

SUNSHINE LAW MEETING  
MINUTES OF THE HAWAII STATE ETHICS COMMISSION

STATE OF HAWAII

Date: Thursday, October 17, 2019  
Time: 10:00 a.m.  
Place: Hawai'i State Ethics Commission Conference Room  
American Savings Bank Tower  
1001 Bishop Street, Suite 960  
Honolulu, Hawai'i 96813

Present: State Ethics Commission Members

Reynard D. Graulty, Chair  
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  
Virginia M. Chock, Staff Attorney  
Bonita Y.M. Chang, Staff Attorney  
Kee M. Campbell, Staff Attorney

Excused: Nancy C. Neuffer, Staff Attorney

**CALL TO ORDER**

Chair Graulty called the meeting to order at 10:02 a.m.

**Agenda Item No. I: Consideration and Approval of the Minutes of the September 19, 2019 Meeting**

Commissioner DeGuzman made and Vice Chair Tschumy seconded a motion to approve the minutes of the September 19, 2019 Sunshine Law Meeting. The motion carried unanimously (Graulty, Tschumy, DeGuzman, Wood, and Fong voting).

## **Agenda Item No. II: Executive Director's Report**

### *Education / Training Report*

Executive Director Gluck reported that staff has been very busy with trainings over the last month. He also stated that the on-line training program, which will take under 30 minutes to complete, was almost ready to launch. In response to Commissioner Fong's question, Executive Director Gluck confirmed that the Commission will keep records of which state employees complete the on-line training, and that employees who complete the program can get an electronic certificate of completion from the Commission.

### *Guidance and Assignment Statistics – September 2019*

Chair Graulty asked whether the office has seen an uptick in gifts/travel inquiries; Executive Director Gluck stated that he believed the numbers were higher but he would have to review statistics from prior years.

### *Financial Report for FY 2019-2020 (Quarter Ending September 30, 2019)*

Executive Director Gluck reported that the office was under budget for the first fiscal quarter. In response to a question from Chair Graulty, Executive Director Gluck explained that expenditures for out-of-state travel were high because the office paid for plane tickets and conference registrations for the December COGEL conference, which is usually the only out-of-state travel for the Commission.

### *Miscellaneous Office Projects/Updates*

Executive Director Gluck reported on these items after the Commission discussed Agenda Item III.

a. Personnel

Executive Director Gluck stated that he was still working to fill the open secretary position.

b. Office improvements

Executive Director Gluck stated that staff was looking to purchase a new workstation for administrative staff, using the allowance provided by the building management when the Commission re-negotiated its lease.

Executive Director Gluck also reported that staff was looking to revamp the Commission's website to make it easier for the public to find resources.

### **Agenda Item No. III: Ethics Conference**

Chair Grauly stated that he believed the 2019 ethics conference was worth the effort, and he hoped that the county ethics boards found the conference helpful. The Commissioners were dismayed at the county ethics boards' overall lack of resources and expressed interest in having the Commission provide additional assistance to them. The Commission suggested that Executive Director Gluck reach out to Hawai'i County as a starting point to see whether the Commission can provide any assistance.

### **Agenda Item No. IV: Proposed Administrative Rules**

Executive Director Gluck stated that he spoke with House Speaker Scott Saiki regarding the proposed administrative rules. Speaker Saiki expressed concern that the new rule regarding disclosures of interests affected by legislators' actions (proposed Hawai'i Administrative Rule § 21-7-10) may raise separation of powers issues. Speaker Saiki intends to consult with his colleagues and get back to us. Executive Director Gluck said that he can continue to check in with Speaker Saiki and update the Commission at the next meeting. After some discussion, the Commission's consensus was to defer the matter until the November meeting.

Sandy Ma from Common Cause asked about the length of time that the public would have to view the draft rules prior to the hearing. Executive Director Gluck responded that the public notice would be posted at least thirty days prior to the hearing, but that Common Cause – or anyone else – was welcome to send comments directly to him at any time prior to the public hearing.

The Commission concurred with the recommendation, initially made by the Commission's Deputy Attorney General to Executive Director Gluck, to have an "Impact Statement" with the comments and examples from previous drafts of the rules.

### **Agenda Item No. V: Proposed Budget: 2020-2021**

Executive Director Gluck presented the Commission with the proposed budget for the 2020-2021 fiscal year. He explained that there are no significant changes from the current fiscal year's budget. He also said that his principal concern is to secure funding for pay increases for staff, whose salaries have not been increased since the beginning of the 2018-2019 fiscal year.

Commissioner Fong made and Vice Chair Tschumy seconded a motion to approve the proposed budget for the 2020-2021 fiscal year. The motion carried unanimously (Grauly, Tschumy, DeGuzman, Wood, and Fong voting).

**Agenda Item No. VI: Proposed Legislation for 2020 Legislative Session**

Executive Director Gluck presented the Commission with two legislative proposals developed by the staff: a post-employment bill, which would restrict lobbying activities by certain high-level government officials for one year following their state service, and a financial disclosure bill, which would make some housekeeping changes to the statute to conform with the capabilities of the Commission's new electronic filing system and would require state officials to disclose additional information regarding private clients.

Vice Chair Tschumy made and Commissioner Fong seconded a motion to approve the proposed bills for introduction in the 2020 legislative session. The motion carried unanimously (Grauly, Tschumy, DeGuzman, Wood, and Fong voting).

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

After discussing Agenda Item No. VIII, Executive Director Gluck reported no change in the status of this case.

**Agenda Item No. VIII: *Akana v. Hawaii State Ethics Commission*, Civil No. 19-1-0379-03 (JHA)**

Executive Director Gluck reported that the Circuit Court ruled in the Commission's favor and Ms. Akana has appealed to the Intermediate Court of Appeals.

**ADJOURNMENT OF SUNSHINE LAW MEETING**

At 10:59 a.m., Commissioner DeGuzman made and Commissioner Wood seconded a motion to adjourn the Sunshine Law Meeting. The motion carried unanimously (Grauly, Tschumy, DeGuzman, Wood, and Fong voting).

The meeting was adjourned at 10:59 a.m.

Minutes approved on: November 21, 2019