86	27,366.36	0.00	67,569.23	65.9%
Total Other Current Expenses	\$ 201,110.00	\$ 29,761.16	\$ 72,498.91	\$ 43,028.98	\$ 0.00	\$ 145,289.05	72.2%
C. CAPITAL OUTLAY							
Office Furniture and Equipment	4,000.00	0.00	0.00	0.00	0.00	0.00	0.0%
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	\$ 304,074.44	\$ 283,423.96	\$ 0.00	\$ 859,152.39	72.7%
VACATION	\$ 16,553.00	\$ 0.00	\$ 1,291.96	\$ 12,783.95	\$ 0.00	\$ 14,075.91	85.0%

General Fund Allocation	\$ 1,182,555.00
Total Expenditures as of March 31, 2019	\$ 859,152.39
Balance as of March 31, 2019	\$ 323,402.61

SUNSHINE LAW MEETING
AGENDA ITEM IV

2019 LEGISLATIVE SESSION

No attachments.

SUNSHINE LAW MEETING
AGENDA ITEM V

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.

No attachments.

SUNSHINE LAW MEETING
AGENDA ITEM VI

AKANA V. HAWAII STATE ETHICS COMMISSION AND DANIEL GLUCK,
CIVIL NO. 19-1-0379-03 (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 VII

EVALUATION OF EXECUTIVE DIRECTOR DANIEL GLUCK

The Hawaii State Ethics Commission may convene an executive session pursuant to Hawaii Revised Statutes section 92-5(a)(2) to discuss matters relating to the evaluation of an employee.

No attachments.