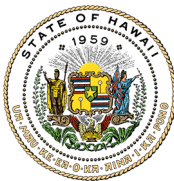


SUNSHINE LAW MEETING



HAWAI'I STATE ETHICS COMMISSION

State of Hawai'i · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawai'i 96813

NOTICE OF MEETING OF THE HAWAI'I STATE ETHICS COMMISSION

Date: July 16, 2020

Time: 9:00 a.m.

Location: Via Videoconference or Phone:

Videoconference: [Join Zoom Meeting](#)

Phone: +1 (408) 638-0968 or +1 (669) 900-6833

Meeting ID: 989 0618 3302

Password: 865290

Due to COVID-19, this meeting will be held via videoconference and phone conference. All members of the public are invited to join this meeting using the above information; anyone wishing to testify may do so during the conference call, or may submit written testimony in advance of the meeting via e-mail, fax, or mail. To avoid excessive noise/feedback, please mute your telephone except to testify.

In person:

Hawai'i State Ethics Commission Conference Room
American Savings Bank Tower
1001 Bishop Street, Suite 960
Honolulu, Hawai'i 96813

***Note: Commissioners and staff will appear remotely, via videoconference, and members of the public are encouraged to attend via videoconference or telephone. Staff will make every effort to accommodate members of the public who wish to testify in person at the Commission's Conference Room, but staff will limit the number of people allowed in the Conference Room at any given time. If you wish to attend in person, you must wear a mask and must remain more than six feet away from every other person in attendance.*

A G E N D A

CALL TO ORDER

I. Consideration and Approval of the Minutes of the June 18, 2020 Meeting

II. Election of Officers for 2020

Attachment 1: Election of Officers for 2020

III. Executive Director's Report

1. Education / Training Report

Attachment 2: 2020 Training Attendance / Schedule

Attachment 3: Online Training Completions by Department

2. Guidance and Assignment Statistics – June 2020

Attachment 4: 2020 Guidance and Assignment Statistics / Website Traffic

3. Ethics Survey of State Employees

4. Financial Report for FY 2019-2020 (year-end report)

Attachment 5: Year-End Financial Report FY2019-2020

5. Miscellaneous Office Projects / Updates

IV. 2020 Legislative Session

1. [HB2124](#): Prohibits certain state officials and employees from representing certain interests before the State for 12 months after termination from their respective positions. (Ethics Commission bill)

2. [HB2125](#): Makes various amendments to the State Ethics Code. Repeals exemption from certain financial disclosure requirements granted to members of the Hawaii Correctional System Oversight Commission. (Ethics Commission bill)

3. [HB1673](#): Clarifies that each house of the legislature shall adopt rules regarding disclosure of the nature and extent of any interest or transaction that the legislator believes may be affected by the legislator's official action. (Ethics Commission bill)

Attachment 1: Senate Standing Committee Report no. 3739

4. [HB361](#): Prohibits the governor and each 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. Specifies that the county boards and commissions have enforcement authority over each respective county mayor. Specifies that the Hawai'i State Ethics Commission has enforcement authority over the governor.
5. [SB3103](#): Creates a School Facilities Agency. Commission staff testified (and the Legislature amended the bill in response) regarding (1) acceptance of gifts from the private sector and (2) financial disclosure statements to be filed by members of the new School Facilities Board.

V. Evaluation of Executive Director Daniel Gluck

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

VI. 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
JUNE 18, 2020 MEETING

Attachment 1: Sunshine Law Meeting Minutes of the June 18, 2020
Hawai'i State Ethics Commission Meeting

SUNSHINE LAW MEETING
MINUTES OF THE HAWAII STATE ETHICS COMMISSION

STATE OF HAWAII

Date: June 18, 2020

Time: 9:00 a.m.

Location: Held via Zoom video and audio conference

Present: State Ethics Commission Members

Reynard D. Graulty, Chair (via video conference)
Ruth D. Tschumy, Vice Chair (via video conference)
Susan N. DeGuzman, Commissioner (via video conference)
Melinda S. Wood, Commissioner (via video conference)
Wesley F. Fong, Commissioner (via video conference)

State Ethics Commission Staff

Daniel M. Gluck, Executive Director (via video conference)
Susan D. Yoza, Associate Director (via video conference)
Nancy C. Neuffer, Staff Attorney (via audio conference)
Virginia M. Chock, Staff Attorney (via video conference)
Bonita Y.M. Chang, Staff Attorney (via audio conference)
Kee M. Campbell, Staff Attorney (via video conference)
Patrick Lui, Computer Specialist (via audio conference)

Members of the Public

Bob Toyofuku (via audio conference)
Sandy Ma (via video conference)

CALL TO ORDER

Chair Graulty called the meeting to order at 9:01 a.m. and confirmed that all Commissioners and staff were present via videoconference or audio conference.

Chair Graulty requested that any members of the public joining the meeting via videoconference or telephone state their presence to the Commission.

1 **Agenda Item No. I: Consideration and Approval of the Minutes of the**
2 **May 21, 2020 Meeting**

3
4 Commissioner Fong made and Commissioner DeGuzman seconded a motion to
5 approve the minutes of the May 21, 2020 Sunshine Meeting. The motion carried
6 unanimously (Grauly, Tschumy, DeGuzman, Wood, and Fong voting).
7

8 Executive Director Gluck suggested that members of the public be asked if they
9 would like to testify after each agenda item to ensure no one is missed. Chair Grauly
10 asked whether there were any members of the public who wished to testify on the
11 minutes of the May 21, 2020 meeting. No one from the public indicated a desire to
12 testify on this item.
13

14
15 **Agenda Item No. II: Executive Director's Report**

16
17 *Education / Training Report*

18
19 Executive Director Gluck explained that in-person training sessions remain on
20 hold due to COVID-19 restrictions. Webinar-type training is being explored as a
21 possibility.
22

23 *Guidance and Assignment Statistics – May 2020*

24
25 The Commission did not have any questions or further discussion regarding the
26 Guidance and Assignment Statistics for May 2020.
27

28 After discussing the agenda item regarding the Ethics Survey of State
29 Employees, Commissioner Wood inquired about training figures not adding up in the
30 attachments in the meeting folder materials. Computer Specialist Patrick Lui explained
31 that the numbers of on-line trainees did not match because they were taken one week
32 apart, with the figures in Attachment 3 (910 trainees) pulled right before the Commission
33 meeting folder materials were sent to the Commissioners.
34

35 *Ethics Survey of State Employees*

36
37 Executive Director Gluck shared that he is working with Hui Chen, Chief Integrity
38 Advisor with the Attorney General's office, and professors from the University of Hawai'i
39 Shidler Business School (UH) on a research survey to be conducted of state employees
40 on ethics issues. Executive Director Gluck stated that UH would like a written
41 agreement between the Commission and the researchers, and that he is waiting for a
42 draft from Professors Ghuman and Nguyen. He said the professors intend to publish
43 the results when the study is complete.
44

45 Executive Director Gluck stated that the Legislature does not have any policies
46 regarding research studies such as this, and he is not aware of any Commission

1 policies that would apply here. Executive Director Gluck said he believed that any UH
2 policies, including review by its Institutional Review Board, would satisfy concerns that
3 the Commission may have about the study.
4

5 Commissioner Fong asked who the UH professors are and whether they are
6 being compensated by the Commission or UH. Executive Director Gluck said that the
7 professors are Sonia Ghuman and Hannah-Hanh D. Nguyen, and they are doing
8 research as part of their work with UH. Commissioner Fong asked if Dean Roley was
9 aware of this project. Executive Director Gluck said he did not know, but that Dean
10 Qimei Chen was aware of the project. Commissioner Fong wanted to confirm that the
11 appropriate Dean was aware of the project.
12

13 Executive Director Gluck shared that he and Chief Integrity Officer Chen are also
14 collaborating on an anti-corruption hotline and website to receive complaints of fraud,
15 waste, and abuse. The Commission staff and the Department of the Attorney General
16 will review the incoming complaints and will route items to the appropriate agencies.
17 Commissioner Fong mentioned that the Legislature is conducting a similar fraud project,
18 and he advised that staff ensure they are not duplicating efforts.
19

20 *Financial Report for FY 2019-2020 (preliminary year-end report)* 21

22 Executive Director reported that the office has purchased a new laptop and iPad
23 to facilitate remote meetings, but that staff are trying to limit expenses as much as
24 possible to return money to the General Fund. He stated that the office has pre-paid
25 two months of rent – to account for unexpected building expenses, such as increases in
26 common area maintenance fees – and that staff has negotiated lower rates for various
27 software and subscription services.
28

29 Commissioner Fong asked if next year's budget will allow for attendance at the
30 COGEL conference. Executive Director Gluck reported that there are funds allocated
31 for interstate travel, but the next COGEL conference will be held online only and there
32 will be no registration fee.
33

34 *Miscellaneous Office Projects / Updates* 35

36 Executive Director Gluck said that the office carpets have been cleaned; there
37 was no charge, as it was included as part of the lease.
38

39 In response to the spike in COVID-19 cases, Executive Director Gluck stated that
40 he was encouraging staff to revert to working remotely. Arrangements have been made
41 to limit the number of employees who work in the office and have them spaced apart.
42

43 Executive Director Gluck explained that the deadline for financial disclosures was
44 on June 1, 2020 or June 16, 2020 for filers who were granted an extension. He said
45 that out of approximately 1,900 filers, only 28 filers – 4 employees and 24 board
46 members – were still outstanding. He praised and thanked staff for their diligent work in

1 getting people to file and guiding them through the e-filing system. He stated that staff
2 was planning to publish the list of late filers later that day, but that this list of late filers
3 was substantially smaller than the same late-filer list from last year.
4

5 Chair Gaulty asked if there were any questions regarding the Executive
6 Director's report. There were none.
7
8

9 **Agenda Item No. III: Proposed Administrative Rules**

10
11 A. Testimony received from Bob Toyofuku, Esq., on 5/20/20
12

13 Chair Gaulty asked if there were any questions or additional public testimony
14 regarding Bob Toyofuku's letter received on 5/20/20. Mr. Toyofuku thanked the
15 Commission for allowing him to participate and had no additional comments or
16 testimony.
17

18 B. Staff memorandum in response to Mr. Toyofuku's testimony
19

20 Chair Gaulty said that staff's memorandum has three suggestions: (1) to delete
21 the second sentence of the definition of direct lobbying, in proposed Hawai'i
22 Administrative Rules ("HAR") § 21-10-1; (2) to add the word "total" to add clarification
23 about total expenditures, in § 21-10-7(b)(1)(C); and (3) to fix the grammatical error by
24 deleting the letter "s" in the word "purposes" so it is not plural, in § 21-10-9(c).
25

26 Chair Gaulty asked Executive Director Gluck if there was anything else he
27 wanted to add. Executive Director Gluck said that there was some discussion on the
28 rules during the last meeting, but there were technical difficulties and he wanted to
29 check if there were additional comments the Commission wanted to add to the record.
30

31 Chair Gaulty questioned the addition of the word "total" to § 21-10-7(b)(1)(C), as
32 he believed it was redundant. Executive Director Gluck said that while the additional
33 word is somewhat redundant, he believed it helped to clarify the proposed rule.
34

35 Commissioner DeGuzman said she believed, as a precaution, that adding "total"
36 would help with clarification.
37

38 Mr. Toyofuku gave an example in which he were to receive \$2,000 a month, or
39 \$24,000 a year, to lobby. He stated that, after speaking with Executive Director Gluck,
40 his (Mr. Toyofuku's) understanding was that he would be required to report the entire
41 amount as an expenditure for the purpose of lobbying. Mr. Toyofuku stated that this
42 may be confusing for some lobbyists.
43

44 Chair Gaulty asked if there were any more questions for Executive Director
45 Gluck or Mr. Toyofuku regarding their suggestions. There were none.

1 Commissioner Fong made and Commissioner DeGuzman seconded a motion to
2 approve the deletion of the second sentence of the definition of "Direct lobbying" in
3 proposed HAR § 21-10-1. The motion carried unanimously (Graulty, Tschumy,
4 DeGuzman, Wood, and Fong voting).

5
6 Vice Chair Tschumy made and Commissioner DeGuzman seconded a motion to
7 approve insertion of the word "total" before "compensation" in proposed HAR § 21-10-
8 7(b)(1)(C). The motion carried unanimously (Graulty, Tschumy, DeGuzman, Wood, and
9 Fong voting).

10
11 Commissioner DeGuzman made and Vice Chair Tschumy seconded a motion to
12 fix the grammatical error by deleting the letter "s" in "purposes" in proposed HAR
13 § 21-10-9(c). The motion carried unanimously (Graulty, Tschumy, DeGuzman, Wood,
14 and Fong voting).

15
16 Chair Graulty asked if that concluded the amendments to the proposed
17 administrative rules. Executive Director Gluck said that there were additional
18 amendments that were proposed, but not voted upon, at the May 21, 2020 meeting: the
19 red-lined edits recommended by staff and the blue-lined edits recommended by
20 Commissioner DeGuzman.

21
22 Vice Chair Tschumy made and Commissioner DeGuzman seconded a motion to
23 approve amendments suggested by staff and provided at the May 21, 2020 meeting.
24 The motion carried unanimously (Graulty, Tschumy, DeGuzman, Wood, and Fong
25 voting).

26
27 Commissioner Fong made and Commissioner Wood seconded a motion to
28 approve the entire rules package, incorporating the stylistic and grammatical
29 amendments proposed by Commissioner DeGuzman at the May 21, 2020 meeting.
30 The motion carried unanimously (Graulty, Tschumy, DeGuzman, Wood, and Fong
31 voting).

32
33 Chair Graulty said that the rules package will be sent to the Attorney General's
34 office next.

35
36 Commissioner Fong expressed his gratitude to Mr. Toyofuku, who has been a
37 lobbyist for many years. Mr. Toyofuku reciprocated his thanks.

38
39
40 **Agenda Item No. IV: Office of Information Practices: Request for Comments for**
41 **Draft Legislation**

42
43 Chair Graulty asked Executive Director Gluck to confirm that the Office of
44 Information Practices ("OIP") is asking for input from the Commission.

45
46 Chair Graulty acknowledged that Ms. Ma just entered the meeting.

1 Executive Director Gluck stated that OIP requested input on possible proposals
2 for the next legislative session. Executive Director Gluck stated that he intends to write
3 to OIP to express support for statutory changes that would allow the Commission to
4 hold meetings via videoconference without having to disclose the Commissioners'
5 locations to the public. He believes videoconferencing will increase participation by
6 members of the public and will save neighbor island Commissioners the time and
7 expense of traveling to meetings.

8
9 Chair Gaulty asked if there were any questions. There were none.

10
11
12 **Agenda Item No. V: Evaluation of Executive Director Daniel Gluck**

13
14 Chair Gaulty asked if Vice Chair Tschumy and Commissioner Wood could set
15 up a survey via SurveyMonkey to assist in the evaluation of Executive Director Gluck.
16 There were no objections.

17
18 Commissioner DeGuzman made and Commissioner Fong seconded a motion
19 that Vice Chair Tschumy and Commissioner Wood conduct a survey via SurveyMonkey
20 in connection with the evaluation of Executive Director Gluck. The motion carried
21 unanimously (Gaulty, Tschumy, DeGuzman, Wood, and Fong voting).

22
23
24 **Agenda Item No. VI: Recognition of Commissioner Susan DeGuzman**

25
26 Chair Gaulty announced that this was Commissioner DeGuzman's last meeting
27 and expressed his appreciation for her eight years of service on the Commission.

28
29 Executive Director Gluck also voiced his appreciation and gratitude for
30 Commissioner DeGuzman's work on the Commission. Commissioner DeGuzman was
31 presented with a wooden bowl from the Commissioners and staff. Executive Director
32 Gluck added that no state funds were used for the purchase of this gift.

33
34 Commissioner DeGuzman described her term on the commission as fun and
35 challenging, and said that she will miss everyone.

36
37 Chair Gaulty requested that all Commissioners sign Commissioner DeGuzman's
38 certificate in original ink.

39
40 Chair Gaulty stated that the Judicial Council has not started interviewing
41 candidates for the seat vacated by Commissioner DeGuzman. He asked Mr. Toyofuku
42 if he (Mr. Toyofuku) was still a member of the Judicial Council. Mr. Toyofuku replied
43 that he is still a member of the Judicial Council and that interviews of prospective
44 commissioners had been delayed due to COVID-19.

1 **ADJOURNMENT OF SUNSHINE LAW MEETING**

2
3 Chair Gaulty asked whether any members of the public had any additional
4 testimony on any agenda item. None of the attendees had any additional testimony.
5

6 At 9:42 a.m., Commissioner DeGuzman made and Commissioner Wood
7 seconded a motion to adjourn the Sunshine Law Meeting. The motion carried
8 unanimously (Gaulty, Tschumy, DeGuzman, Wood, and Fong voting).
9

10 The meeting was adjourned at 9:42 a.m.
11

12
13 Minutes approved on: _____

SUNSHINE LAW MEETING
AGENDA ITEM II

ELECTION OF OFFICERS FOR 2020

Attachment 1: Election of Officers for 2020

SUNSHINE LAW MEETING
AGENDA ITEM II

ELECTION OF OFFICERS FOR 2020

At this meeting, in accordance with Section 21-1-10 of the Commission's Administrative Rules, the Commission should elect a Chair and Vice Chair for 2020. Section 21-1-10 of the Commission's Rules provides as follows:

§21-1-10 Chairperson and vice-chairperson. (a) A chairperson shall be elected by secret ballot vote by a majority of all the members to which the commission is entitled, who shall serve for a term of one year or until a successor is elected, with such term to commence on January 1 of each year.

(b) A vice-chairperson, who shall call and chair meetings in the incapacity or absence of the chairperson, shall be elected by secret ballot vote by a majority of all the members to which the commission is entitled, and shall serve for a term of one year or until a successor is elected, with such term to commence on January 1 of each year.

The following table is provided for your information.

Commissioner	Date Appointed	Term End	Date of Reappointment	Term End
Ruth D. Tschumy*	8/26/2013	6/30/2017	7/01/2017	6/30/2021
Melinda S. Wood	7/07/2014	6/30/2018	7/01/2018	6/30/2022
Reynard D. Gaulty**	7/01/2015	6/30/2019	7/01/2019	6/30/2023
Wesley Fong	7/01/2018	6/30/2022		

* Commissioner Tschumy has served as Vice Chair from January 2018 to the present.

** Commissioner Gaulty served as Chair from February 2017 to June 2020.

(Note: Commissioners may be appointed to two consecutive four-year terms.)

SUNSHINE LAW MEETING
AGENDA ITEM III

EXECUTIVE DIRECTOR'S REPORT

- Attachment 1: Executive Director's Report
- Attachment 2: 2020 Training Attendance / Schedule
- Attachment 3: Online Training Completions by Department
- Attachment 4: 2020 Guidance and Assignments Statistics / Website Traffic
- Attachment 5: Year-End Financial Report FY2019-2020

SUNSHINE MEETING
AGENDA ITEM III

EXECUTIVE DIRECTOR'S REPORT
July 16, 2020

1. Education / Training Report

All in-person trainings have been postponed indefinitely due to COVID-19.

Attachment 2: 2020 Training Attendance / Schedule

Attachment 3: Online Training Completions by Department

2. Guidance and Assignment Statistics – June 2020

Attachment 4: 2020 Guidance and Assignment Statistics / Website Traffic

3. Ethics Survey of State Employees

4. Financial Report for FY 2019-2020 (year-end report)

Attachment 5: Year-End Financial Report FY2019-2020

5. Miscellaneous Office Projects / Updates

HAWAII STATE ETHICS COMMISSION 2020 EDUCATION PROGRAM (Ethics Workshops and Presentations)		
DATE	PRESENTATIONS	NUMBER OF PARTICIPANTS
1/2/2020	General Ethics Training, House of Representatives Staff Training	99
1/7/2020	General Ethics Training, Windward Community College	122
1/13/2020	Ethics Refresher Course, State Capitol, Honolulu	30
1/14/2020	Lobbyists Law Training, State Capitol, Honolulu	30
2/24/2020	General Ethics Training, DCCA, Supervisors	32
2/24/2020	General Ethics Training, DCCA, Non-Supervisors	58
2/25/2020	General Ethics Training, DCCA, Supervisors	24
2/25/2020	General Ethics Training, DCCA, Non-Supervisors	61
2/27/2020	General Ethics Training, DCCA, Supervisors	24
2/27/2020	General Ethics Training, DCCA, Non-Supervisors	69
3/17/2020	General Ethics Training, Hilo (CANCELLED)	
3/20/2020	General Ethics Training, DOT, Harbors (2 sessions) (CANCELLED)	
3/24/2020	General Ethics Training, Honolulu (CANCELLED)	
3/25/2020	General Ethics Training, Lihue (CANCELLED)	
4/6/2020	General Ethics Training, Kona (CANCELLED)	
4/21/2020	General Ethics Training, DLNR, DOFAW (CANCELLED)	
4/28/2020	General Ethics Training, DOH Executive Committee, Honolulu (CANCELLED)	
5/8/2020	General Ethics Training, Kahului (CANCELLED)	
5/12/2020	General Ethics Training, Pearl City (CANCELLED)	

10/20/2020	General Ethics Training, Honolulu	
xx/xx/2020	General Ethics Training, DOT, Harbors (supervisors)	
TOTAL	22 Presentations	549 participants

Department/Agency	# of Completions
Department of Health (DOH)	171
Department of Transportation (DOT)	149
Department of Education (DOE)	137
Department of Land and Natural Resources (DLNR)	62
Department of Accounting and General Services (DAGS)	59
Department of the Attorney General (ATG)	48
Department of Public Safety (DPS)	39
University of Hawaii-West Oahu (UOHW)	39
Hawaii Health Systems Corporation (HHSC)	37
University of Hawaii-Manoa (UOHM)	34
Department of Commerce and Consumer Affairs (DCCA)	33
Department of Agriculture (DOA)	31
Judiciary (JUD)	27
University of Hawaii-System (UOH)	16
Department of Business, Economic Development and Tourism (DBEDT)	15
Other (Please fill-in "Other Department/Agency")	9
Office of the Governor (GOV)	7
University of Hawaii-Community Colleges (UOHC)	4
Public Charter School (SPCSC)	4
Research Corporation of the University of Hawaii (RCUH)	4
Department of Human Services (DHS)	3
Office of the Auditor (AUD)	3
Department of Human Resources Development (DHRD)	2
Department of Labor and Industrial Relations (DLIR)	2
Senate (SEN)	1
Office of the Lieutenant Governor (LTG)	1
Total Certificate of Completions Issued	937

As of July 2, 2020

2020	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Year to date
Training statistics													
# of In-Person Trainings	4	6	0	0	0	0							10
# of People Trained In Person	281	268	0	0	0	0							549
# of On-Line Training	403	182	190	76	49	33							933
Attorney of the Day													
	148	96	79	61	72	51							507
New assignments													
Advisory Opinion	0	0	0	0	0	0							0
Complaint	7	7	8	8	8	5							43
Gifts/Invitations/Travel	16	12	3	1	0	0							32
Guidance	2	2	0	2	0	1							7
Judicial Selection Comm'n	1	5	3	2	2	1							14
Training Request	0	0	0	0	0	0							0
Record Request	1	1	2	0	0	3							7
Project/Other	3	3	3	1	1	1							12
Total	30	30	19	14	11	11	0	0	0	0	0	0	115
Closed Assignments													
Advisory Opinion	0	1	1	0	0	0							2
Complaint	8	3	9	11	10	8							49
Gifts/Invitations/Travel	22	5	11	5	1	1							45
Guidance	4	1	5	2	1	3							16
Judicial Selection Comm'n	1	4	2	0	6	1							14
Training Request	1	0	0	0	0	0							1
Record Request	3	2	1	0	0	1							7
Project/Other	3	1	2	5	1	1							13
Total	42	17	31	23	19	15	0	0	0	0	0	0	147

Dataset Views

Disclosures	97	91	64	58	84	76									470
Lobbyist Registrations	364	276	221	113	127	119									1,220
Organization Expenditures	67	51	27	11	12	21									189
Lobbyist Expenditures	53	44	25	17	24	15									178
Ethics Advice	108	112	66	39	59	54									438
Total	689	574	403	238	306	285	0	0	0	0	0	0	0		2,495

HAWAII STATE ETHICS COMMISSION FINANCIAL REPORT
 FY 2020 (QUARTER ENDING: June 30, 2020)
 Appropriation Symbol: G-20-393-Y6

	Amount Appropriated FY 2019-2020	Expenditures for Qtr. End 9/30/2019	Expenditures for Qtr. End 12/31/2019	Expenditures for Qtr. End 3/31/2020	Expenditures for Qtr. End 6/30/2020	Year-To-Date Expenditures Totals	% of Budget Expended
A. PERSONNEL SERVICES							
Staff Salaries	\$ 977,445.00	\$ 244,354.50	\$ 235,116.50	\$ 243,622.50	\$ 243,622.50	966,716.00	98.9%
Vacation Payout		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
Total Personnel Services	\$ 977,445.00	\$ 244,354.50	\$ 235,116.50	\$ 243,622.50	\$ 243,622.50	\$ 966,716.00	98.9%
B. OTHER CURRENT EXPENSES							
Office Expenses	14,650.00	2,983.76	5,266.19	1,234.77	4,173.11	13,657.83	93.2%
Intrastate Transportation and Travel	9,250.00	459.02	238.36	622.79	-297.19	1,022.98	11.1%
Out-of-State Travel	12,660.00	4,557.00	1,847.33	2,928.22	0.00	9,332.55	73.7%
Equipment Rental and Maintenance	25,550.00	3,365.10	704.45	812.64	17,392.17	22,274.36	87.2%
Dues, Subscriptions, Training	16,410.00	2,515.95	6,091.72	1,786.58	2,606.58	13,000.83	79.2%
Newspaper Advertisements	1,100.00	35.00	0.00	376.20	376.20	787.40	71.6%
Comm'n Mtgs, Investigations, Hrgs	11,600.00	549.74	5.23	285.79	0.00	840.76	7.2%
Consulting Services	23,900.00	139.99	632.46	142.00	25,130.88	26,045.33	109.0%
Office Rent	105,500.00	12,244.29	23,006.10	35,213.36	27,745.77	98,209.52	93.1%
Total Other Current Expenses	\$ 220,620.00	\$ 26,849.85	\$ 37,791.84	\$ 43,402.35	\$ 77,127.52	\$ 185,171.56	83.9%
C. CAPITAL OUTLAY							
Office Furniture and Equipment	4,000.00	0.00	6,888.34	-6,888.34	0.00	0.00	0.0%
Total Capital Outlay	\$ 4,000.00	\$ 0.00	\$ 6,888.34	-\$ 6,888.34	\$ 0.00	\$ 0.00	0.0%
GRAND TOTAL (A+B+C)	\$ 1,202,065.00 ¹	\$ 271,204.35	\$ 279,796.68	\$ 280,136.51	\$ 320,750.02	\$ 1,151,887.56	95.8%
VACATION		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	

General Fund Allocation \$ 1,202,065.00
 Total Expenditures as of June 30, 2020 \$ 1,151,887.56
 Balance as of June 30, 2020 \$50,177.44

¹ \$1,202,065 awarded by Act 1, SLH 2019 - Appropriation 393.

HAWAII STATE ETHICS COMMISSION FINANCIAL REPORT
FY 2020 (QUARTER ENDING: June 30, 2020)
Appropriation Symbol: G-19-396-Y6

	Amount Appropriated FY 2018-2020	Expenditures for Qtr. End 9/30/2019	Expenditures for Qtr. End 12/31/2019	Expenditures for Qtr. End 3/31/2020	Expenditures for Qtr. End 6/30/2020	Year-To-Date Expenditures Totals	% of Budget Expended
A. ACCRUED VACATION/VACATION TRANSFERS							
Vacation Payout	\$ 16,553.00 ¹	\$ 0.00	\$ 4,450.31	\$ 0.00	\$ 0.00	\$ 4,450.31	26.9%
Total Accrued Vacation/Vacation Transfers	\$ 16,553.00	\$ 0.00	\$ 4,450.31	\$ 0.00	\$ 0.00	\$ 4,450.31	26.9%
GRAND TOTAL	\$ 16,553.00	\$ 0.00	\$ 4,450.31	\$ 0.00	\$ 0.00	\$ 4,450.31	26.9%

Appropriation for Accrued Vacation/Vacation Transfer Payments	\$ 16,553.00
Total Expenditures as of June 30, 2020	\$ 4,450.31
Balance as of June 30, 2020	\$ 12,102.69

¹ Funds for accrued vacation and vacation transfer payments appropriated by Act 1, SLH 2018. Per DAGS, fund G-19-396-Y6 not closed by 9/30/2019 and was to be used to pay out vacation to retiring secretary.

SUNSHINE LAW MEETING
AGENDA ITEM IV
2020 LEGISLATIVE SESSION

Please see agenda for links to proposed bills.

Attachment 1: HB1673 Senate Standing Committee Report no. 3739

STAND. COM. REP. NO. 3739

Honolulu, Hawaii

JUL 02 2020

RE: H.B. No. 1673
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B.
No. 1673, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STATE ETHICS CODE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Restore statutory language to clarify that the fair treatment law does not prohibit a legislator from introducing legislation, serving on a committee, making statements, or taking action in the exercise of the legislator's legislative functions;
- (2) Clarify that every legislator must publicly disclose the nature and extent of the interest or transaction that the legislator believes may be affected by the legislator's official action in accordance with section 84-17, Hawaii Revised Statutes, and the rules of each house of the legislature; and
- (3) Require that each house of the Legislature adopt rules regarding the disclosure of the nature and extent of any interest or transaction that the legislator believes may be affected by the legislator's official action.

2020-2291 SSCR SMA.doc



Your Committee received testimony in support of this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, and one individual. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that Act 208, Session Laws of Hawaii of 2012, amended the Fair Treatment law of the state Ethics Code, section 84-13, Hawaii Revised Statutes (section 84-13), by changing the phrase "legislative functions," which is derived from article III, section 7 of the Hawaii State Constitution, to "official action", which is defined by section 84-3, Hawaii Revised Statutes. This measure would restore the language that was in statute prior to 2012; however, your Committee finds that this proposed change is unnecessary. The Hawaii State Ethics Commission suggests that the exception provided by subsection (b) of section 84-13, might be read to swallow the rules of fair treatment in subsection (a), such that legislators could argue they are not bound by subsection (a) at all. However, your Committee believes that the exception in subsection (b) is a narrow one, designed only to accommodate the legislative immunity clause of article III, section 7 of the Hawaii State Constitution.

Your Committee finds that subsection (b) does not exempt legislators from the general rule that state officials shall not use or attempt to use their official position to secure unwarranted treatment for themselves or others. For example, if a legislator were to direct a legislative employee to conduct campaign activities on state time, that act would violate the Fair Treatment law, section 84-13(a). Similarly, if a legislator were to use the legislator's legislative allowance for campaign purposes or engage in a substantial financial transaction with a subordinate, such acts would likewise violate section 84-13(a), notwithstanding subsection (b). The Legislature's intent is already clear that subsection (b) is designed to protect a legislator from those core legislative functions contemplated by article III, section 7 of the Hawaii State Constitution, but does not insulate a legislator from engaging in the prohibited actions set forth in subsection (a).

Your Committee also finds that this measure should further clarify the rulemaking responsibilities of the Hawaii State Ethics Commission and the Legislature, tasking the former with adopting rules relating to the Fair Treatment law generally and the latter



with rules on how legislators are to disclose potential conflicts of interests, consistent with legislators' constitutional authority, by ensuring that rules of the Hawaii State Ethics Commission are applicable until the time at which each house of the Legislature has adopted its own rules regarding disclosures of interests.

Accordingly, your Committee has amended this measure by:

- (1) Retaining the existing statutory language that refers to taking official action as a legislator;
- (2) Specifying that rules adopted by the Hawaii State Ethics Commission shall apply until each house of the Legislature adopts its own rules regarding disclosures of interests and transactions; and
- (3) Making it effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1673, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1673, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



KARL RHOADS, Chair



SUNSHINE LAW MEETING
AGENDA ITEM V

EVALUATION OF EXECUTIVE DIRECTOR DANIEL GLUCK

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

No attachments.