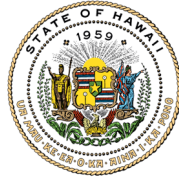


SUNSHINE LAW MEETING



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: May 17, 2023

Time: 9:00 a.m.

Location: Zoom Videoconference or Phone:

Videoconference: [Join Zoom Meeting](https://us06web.zoom.us/j/83655452298?pwd=c0RpclFqdncWVh3VU9NOWUzWXZUQT09)
<https://us06web.zoom.us/j/83655452298?pwd=c0RpclFqdncWVh3VU9NOWUzWXZUQT09>

Phone: +1 (346) 248-7799 or +1 (408) 638-0968

Meeting ID: 836 5545 2298

Passcode: 689629

Public Meeting Location:

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

Pursuant to Hawai'i Revised Statutes section 92-3.7, the State Ethics Commission will meet remotely using interactive conference technology. The public may either attend the meeting in person, at the public meeting location above, or participate remotely by using the above Zoom meeting information. If participating remotely, please mute your phone/device except while testifying. If the Commission's videoconference connection is lost during the meeting, please go to the Commission's website (www.ethics.hawaii.gov) for more information, including reconnection information.

Masks are encouraged for everyone attending the meeting in person.

Public meeting materials for this meeting are available on the Commission's website at: www.ethics.hawaii.gov.

A G E N D A

CALL TO ORDER

I. Consideration and Approval of the Minutes of the April 19, 2023 Meeting

*Attachment 1: Sunshine Law Meeting Minutes of the April 19, 2023
Hawai'i State Ethics Commission Meeting*

II. Consideration and Approval of the Minutes of the April 19, 2023 Executive Session Meeting

*Attachment 1: Sunshine Law Meeting Executive Session Minutes of the
April 19, 2023 Hawai'i State Ethics Commission Meeting*

III. Executive Director's Report

1. Education / Training Report

Attachment 1: 2023 Training Schedule

Attachment 2: Online Training Completions by Department

2. Guidance and Assignment Statistics – April 2023

Attachment 3: 2023 Guidance and Assignment Statistics / Website Traffic

3. Office Lease Renewal Status

4. Mail Server Status

5. File Server Status

6. Miscellaneous Office Projects / Updates

IV. 2023 Legislative Session

Bills of interest introduced in 2023 are described briefly below. The blue house or senate bill number is a clickable hyperlink that goes directly to the bill language online. If the hyperlink does not work, bills can be looked up at "capitol.hawaii.gov" by entering the bill number in the search box in the website's upper right corner.

- i. **Budget**
 - i. [HB 1514 HD1 SD1](#). Appropriates funds to provide for the expenses of the Legislature, Auditor, Legislative Reference Bureau, Ombudsman, and Ethics Commission. **Status:** Enrolled into law as Act 003, 3/28/2023.
- ii. **Financial Disclosures**
 - i. [SB 182 SD1 HD1 CD1](#) (Ethics Commission package). Amends the fines imposed and the procedures relating to enforcement of a late or missing financial disclosure statement. **Status:** Enrolled to Governor, 5/3/2023.
 - ii. [HB 141 HD1 SD1](#) (Ethics Commission package). Requires each state legislator to include within the legislator's disclosures of financial interest the names of lobbyists or lobbying organizations with whom the legislator has a financial relationship. **Status:** Transmitted to Governor, 4/29/2023.
- iii. **Gifts**
 - i. [HB 142](#) (Ethics Commission package). Prohibits lobbyists from making gifts that are prohibited under state ethics law. **Status:** Signed into law as Act 010, 3/31/23.
- iv. **Lobbyist Law**
 - i. [HB 137 HD1](#) (Ethics Commission package). Requires the statement of expenditures filed with the State Ethics Commission to include information on the identity, by bill number, resolution number, budget cost or program identification number, or other identifier, of the legislative or administrative action that was commented on, supported by, or opposed by the person filing the statement during the statement period. **Status:** Signed into law as Act 008, 3/31/23.
 - ii. [HB 138](#) (Ethics Commission package). Requires the State Ethics Commission to establish and administer a lobbyists training course and make the lobbyist training course mandatory for all lobbyists. **Status:** Signed into law as Act 20, 4/19/2023.
 - iii. [SB 1493 SD1 HD1 CD1](#). Prohibits, during legislative sessions and shortly before and after, lobbyist contributions and expenditures, and promises of contributions or expenditures, to any elected official, candidate, candidate committee, or individual who is required to file an organizational report with the Campaign Spending Commission. **Status:** Enrolled to Governor, 5/4/2023.

v. **Nepotism**

- i. [HB 717 HD1 SD2 CD1](#) (Standards Commission package). Prohibits under certain state employees from appointing, hiring, promoting, or retaining relatives and household members and from making or participating in certain other employment-related decisions and from awarding a contract to or otherwise taking official action on a contract with a business if the employee's relative or household member is an executive officer of or holds a substantial ownership interest in that business. Imposes administrative fines for violations. **Status:** Transmitted to the Governor, 5/3/2023.

vi. **Record Disposition**

- i. [HB 140](#) (Ethics Commission package). Provides the State Ethics Commission with the discretion to maintain or destroy records of financial disclosure statements beyond the current 6-year statutory requirement. Applies retroactively to applicable disclosures that are in the Commission's possession and control. **Status:** Signed into law as Act 009, 3/31/23.

V. Establishing Interim Process to Implement the Mandatory Lobbyist Training Law

Recommendation to issue an Order establishing procedures to implement Act 20 (2023) specific to lobbyists required to register under Hawai'i Revised Statutes Chapter 97.

Attachment 1: Order Regarding the Mandatory Lobbyist Training Law

VI. Establishing Procedures to Consider Good Cause Exceptions to the Proposed Nepotism Law

Recommendation to issue an Order in anticipation of HB 717 HD1 SD2 CD1 becoming law so as to establish an orderly process to consider good cause exception requests.

Attachment 1: Staff overview

Attachment 2: Order Regarding Applications for Good Cause Exceptions to the Nepotism Law

Attachment 3: Quick Guide to Nepotism Law

VII. Proposed Increase to the Commission's Administrative Fine Authority (Haw. Rev. Stat. § 84-39 and Haw. Rev. Stat. § 97-7)

No update on research looking into comparable fine structures.

VIII. Akana v. Hawaii State Ethics Commission and Daniel Gluck, Civil No. 18-1-1019-06 (JHA); Akana v. Hawaii State Ethics Commission, Civil No. 19-1-0379-03 (JHA); State of Hawaii, Ethics Commission v. Rowena Akana, Civil No. 20-1-0453 (BIA)

Discussion of case status.

The Hawai'i State Ethics Commission may convene an executive session pursuant to Hawai'i Revised Statutes section 92-5(a)(4) to consult with the Commission's attorneys and/or the Department of the Attorney General on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.

IX. Adjournment

Public Testimony

Anyone wishing to testify may do so during the meeting or may submit written testimony in advance of the meeting by email (ethics@hawaiiethics.org), facsimile (fax) (808-587-0470), or U.S. postal mail (State Ethics Commission, 1001 Bishop Street, American Savngs Bank Tower, Suite 970, Honolulu, Hawai'i 96813). Public testimony must be related to an item that is on the agenda and the testifier must identify the agenda item to be addressed by the testimony. Pursuant to Hawai'i Revised Statutes section 92-3 and Hawai'i Administrative Rules section 21-1-6(c), oral testimony is limited to three minutes per testifier per agenda item, subject to the reasonable discretion of the Chair.

Auxiliary Aid or Accomodation Due to a Disability

If you require an auxiliary aid or accommodation due to a disability, please contact the State Ethics Commission at (808) 587-0460 or email the Commission at ethics@hawaiiethics.org as soon as possible, preferably at least 48 hours prior to the meeting. 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.

SUNSHINE LAW MEETING
AGENDA ITEM I

CONSIDERATION AND APPROVAL OF THE MINUTES OF THE
APRIL 19, 2023 MEETING

Attachment 1: Sunshine Law Meeting Minutes of the April 19, 2023
 Hawai'i State Ethics Commission Meeting

SUNSHINE LAW MEETING
MINUTES OF THE HAWAI'I STATE ETHICS COMMISSION

STATE OF HAWAI'I

Date: April 19, 2023

Time: 9:01 a.m.

Location: Held via Zoom video and audio conference

Public Meeting Location

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

Present: State Ethics Commission Members

Wesley F. Fong, Chair (present in conference room)
Reynard D. Graulty, Vice Chair (via video conference)
Robert Hong, Commissioner (present in conference room)

Excused: Harry J. McCarthy, Commissioner
Beverley Tobias, Commissioner

State Ethics Commission Staff

Robert D. Harris, Executive Director (present in conference room)
Susan D. Yoza, Associate Director (present in conference room)
Nancy C. Neuffer, Staff Attorney (via video conference)
Bonita Y.M. Chang, Staff Attorney (via video conference)
Kee M. Campbell, Staff Attorney (via video conference)
Jennifer M. Yamanuha, Staff Attorney (via video conference)
Patrick W.C. Lui, Computer Specialist (via video conference)
Jared Elster, Staff Attorney (via video conference)

CALL TO ORDER (0:00)

Chair Fong called the meeting to order at 9:01 a.m. Chair Fong, Vice Chair Graulty, Commissioner Hong, and all Commission staff were present. All Commissioners and staff participating via video or audio conference confirmed no one was in the room with them at their respective remote locations.

1 Chair Fong noted that one member of the public was present, and the public
2 meeting notice included instructions for the public if the Commission’s video conference
3 connection was lost during the meeting.
4

5
6 **Agenda Item No. I: Consideration and Approval of the Minutes of the March 15,**
7 **2023 Meeting (3:13)**
8

9 Commissioner Hong made and Commissioner Graulty seconded a motion to
10 approve the minutes of the March 15, 2023, meeting. The motion carried (Fong,
11 Graulty, and Hong voting in the affirmative).
12

13
14 **Agenda Item No. II: Executive Director’s Report (3:47)**
15

16 Executive Director Harris reviewed the training statistics for March 2023 and the
17 training schedule for 2023. Director Harris noted that two live trainings were held in the
18 month of March. One of those trainings was held for the Department of Education
19 (“DOE”) leadership team, with an associated conversation about how to get DOE staff
20 to take the online, self-directed training course. Director Harris noted that DOE had
21 approximately 20,000 employees and it was a critical agency to engage in ethics
22 training. Director Harris also noted that 4,042 individuals took the online training
23 course. Three months into the year, the total cumulative number of ethics training
24 participants in 2023 already matches the total number of participants in 2022 (which
25 likely was the largest number of ethics training participants in the Commission’s history).
26

27 Agencies were asked to report on their total number of employees, with an intent
28 of reporting an approximate percentage of employees in each agency who completed
29 the ethics training. Chair Fong asked if the report by the agencies would give the
30 Commission knowledge of who had not completed the mandatory training. Director
31 Harris replied that the public database maintained by the Ethics Commission would
32 provide a listing of those who have completed the training. By getting the total number
33 of employees, the Commission could create an approximate completion percentage for
34 each agency. Chair Fong asked about the consequences of non-compliance as the
35 training is mandated. Director Harris confirmed that the training is mandatory. Director
36 Harris noted that the intent is to get as many employees through the training as
37 possible, and that public reporting of the ethics training completion should encourage
38 overall participation.
39

40 Executive Director Harris stated that summaries of training comments and ratings
41 will be provided every six months. This avoids a situation where one training skews the
42 overall training review.
43

44 Executive Director Harris provided the overall monthly new matter statistics and
45 highlighted a large number of closed matters in March. Commissioner Fong noted that
46 24 new complaints were received, and he asked if that was a greater number of
47 complaints than past months. Director Harris noted that a large number of folks went

1 through the training March (over 4,000), and it was possible the Commission may see
2 an overall increase in the number of complaints.
3

4 An update was given regarding the renewal and renegotiation of the
5 Commission's office lease. The current lease expires in June. Negotiations were
6 underway with Commission's current landlord as well as another property location with
7 an intent of securing the best deal. The current proposal in front of the Commission
8 would result physical improvements to the existing space, such as facilitating public
9 access and updating 30+ year-old furnishings.
10

11 Director Harris also gave an update of the Commission's quarterly budget status.
12

13 Chair Fong recognized the Commission staff for their efforts in cleaning up the
14 office, including removing old files and boxes.
15

16
17 **Agenda Item No. III: 2023 Legislative Session (14:00)**
18

19 Executive Director Harris updated the Commission about the status of legislation
20 that staff have been tracking and reviewed each category of bills. He noted the unusual
21 legislative atmosphere created because of the highly publicized arrests of two former
22 legislators, and the House's leadership in establishing the Commission on Improving
23 Standards of Conduct. Every bill introduced by either the Ethics Commission or the
24 Standards Commission was heard by the House of Representatives.
25

26 Director Harris noted that many of the bills in the Ethics Commission's package
27 were on track to be approved and signed into law.
28

- 29 • HB 1514, which includes the Ethics Commission's budget, was
30 transmitted to the Governor.
31
- 32 • SB 182, which amends the fines imposed and procedures relating to late
33 financial disclosure statements, was referred to the House judicial
34 committee. Executive Director Harris did not anticipate significant
35 obstacles to its moving forward.
36
- 37 • SB 136, which requires each chamber of the Legislature to post online a
38 report of the legislative allowance expenditures for each member, was
39 referred to the Senate. Executive Director Harris noted it was deferred,
40 however both branches of the Legislature publicly committed to posting
41 the legislative allowance expenditures online. Executive Director Harris
42 recognized Associate Director Susan Yoza for her efforts in drafting this
43 piece of legislation and moving the concept forward.
44

- 1 • HB 141, requiring each state legislator to disclose any financial
2 relationship they have with lobbyists or lobbying organizations, was going
3 to conference committee.
- 4
- 5 • HB 142, prohibiting lobbyists from making gifts that are otherwise
6 impermissible under the ethics code, was signed into law. Director Harris
7 noted he participated in a signing ceremony with the Governor.
- 8
- 9 • HB 137, requiring lobbyists to identify the specific bill, resolution, or budget
10 item they lobbied on, was signed into law.
- 11
- 12 • HB 138, which established a mandatory lobbyist training requirement, was
13 pending before Governor. Executive Director Harris noted the bill was
14 amended so it was effective upon signing, rather than giving the
15 Commission time to institute a new training program.
- 16
- 17 • HB 140, giving the Commission more discretion with regard to existing
18 document destruction requirements, was signed into law.
- 19
- 20 • SB 805, which amends the definition of lobbying to include communication
21 efforts at the executive branch level, was held at the Ethic Commission's
22 request. Staff committed to researching the issue during the interim period
23 and proposing new language at next year's legislative session.
- 24
- 25 • HB 717, the anti-Nepotism bill, was set for conference committee.
- 26
- 27 • SB 1187, which expands the post-employment restriction on lobbying for
28 legislators, has been deferred.
- 29

30 Chair Fong concluded by thanking the staff for their efforts in drafting, developing
31 testimony, and helping advocate for these various policy efforts. Chair Fong asked
32 about SB 1187. Director Harris said that SB 1187 was passed by Senate but not
33 scheduled for hearing by the House. Chair Fong asked if the bill would restrict
34 legislators or legislative employees from being employed by the State for 24 months.
35 Director Harris clarified that the bill would restrict lobbying by legislators for 24 months.
36 Chair Fong asked if there was a prohibition about legislators or legislative employees
37 working for the State. Director Harris replied that he does not believe there was an
38 overall state employment restriction. Commissioner Gaulty asked if the 12-month
39 lobbying restriction remained in place. Director Harris indicated that the 12-month
40 lobbying restriction remains in place, and that SB 1187 would have extended it to 24
41 months. Commissioner Hong thanked Executive Director Harris and the other staff for
42 their efforts at the Legislature.

43
44 A member of the public, Kai Lorinc, asked for the Ethics Commission budget.
45 Director Harris replied that the Commission's budget was \$1,400,019. Ms. Lorinc asked
46 how many complaints were resolved this year. Director Harris replied that this
47 information is in our annual report. Citizen Lorinc stated she believed the number was

1 four. She wanted to know how much of the budget was used on enforcement. She
2 stated that reports were sent to the Commission over one year ago that included
3 complaints of gerrymandering and public corruption without any public resolution. She
4 stated that many of the reported cases have not been resolved, and that corruption is
5 not being addressed. She asked to share her report regarding alleged criminal activity
6 with the Commissioners. Chair Fong asked Ms. Lorinc to send her report and committed
7 to sending the Commission's statistics to her.
8
9

10 **Agenda Item No. IV: Proposed Media Policy (31:48)**
11

12 Executive Director Harris noted that at some point the Commission stopped
13 regularly issuing media releases. Because of the importance of public transparency,
14 Director Harris proposed a uniform policy to publicize Commission decisions as follows.
15

16 Hawaii State Ethics Commission welcomes transparency, recognizing its
17 responsibility to improve and maintain public confidence in government
18 official and employees. It shall be the policy of the Commission to issue a
19 media alert with respect to any ethics opinions or decisions, such as an
20 issuance of a settlement agreement or an advisory opinion, with a brief,
21 objective description of the action taken.
22

23 Chair Fong agreed with the intent, and expressed concern that the public may not see
24 the work of the Commission. He added that the public and media is interested in the
25 work of the Commission.
26

27 Commissioner Hong moved, and Commissioner Graulty seconded a motion to
28 adopt the proposed media policy. Motion carried unanimously (Graulty, Hong, and Fong
29 voting).
30
31

32 **Agenda Item No. V: Proposed Increase to the Commission's Administrative Fine**
33 **Authority (Haw. Rev. Stat. § 84-39 and Haw. Rev. Stat. § 97-7) (37:54)**
34

35 Chair Fong previously asked Commission Staff to investigate national standards
36 on appropriate fine amounts for ethics violations. Executive Director Harris indicated the
37 research was not yet complete, and that this would become a standing item on the
38 agenda from now on.
39

40 Chair Fong stated that concern that fines are not as effective means of
41 deterrence. He inquired about the maximum fine allowed by the City and County of
42 Honolulu's Ethics Commission. Director Harris did not know. Chair Fong noted that
43 each county may be different.
44

45 Citizen Lorinc inquired what the maximum fine is. Director Harris replied that the
46 maximum fine per violation was \$1,000 and restitution could also be added.
47

1
2 **Agenda Item No. VI: Discussion of an Informational Meeting with the State and**
3 **County Ethics Commissions or Boards. (41:10)**
4

5 Staff Attorney Yamanuha stated that she is developing an idea to have a state-
6 wide meeting of State and County Ethics Commissions and, possibly, the Office of
7 Elections and Campaign Spending Commission. The goal of the meeting would be to
8 share best practices and ideas about how we can be more productive and empower
9 counties to do more beyond just financial disclosures. The proposed location is at the
10 Honolulu Ethics Commission offices at Kapalama Hale. Staff Attorney Yamanuha stated
11 that preliminary invitations have been sent. She also stated that a small amount to
12 assist with travel (\$1,000) is available and that staff is looking into options for remote
13 participation. The proposed agenda is for a day-long conference with breakouts and
14 discussions about each commission's functions, goals, and challenges, with speakers
15 from outside groups presenting on topics of interest.
16

17 Director Harris noted that the neighbor island commissions don't have much in
18 the way of staffing. He hoped this would be an opportunity to inspire the county ethics
19 commissions to seek additional funding and expand their reach.
20

21 Chair Fong asked when the event would take place, who would provide funding,
22 and emphasized that the event should be about sharing ideas and not dictating to the
23 commissions. Staff Attorney Yamanuha replied the date is set for September 1, 2023,
24 with the time to be determined. The Commission would fund \$1,000 out of budget.
25 Additional support would be provided by the Honolulu Ethics Commission. The
26 conference would be a joint learning opportunity. Chair Fong inquired about donations
27 for conference around food. Staff Attorney Yamanuha said staff would inquire about the
28 possibility.
29
30

31 **Agenda Items No. VII: Akana v. Hawaii State Ethics Commission and Daniel**
32 **Gluck, Civil No. 18-1-1019-06 (JHA); Akana v. Hawaii State Ethics Commission,**
33 **Civil No. 19-1-0379-03 (JHA); State of Hawaii, Ethics Commission v. Rowena**
34 **Akana, Civil No. 20-1-0453 (BIA) (52:40)**
35

36 There was no update on the Akana case.
37
38

39 **Agenda Item No. VIII: Evaluation of Executive Director Robert D. Harris (54:18)**
40
41

42 **RECESS OF SUNSHINE LAW MEETING AND CONVENING OF EXECUTIVE**
43 **SESSION**
44

45 At 9:55 a.m., Commissioner Graulty made and Commissioner Hong seconded a
46 motion to recess the public meeting and convene an executive session pursuant to

1 Hawai'i Revised Statutes section 92-5(a)(2) to discuss matters relating to the evaluation
2 of an employee.

3
4 The motion carried unanimously (Fong, Graulty, and Hong voting).

5
6 All staff were excused with the exception of Executive Director Harris, Associate
7 Director Yoza, and Computer Specialist Lui. No members of the public were present.
8 The Commissioners met in executive session.

9
10 **ADJOURNMENT OF EXECUTIVE SESSION AND RETURN TO SUNSHINE LAW**
11 **MEETING (54:51)**

12
13 At 9:55 a.m., Vice Chair Graulty made and Commissioner Hong seconded a
14 motion to adjourn the executive session and return to the public meeting. The motion
15 carried unanimously (Fong, Graulty, and Hong voting).

16
17 The Commission adjourned the executive session and returned to the public
18 meeting. All staff and a member of the public who were in the waiting room
19 returned to the public meeting. Chair Fong stated that the executive session was to
20 review the evaluation of Executive Director Harris. Chair Fong read a statement
21 regarding Executive Director Harris's Evaluation stating the Commission was overall
22 very pleased with his performance and gave him a 4.8 rating out of 5. The Commission
23 gave Director Harris high marks for his positive and collaborative relationship with the
24 Commission, his supervision with the staff, and his accomplishments with the
25 Legislature and media.

26
27 Director Harris communicated his sincere appreciation for the opportunity to
28 serve. He appreciated the challenge of navigating the balance between providing
29 education, advice, and enforcement. Director Harris also expressed his hearty
30 appreciation for the efforts of the staff and noted it was a true team effort.

31
32
33 **Agenda Item No. IX: Recognition of an Outstanding Commission Employee**
34 **(57:56)**

35
36 Chair Fong recognized Associate Director Susan Yoza on the occasion of her
37 retirement. Chair Fong read a Certificate presented on behalf of the Commission to
38 Associate Director Yoza. He noted her exemplary accomplishments, her exceptional
39 professionalism, and outstanding personal commitment to the highest standards of
40 ethical conduct.

41
42 Associate Director Yoza stated it has been an honor and privilege to work with
43 the commission and that she was going to miss everyone.

1 **ADJOURNMENT OF SUNSHINE LAW MEETING (1:03:04)**

2

3 At approximately 10:04 a.m., Commissioner Hong made and Commissioner
4 Graulty seconded a motion to adjourn the meeting. The motion carried unanimously
5 (Fong, Graulty, and Hong voting).

6

7 The meeting was adjourned at 10:04 a.m.

8

9 Minutes approved on _____.

DRAFT

SUNSHINE LAW MEETING
AGENDA ITEM II

CONSIDERATION AND APPROVAL OF THE MINUTES OF THE
APRIL 19, 2023 EXECUTIVE SESSION MEETING

Attachment 1: Sunshine Law Meeting Minutes of the April 19, 2023
Hawai'i State Ethics Commission Executive Session Meeting

****Executive Session Meeting Minutes not provided to the public.****

SUNSHINE MEETING
AGENDA ITEM III

EXECUTIVE DIRECTOR'S REPORT
May 17, 2023

1. Education / Training Report

Attachment 1: 2023 Training Attendance / Schedule

Attachment 2: Online Training Completions by Department

2. Guidance and Assignment Statistics – February 2022

Attachment 3: 2023 Guidance and Assignment Statistics / Website Traffic

3. Office Lease Renewal Status

4. Mail Server Status

5. File Server Status

6. Miscellaneous Office Projects / Updates

HAWAII STATE ETHICS COMMISSION		
2023 EDUCATION PROGRAM		
(Ethics Workshops and Presentations)		
DATE	PRESENTATIONS	NUMBER OF PARTICIPANTS
1/4/2023	Lobbyists Law Training, Zoom	50
1/5/2023	General Ethics Training, DOE, Kawananaoka Middle School	66
1/10/2023	Lobbyists Law Training, Zoom	19
1/13/2023	General Ethics Training, Senate, Zoom	80
1/20/2023	General Ethics Training, House, Capitol, Conference Room 325	47
1/24/2023	General Ethics Training, Zoom	227
2/10/2023	General Ethics Training, Zoom	68
2/21/2023	General Ethics Training, GOV, Capitol, 5th Floor	24
2/23/2023	General Ethics Training, Zoom	56
3/10/2023	General Ethics Training, Zoom	20
3/13/2023	General Ethics Training, UH - Hawai'iuniaka School of Hawaiian Knowledge, Zoom	47
3/22/2023	Ethics for State Board and Commission members, Zoom	4
4/5/2023	General Ethics Training, DOE, PBS Hawaii Studio	29
4/5/2023	General Ethics Training, Zoom	30
4/20/2023	General Ethics Training, Zoom (CANCELLED)	0
4/26/2023	General Ethics Training, SPCSC	30
5/3/2023	General Ethics Training, Zoom	24
5/9/2023	General Ethics Training, DOE, Campbell-Kapolei Complex Area	
5/18/2023	Ethics for State Board and Commission members, Zoom	

HAWAII STATE ETHICS COMMISSION

2023 EDUCATION PROGRAM

(Ethics Workshops and Presentations)

DATE	PRESENTATIONS	NUMBER OF PARTICIPANTS
6/7/2023	General Ethics Training, Zoom	
6/22/2023	General Ethics Training, Zoom	
7/6/2023	General Ethics Training, Zoom (CANCELLED)	0
7/20/2023	Ethics for State Board and Commission members, Zoom	
8/2/2023	General Ethics Training, Zoom (CANCELLED)	0
8/11/2023	General Ethics Training, Zoom	
8/28/2023	General Ethics Training, DOE, Roosevelt High School	
8/28/2023	General Ethics Training, DOE, Kawananaoka Middle School	
9/7/2023	General Ethics Training, Zoom	
9/21/2023	Ethics for State Board and Commission members, Zoom	
10/13/2023	General Ethics Training, Zoom	
10/25/2023	General Ethics Training, Zoom (CANCELLED)	0
11/16/2023	General Ethics Training, Zoom	
11/29/2023	Ethics for State Board and Commission members, Zoom	
12/7/2023	Ethics for State Government Attorneys, Zoom	
12/8/2023	Ethics for State Government Attorneys, Zoom	
12/21/2023	General Ethics Training, Zoom	
TOTAL	36 Presentations	821 participants

Online Training Completions by Department

Department/Agency	No. of Employees*	2022 Total	2023 Total	Overall Total
Department of Accounting and General Services (DAGS)	644	55	126	248
Department of Agriculture (DOA)	299	179	38	271
Department of Budget and Finance (B&F)	385	102	141	244
Department of Business, Economic Development and Tourism (DBEDT)	305	47	41	154
Department of Commerce and Consumer Affairs (DCCA)	541	50	304	401
Department of Corrections and Rehabilitation (DCR)	N/A	85	28	113
Department of Defense (DOD)	497	40	168	281
Department of Education (DOE)	22,159	159	125	512
Department of Hawaiian Home Lands (DHHL)	111	16	68	84
Department of Health (DOH)	2,447	314	1,035	1,578
Department of Human Resources Development (DHRD)	65	7	33	44
Department of Human Services (DHS)	1,686	6	883	1,093
Department of Labor and Industrial Relations (DLIR)	847	188	227	456
Department of Land and Natural Resources (DLNR)	792	59	390	524
Department of Law Enforcement (DLE)	332	62	28	90
Department of Public Safety (DPS)	3,002	523	168	735
Department of Taxation (TAX)	309	299	120	420
Department of the Attorney General (ATG)	646	146	317	580
Department of Transportation (DOT)	2,255	106	165	552
Hawai'i Health Systems Corporation (HHSC)	3,071	8	507	556
Hawai'i State Ethics Commission (HSEC)	10	4	2	6
Hawai'i State Public Library System (HSPLS)	429	2	523	526
House of Representatives (REP)	166	2	44	46
Judiciary (JUD)	1,727	84	743	884
Legislative Reference Bureau (LRB)	44	0	16	16
Office of Hawaiian Affairs (OHA)	145	45	7	114
Office of the Auditor (AUD)	23	0	0	3
Office of the Governor (GOV)	48	10	31	50
Office of the Lieutenant Governor (LTG)	10	1	0	5
Office of the Ombudsman (OMB)	12	3	2	7
Other (Please fill-in "Other Department/Agency")	N/A	50	8	115
Public Charter School (SPCSC)	20	25	2	46
Research Corporation of the University of Hawai'i (RCUH)	2,631	676	186	871
Senate (SEN)	109	3	8	15
University of Hawai'i-Community Colleges (UOHC)	2,568	552	98	727
University of Hawai'i-Hilo (UOHH)	864	90	34	127
University of Hawai'i-Manoa (UOHM)	8,511	1,422	353	1,891
University of Hawai'i-System (UOH)	502	287	72	403
University of Hawai'i-West Oahu (UOHW)	399	117	51	235
Total Employee Certificates of Completion Issued	58,611	5,824	7,092	15,023

Board and Commission	2022 Total	2023 Total	Overall Total
Agribusiness Development Corporation	3	0	3
Board of Acupuncture	1	0	1
Board of Agriculture	0	0	1
Board of Barbering and Cosmetology	2	0	2
Board of Certification of Operating Personnel in Wastewater Treatment Plants	3	0	3
Board of Chiropractic Examiners	1	0	1
Board of Dentistry	9	0	9
Board of Education	2	0	9
Board of Electricians and Plumbers	2	0	3
Board of Land and Natural Resources	2	0	4
Board of Nursing	1	0	1
Board of Pharmacy	1	1	2
Board of Physical Therapy	3	1	4
Board of Professional Engineers, etal	2	0	2
Board of Public Accountancy	1	1	2
Board of Registration	2	0	2
Board of Speech Pathology and Audiology	1	0	1
Board of Taxation Review	1	0	2
Board of Veterinary Examiners	0	1	1
Board on Geographic Names	2	0	2
Boxing Commission	0	0	1
Campaign Spending Commission	2	0	2
Civil Rights Commission	1	1	2
Commission on Water Resource Management	2	0	3
Contractors License Board	3	0	3

Online Training Completions by Department

Board and Commission	2022 Total	2023 Total	Overall Total
Council on Revenues	0	1	1
Disability and Communication Access Board	1	3	4
Early Learning Board	1	2	3
Elections Commission	2	0	2
Elevator Mechanics Licensing Board	1	0	1
Employees' Retirement System	1	0	1
Enhanced 911 Board	0	1	1
Environmental Advisory Council	2	0	2
Festival of the Pacific Arts & Culture	6	0	6
Hawai'i Board of Optometry	3	1	4
Hawai'i Climate Change Mitigation and Adaptation Commission	1	5	6
Hawai'i Employer-Union Health Benefits Trust Fund	0	1	2
Hawai'i Health Systems Corporation-Corporation	0	1	2
Hawai'i Health Systems Corporation-East Hawai'i	2	2	4
Hawai'i Health Systems Corporation-Oahu	1	0	1
Hawai'i Health Systems Corporation-West Hawai'i	4	0	4
Hawai'i Housing Finance and Development Corporation	0	0	1
Hawai'i Law Enforcement Standards Board	1	2	3
Hawai'i Medical Board	2	1	3
Hawai'i Paroling Authority	3	1	4
Hawai'i Public Housing Authority	6	0	6
Hawai'i State Emergency Response Commission	1	0	1
Hawai'i State Ethics Commission	2	0	4
Hawai'i Teacher Standards Board	7	0	7
Hawai'i Technology Development Corporation	3	0	3
Hawai'i Tourism Authority	1	0	1
Hawaii State Center for Nursing	1	0	1
Hawaiian Homes Commission	2	1	3
Hoisting Machine Operators Advisory Board	1	0	1
Island Burial Council - Kauai/Niihau	0	0	3
Island Burial Council - Molokai	1	0	1
Island Burial Council - Oahu	1	0	2
King Kamehameha Celebration Commission	3	1	4
Land Use Commission	2	0	2
Legacy Land Conservation Commission	0	0	1
Mauna Kea Stewardship and Oversight Authority	0	2	2
Medical Education Council	0	0	1
Motor Vehicle Industry Licensing Board	3	2	5
Motor Vehicle Repair Industry Board	1	1	2
National and Community Service, Hawai'i Commission for	1	0	1
Natural Energy Laboratory of Hawai'i	1	0	1
Oahu Metropolitan Planning Organization	3	1	4
Office of Hawaiian Affairs	1	0	1
Other (Please fill-in "Other Board/Commission")	67	15	99
Pest Control Board	3	0	3
RCUH-Board of Directors	1	0	1
Real Estate Commission	3	0	3
Soil and Water Conservation District Boards	9	1	12
Stadium Authority Commission	3	0	3
State Council on Developmental Disabilities	1	0	1
State Foundation on Culture and the Arts	2	0	2
State Public Charter School Commission	2	1	3
Statewide Health Coordinating Council	2	0	2
University of Hawai'i Board of Regents	5	0	7
Total Board and Commission Certificates of Completion Issued	217	51	314

Total Certificates of Completion Issued

6,041

7,143

15,337

*Based on annual financial disclosure updates from departments collected in March/April 2023

As of May 2, 2023, 11:00 AM

2023	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Year to date
Training statistics													
# of In-Person Trainings	2	1	1	2									6
# of People Trained In Person	113	24	47	59									243
# of On-Line Trainings (Self-Directed)	1051	522	4042	1454	74								7143
# of Training Webinars	4	2	2	1									9
# of Participants in Training Webinars	376	124	24	30									554
Attorney of the Day	125	103	125	97									450
New assignments													
Advisory Opinion	0	0	0	0									0
Complaint	18	19	24	21									82
Gifts/Invitations/Travel	12	25	26	17									80
Guidance	4	2	1	0									7
Judicial Selection Comm'n	0	4	2	1									7
Training Request	0	0	0	0									0
Record Request	1	1	0	0									2
Project/Other	6	2	1	4									13
Total	41	53	54	43	0	0	0	0	0	0	0	0	191
Closed Assignments													
Advisory Opinion	0	0	1	1									2
Complaint	8	4	30	46									88
Gifts/Invitations/Travel	0	21	34	20									75
Guidance	0	0	2	4									6
Judicial Selection Comm'n	0	4	2	1									7
Training Request	0	0	0	0									0
Record Request	0	1	0	1									2
Project/Other	1	7	4	5									17
Total	9	37	73	78	0	0	0	0	0	0	0	0	197
Anti-Fraud	3	2	2	2									9

SUNSHINE LAW MEETING
AGENDA ITEM IV
2023 LEGISLATIVE SESSION

No attachments.

SUNSHINE LAW MEETING
AGENDA ITEM V

ESTABLISHING INTERIM PROCESS TO IMPLEMENT THE MANDATORY LOBBYIST
TRAINING LAW

Recommendation to issue an Order establishing procedures to implement Act 20 (2023)
specific to lobbyists required to register under Hawai'i Revised Statutes Chapter 97.

Attachment 1: Order Regarding the Mandatory Lobbyist Training Law

BEFORE THE HAWAI'I STATE ETHICS COMMISSION

STATE OF HAWAI'I

In the Matter of
HAWAI'I STATE ETHICS COMMISSION
Mandatory Lobbyist Training Law

ORDER REGARDING
MANDATORY LOBBYIST TRAINING LAW

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4 Effective April 19, 2023, Act 20 (House Bill 138) establishes a mandatory training
5 requirement for all lobbyists who are required to register under chapter 97, Hawai'i
6 Revised Statutes ("HRS").¹

7 To implement the statutory requirements under Act 20 in a timely and orderly
8 manner, the Commission finds good cause to allow lobbyists to register for the next
9 scheduled lobbyist training course, and then file a new lobbyist registration for the 2023-
10 2024 legislative biennium. Accordingly,

11 IT IS HEREBY ORDERED that:

12 All lobbyists who are required to register under HRS chapter 97 and who are
13 required to file a new lobbyist registration during the 2023-2024 lobbying year, shall
14 register for a lobbyist training course offered by the Commission, file a new lobbyist
15 registration, and then take the lobbyist training course when available.

16 This Order will remain in place until December 31, 2023, unless otherwise
17 repealed or extended.

¹ The text of Act 20 can be found at
https://www.capitol.hawaii.gov/session/measure_indiv.aspx?billtype=HB&billnumber=138&year=2023

ORDER REGARDING
MANDATORY LOBBYIST TRAINING LAW
Page 2

DATED: Honolulu, Hawai'i, _____, 2023.

HAWAI'I STATE ETHICS COMMISSION

Wesley F. Fong, Chair

Reynard D. Grauly, Vice Chair

Harry McCarthy, Commissioner

Beverly Tobias, Commissioner

Robert Hong, Commissioner

SUNSHINE LAW MEETING
AGENDA ITEM VI

ESTABLISHING PROCEDURES TO CONSIDER GOOD CAUSE EXCEPTIONS TO
THE PROPOSED NEPOTISM LAW

Recommendation to issue an Order in anticipation of HB 717 HD1 SD2 CD1 becoming law so as to establish an orderly process to consider good cause exception requests.

Attachment 1: Staff Overview

Attachment 2: Order Regarding Applications for Good Cause Exceptions to the Nepotism Law

Attachment 3: Quick Guide to Nepotism Law

ESTABLISHING PROCEDURES TO CONSIDER GOOD CAUSE EXCEPTIONS TO
THE PROPOSED NEPOTISM LAW

Recommendation to issue an Order in anticipation of HB 717 HD1 SD2 CD1 becoming law so as to establish an orderly process to consider good cause exception requests.

STAFF OVERVIEW

I. Summary

The Legislature recently passed [HB 717 HD1 SD2 CD1](#), which prohibits nepotism for executive branch employees and is awaiting the Governor's signature. Under HB 717, an agency or employee may apply for exception to the nepotism law if it can demonstrate good cause, such as a demonstrated inability to find qualified personnel or applicants. Should the Governor sign HB 717 before the Commission's next regularly scheduled meeting, staff recommends that the Commission issue the attached draft order (Attachment 2) setting out the procedures for good cause exception applications. Additionally, once HB 717 is signed into law, staff recommend issuing the attached quick guide to the nepotism law. Attachment 3.

II. Recommended Motions:

Motion to approve the draft Order Regarding Applications for Good Cause Exceptions to the Nepotism Law.

Motion to approve draft quick guide to the nepotism law.

KC/lis

BEFORE THE HAWAI'I STATE ETHICS COMMISSION

STATE OF HAWAI'I

In the Matter of

HAWAI'I STATE ETHICS COMMISSION

Applications for Good Cause Exceptions to
the Nepotism Law

ORDER REGARDING APPLICATIONS FOR GOOD CAUSE EXCEPTIONS TO THE
NEPOTISM LAW

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The Hawai'i Legislature recently passed House Bill 717 HD1 SD2 CD1 (2023) ("nepotism law"), which prohibits nepotism in the executive branch and is awaiting the Governor's signature. Should the Governor sign the nepotism law, it is hereby ordered that the following procedures will govern requests for "good cause" exceptions under § (e) of the nepotism law pending the enactment of new administrative rules.

The Commission will provide a good cause exception application, which will be available on the Commission's website, and require that the agency or employee explain and furnish proof of why they need to be exempted from the nepotism law, the nature of the relationship between the employee and their relative, what efforts were taken to comply with the law absent an exception, how the relevant state position was advertised and for how long (if the decision relates to a new hire), and when the agency or employee must have an answer from the Commission. The Commission's staff may request additional information from the applicant and conduct interviews if necessary. During the pendency of any application, the applicant shall preserve the status quo relating to the employee's employment responsibilities.

ORDER REGARDING APPLICATIONS FOR GOOD CAUSE EXCEPTIONS TO THE NEPOTISM LAW

Page 2

1 Pursuant to Haw. Admin. R. § 21-1-11(c), the Commission delegates the initial decision
2 on any good cause exception application to the Executive Director. The Executive Director’s
3 decisions on good cause applications will be publicly available on the Commission’s website.
4 Should the good cause application raise novel issues or should the applicant disagree with the
5 Executive Director’s decision, the matter shall be referred to the Commission for a decision,
6 which will be publicly posted on the Commission’s website.

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DATED: Honolulu, Hawai‘i, _____, 2023.

HAWAI‘I STATE ETHICS COMMISSION

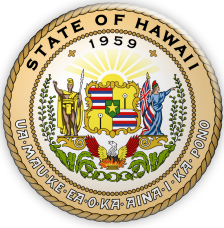
Wesley F. Fong, Chair

Reynard D. Grauly, Vice Chair

Harry McCarthy, Commissioner

Beverley Tobias, Commissioner

Robert Hong, Commissioner



HAWAII STATE ETHICS COMMISSION

1001 Bishop Street, Suite 970 | Honolulu, HI 96813 | ethics@hawaii.gov | (808) 587-0460 | Twitter: @HawaiiEthics

THE STATE ETHICS CODE - A QUICK GUIDE ON THE NEPOTISM LAW

DOES THE NEPOTISM LAW APPLY TO ME?

The nepotism law applies to almost all state employees (including board members). Exceptions include employees in the legislative or judicial branches.

The Commission encourages all state employees to comply with this law.

What does the nepotism law prohibit?

If the nepotism law applies to you, there are three restrictions:

1. You cannot take employment action affecting relatives or household members.

- This means you cannot appoint, hire, promote, retain, demote, discharge, or terminate a relative or household member from a paid position in your agency.
- This also means you cannot participate in an interview or discussion regarding a relative or household member's potential hiring, promotion, or retention to a paid position in your agency.

2. You cannot supervise relatives or household members, which means you cannot direct them or materially control their work performance.

There are exceptions where:

- You have a physical impairment requiring the hiring of a particular relative or household member and the employment is disclosed to the Commission before the hire is made or
- You disqualify yourself from taking any official action affecting the relative or household member.

3. You cannot be involved in contracts awarded to businesses owned by relatives or household members.

- You may not award or be involved in administering a contract to a business where:
 - A relative or household member is an executive officer of that business or
 - A relative or household member owns a substantial interest in the business.
- For example, an employee could not sit on the selection panel of a request for proposals if one of the applicants was owned by a relative.
- **Narrow exception:** if you are legally required to take action affecting a relative or family member's business, you may do so when you file a notice with the Commission at least five days in advance.

What is a Relative?

A "Relative" means parents, grandparents, children, grandchildren, siblings, uncles/aunts, cousins, in-laws, and step-relationships.

A "household member" is anyone who resides in the same dwelling.

Can I Get An Exception?

You may apply to the Commission for an exception to the Nepotism law where there is good cause. You must prove good cause, which might include a lack of qualified applicants, in a public and transparent manner. An exception form can be found at ethics.hawaii.gov.

Penalties

Employees violating the nepotism law face fines of up to \$1,000 per violation, any favorable treatment received by a relative or household member is potentially voidable.

SUNSHINE LAW MEETING
AGENDA ITEM VII

PROPOSED INCREASE TO THE COMMISSION'S ADMINISTRATIVE FINE
AUTHORITY (HAW. REV. STAT. § 84-39 AND HAW. REV. STAT. § 97-7)

No update on research looking into comparable fine structures.

No attachments.

SUNSHINE LAW MEETING
AGENDA ITEM VIII

AKANA v. HAWAII STATE ETHICS COMMISSION AND DANIEL GLUCK,
CIVIL NO. 18-1-1019-06 (JHA); AKANA v. HAWAII STATE ETHICS COMMISSION,
CIVIL NO. 19-1-0379-03 (JHA); STATE OF HAWAII, ETHICS COMMISSION v.
ROWENA AKANA, CIVIL NO. 20-1-0453 (BIA)

Discussion of case status.

The Hawai'i State Ethics Commission may convene an executive session pursuant to Hawai'i 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.