

BEFORE THE HAWAII STATE ETHICS COMMISSION

STATE OF HAWAII

HAWAII STATE ETHICS COMMISSION,)	COMPL-C-19-00336
)	
Complainant,)	NOTICE OF HEARING
)	
vs.)	
)	
TIAN XIAO,)	
)	
Respondent.)	

NOTICE OF HEARING

On January 16, 2020, the Hawaii State Ethics Commission ("Commission") issued Charge No. COMPL-C-19-00336 ("Charge") against Tian Xiao ("Respondent"), former Chief Examiner, Financial Surveillance and Examination Branch, Insurance Division, Department of Commerce and Consumer Affairs. On February 6, 2020, Respondent filed a written response to the Charge.

On March 19, 2020, the Commission, pursuant to Hawaii Revised Statutes ("HRS") sections 84-31(a) and 84-31(b), issued a Further Statement of Alleged Violation against Respondent.

On August 28, 2020, copies of the Charge and the Further Statement of Alleged Violation were personally served upon Respondent pursuant to HRS section 84-31(b). Thereafter, on September 7, 2020, Respondent filed a written response to the Further Statement of Alleged Violation.

Having concluded that there is probable cause to believe that a violation of HRS chapter 84, the State Ethics Code, has been committed, the Commission issues this Notice of Hearing pursuant to HRS section 84-31(c).

NOTICE IS HEREBY GIVEN that a formal contested case hearing on the Further Statement of Alleged Violation will be held before the Commission on **Wednesday, November 18, 2020, beginning at 9:00 a.m. Hawaii Standard Time and continuing, if necessary, through Monday, November 23, 2020,** and/or on subsequent days as ordered or directed by the Commission. Due to the current pandemic, and pursuant to the Governor's Fourteenth Proclamation Related to the COVID-19 Emergency,¹ the hearing will be conducted by videoconference and

¹ The current Fourteenth Proclamation Related to the COVID-19 Emergency that was signed by the Governor on October 13, 2020, and expires on November 30, 2020, provides in relevant part:

The following specific provisions of law are suspended, as allowed by federal law, pursuant to section 127A-13(a)(3), HRS:

. . .

Chapter 91, HRS, **administrative procedure**, to the extent necessary such that, at the sole discretion of the department or agency, any administrative hearing may be conducted by telephone or video conference without the parties, department or agency, being physically present in the same location; any deadlines may be waived or suspended; and any administrative hearing procedures, such as, but not limited to, conferences, filing of documents, or service, may be done via telephone or email. Additionally, to provide agencies with maximum flexibility to respond to the COVID-19 emergency, and to authorize any agency or court to stay or continue administrative hearings, appeals, and related deadlines as necessary.

(Emphases added.)

telephone conference via the following link:

Videoconference: [Join Zoom Meeting](#)
Phone: +1 (346) 248-7799 or +1 (408) 638-0968
Meeting ID: 923 3458 0095
Passcode: 120026

The hearing is being held under the authority of HRS section 84-31 and will be subject to the procedures set forth thereunder, in particular, HRS section 84-31(c).

The hearing shall also be subject to the relevant procedures set forth in Hawaii Administrative Rules, Title 21 (Administrative Rules of the Hawaii State Ethics Commission).

The issues before the Commission involve whether Respondent has violated HRS section 84-11 (Gifts law) and HRS section 84-11.5 (Gifts Reporting law).

Specifically:

- (1) With respect to HRS section 84-11, the Gifts law of the State Ethics Code, the issues involve whether Respondent accepted prohibited gifts of four meals paid for by Risk & Regulatory Consulting, LLC (“RRC”) and/or by representatives of RRC, a company that was contracted by the Insurance Division to conduct financial and regulatory examinations of Hawaii-domiciled insurance companies, agencies, health maintenance organizations, and mutual benefit societies;
- (2) With respect to HRS section 84-11.5, the Gifts Reporting law of the State Ethics Code, the issues involve whether Respondent failed to report gifts of two of the meals by the statutory deadline for gifts disclosure statements.

The above-stated issues and the facts alleged in support thereof are set forth in the Further Statement of Alleged Violation, dated March 19, 2020, which is incorporated herein by reference.

Pursuant to HRS section 84-31(c), the hearing shall be held in accordance with HRS chapter 91 and shall be open to the public. The parties may retain counsel; an individual may appear on the individual's own behalf; a member of a partnership may represent the partnership; and an officer or authorized employee of a corporation, trust, or association may represent the corporation, trust, or association.

Signatures on next page

Dated: Honolulu, Hawaii, October 19, 2020.

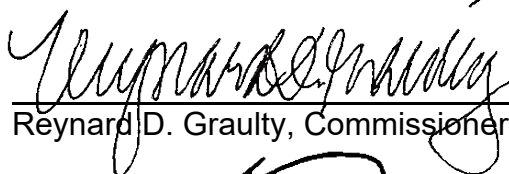
HAWAII STATE ETHICS COMMISSION



Ruth D. Tschumy, Chair



Melinda S. Wood, Vice Chair



Reynard D. Gaulty, Commissioner



Wesley F. Fong, Commissioner

Note: There was a vacancy on the Commission when this Notice of Hearing was issued.