



“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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A State Office Is Not a Private Business

The State Ethics Commission often receives complaints about private sales and fundraising activities in state offices. These are some of the cases that have been reported, all of which present ethical problems:

The fishmonger. A person who caught and sold fish was admitted several times into a state office so that the employees could buy fresh fish. The supervisor who allowed this said that she thought only state employees were prohibited from selling things in the office and since the seller was not a state employee, she did not think there would be a problem.



The farmers market. An employee sold vegetables from a local farmer to other employees in a state building. The employee delivered the vegetables and collected money for her sales in state offices. She said that she sold the vegetables at cost and did not personally profit from the sales.

The flower shop. An employee took sales orders from co-workers in a state office for graduation flowers and lei. The employee was helping a friend's business.

The contestant. An employee who was a contestant in a private competition sold souvenir items and event tickets to co-workers in their state offices. The

sales were a fundraiser for the competition; the employee also received points as a contestant for the funds that she raised.

The good cause. An employee used state email to ask other employees in a state department to participate in a fundraising event for a nonprofit organization that provided a community service.



State offices and other state resources cannot be used for private business activities or fundraising. The State Ethics Code's "fair treatment" law (Hawaii Revised Statutes section 84-13) prohibits state employees from using their positions to give unwarranted benefits to anyone; this law prohibits employees from allowing private vendors to sell food, clothing, jewelry, or other items in state offices, and also prohibits state employees from using state time, equipment, and facilities for private business purposes (including fundraising for charities and other nonprofit organizations). Employees may not conduct private business at work, regardless of whether they are doing so for their own businesses or to help someone else's business, and regardless of whether they are personally profiting from the activity.

Hawaii State Ethics Commission

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State Ethics Commission Posts Public Resolutions of Ethics Investigations



Falsifying bid documents. Taking state equipment from work for personal use. Accepting illegal gifts from state contractors. Using

state resources for private business. Publicly disclosing confidential information from a state board's executive session meetings.

These are some of the alleged ethics violations that were investigated and resolved by the State Ethics Commission in 2018-2019. Summaries of the cases are posted on the Commission's website at <https://ethics.hawaii.gov/rocs/>. The cases were resolved through settlement agreements with the employees under investigation. The Commission did not make any formal findings that the employees violated the Ethics Code, but the employees admitted to facts describing their actions, agreed to pay an administrative penalty to the State, and in some cases took additional action – such as resigning from state employment -- to resolve the investigations. The employees also agreed to the Commission's publication of summaries discussing the resolutions of the investigations.

Many of the investigations involved alleged violations of the State Ethics Code's "fair treatment" law, which prohibits employees from using their state positions to obtain unwarranted benefits for themselves or others. Some of the investigations also

involved alleged conflicts of interests, acceptance of prohibited gifts, and unauthorized disclosure of confidential state information.

These are some of the cases that were resolved:

- Investigation of a state employee for falsifying bid documents and equipment disposal records; accepting illegal gifts from state contractors and permittees; using state equipment for personal and private business purposes; and using state funds to purchase first class air travel for state trips. The employee agreed to pay a fine of \$15,000 and resigned from his state job. **[Resolution of Charge 2018-4.](#)**
- Investigation of a state employee for accepting automobile parts and repair services for the employee's personal truck knowing that state funds were used to pay for the parts and services; performing outside work for pay for a vendor that was involved in the employee's state purchasing decisions; and falsifying state equipment disposal records. The employee agreed to pay a fine of \$4,500 and the case was referred to the employee's state department for appropriate action. **[Resolution of Charge 2019-1.](#)**



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“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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- Investigation of a state employee for disclosing confidential information from executive session meetings of a state board. The employee agreed to pay a fine of \$1,500. [Resolution of Charge 2019-2.](#)



- Investigation of a state employee for fundraising for a private event by selling souvenir booklets, t-shirts, and event tickets totaling over \$500 to co-workers in state offices during state work hours. The employee agreed to pay a fine of \$1,000. [Resolution of Investigation 2018-4.](#)

- Investigation of a state employee for using state resources – including a state office, state computer, state e-mail, and state work time – for private business purposes, including the breeding and sale of dogs, rental of a room, and the design and purchase of t-shirts for a private organization. The employee agreed to pay a fine of \$1,500. [Resolution of Investigation 2018-5.](#)



Important Filing Deadlines Reminder!

May 31, 2019:

- Financial Disclosure Statements for State Officials (except legislators, whose disclosure statements were due by January 31, 2019): <https://hawaiiethics.force.com/disclosures/s/>
- Lobbying Expenditures and Contributions Reports for March 1 – April 30, 2019: <https://hawaiiethics.force.com/lobbying/s/>



July 1, 2019:

- Gifts Disclosure Statements (the June 30 filing deadline falls on a Sunday this year, so filers have until Monday, July 1, to file their forms): <https://hawaiiethics.force.com/disclosures/s/>

All financial disclosure statements, lobbying reports, and gifts disclosure statements can be filed electronically. Use the hyperlinks above to access our e-filing system. If you have questions or need assistance, contact the State Ethics Commission’s office at (808) 587-0460 or ethics@hawaiiethics.org.