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 19, 2023

<u>Time</u>: 9:00 a.m.

Location: Zoom Videoconference or Phone:

Videoconference:	Join Zoom Meeting
	https://us06web.zoom.us/j/88511742007?pwd=QW1a
	RGxjU2VOUmw5cWVPcVQxTmJZZz09
Phone:	+1 (669) 444-9171 or +1 (669) 900-6833
Meeting ID:	885 1174 2007
Passcode:	998421

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.

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

Telephone: (808) 587-0460 Email: ethics@hawaii.gov Website: http://ethics.hawaii.gov/

AGENDA

CALL TO ORDER

- I. Status of New Commissioner Appointment
- II. Election of Officers for 2023

Attachment 1: Election of Officers for 2023

III. Consideration and Approval of the Minutes of the June 21, 2023 Meeting

Attachment 1: Sunshine Law Meeting Minutes of the June 21, 2023 Hawai'i State Ethics Commission Meeting

IV. Directors' Report

- 1. Introduction of the Enforcement Director and Compliance Director Positions
- 2. Education / Training Report

Attachment 1: 2023 Training Schedule

Attachment 2: Online Training Completions by Department

Attachment 3: 2023 Information Sessions

3. Guidance and Assignment Statistics – June 2023

Attachment 4: 2023 Guidance and Assignment Statistics / Website Traffic

- 4. Update on 2023 Financial Disclosure Filings and Lobbying Expenditure Reports for March 1 April 30, 2023
- 5. Miscellaneous Office Projects / Updates

Attachment 5: Q4 Financial Report

V. 2023 Legislative Session Wrap-Up

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. Bills Signed into Law:

- i. Budget <u>HB 1514 HD1 SD1</u>. 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.** Lobbyist Gift Restriction <u>HB 142</u> (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.
- iii. Lobbying Subject Matter Identification <u>HB 137 HD1</u> (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.
- iv. Lobbyist Training Course <u>HB 138</u> (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.
- v. Record Disposition <u>HB 140</u> (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.

- vi. Enforcement of Financial Disclosure Statement Filings <u>SB 182</u> <u>SD1 HD1 CD1</u> (Ethics Commission package). Amends the fines imposed and the procedures relating to enforcement of a late or missing financial disclosure statement. **Status:** Signed into law as Act 129, 6/23/23.
- vii. Legislator Disclosure <u>HB 141 HD1 SD1</u> (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:** Signed into law as Act 123, 6/23/23.
- viii. Lobbyist Political Donations <u>SB 1493 SD1 HD1 CD1</u>. 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: Signed into law as Act 128, 6/23/23.
 - ix. Nepotism <u>HB 717 HD1 SD2 CD1</u> (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:** Enacted into law without the Governor's signature, 7/11/23. Act number still pending.

ii. Bills Deferred:

- i. Grants-in-Aid to County Commissions. <u>HB 134</u>; <u>SB 181</u> (Ethics Commission package) & <u>HB 728</u> (Standards Commission package). Provides one-time grants-in-aid to the respective ethics boards of the counties of Kauai, Maui, and Hawai'i, and the Ethics Commission of the City and County of Honolulu.
- ii. Public Advocate. <u>HB 725</u> (Standards Commission package). Establishes the office of the public advocate. Establishes rights for members of the public with respect to the conduct and operation of the legislature and its members. Specifies procedures for the investigation and reporting of alleged violations of the rights.

- **iii.** County Commissioner Appointments. <u>SB 1190</u>. Provides standards for the selection of county Ethics Commission members to ensure their impartiality and independence.
- **iv.** Public Notice of Charge Status. <u>SB 1565</u>. Requires that the person or organization that filed an ethics charge to the Ethics Commission be informed of the status of the charge upon request, including the final disposition.
- v. Lobbying. <u>SB 805</u>. Amends the definitions of "administrative action" and "lobbying" in Haw. Rev. Stat. Chapter 97.
- vi. Post Employment. <u>SB 1187</u>. Increases the post-employment restriction for former legislators from twelve months to twenty-four months.
- VI. <u>Consideration of Recommendation to Stay Enforcement of Nepotism law for</u> <u>Two Months</u>
- VII. <u>Discussion of the Ethics Commission Office Renovations and Temporary</u> <u>Closure of the Physical Office (September through November 2023)</u>
- VIII. Status of the State Ethics Conference (September 1, 2023)
- IX. <u>Discussion of the Commission's Jurisdiction over Hawai'i Judges and Justices</u> in Light of Recent U.S. Supreme Court Ethics Concerns
- X. <u>Akana v. Hawaii State Ethics Commission and Daniel Gluck, Civil No.</u> <u>18-1-1019-06 (JHA); Akana v. Hawaii State Ethics Commission, Civil No.</u> <u>19-1-0379-03 (JHA); State of Hawaii, Ethics Commission v. Rowena Akana,</u> <u>Civil No. 20-1-0453 (BIA)</u>

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.

XI. 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 (<u>ethics@hawaiiethics.org</u>), 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 <u>ethics@hawaiiethics.org</u> 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

STATUS OF NEW COMMISSIONER APPOINTMENT

SUNSHINE LAW MEETING AGENDA ITEM II

ELECTION OF OFFICERS FOR 2023

Attachment 1: Election of Officers for 2023

SUNSHINE LAW MEETING AGENDA ITEM II

ELECTION OF OFFICERS FOR 2023

At the Commission's meeting on July 19, 2023, the Commissioners should discuss the election of a Chair and Vice Chair for 2023. The Commission's administrative rules provide for the annual election of a chair and vice chair whose terms will commence on January 1 of each year. Hawai'i Administrative Rules § 21-1-10 states as follows:

§ 21-1-10 Chairperson and vice-chairperson. (a) A chairperson shall be elected 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 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 Commission has previously scheduled the election of officers in January. However in some years, the Commission has deferred the election of officers to July and kept the current officers in place until that time. The Commission did this last year when then Vice Chair Fong's term was scheduled to end on June 30, 2022. The Commission elected its officers, Chair Fong and Vice Chair Graulty, at its July 2022 meeting. Vice Chair Graulty's term ended on June 30, 2023.

At the Commission's meeting on January 19, 2023, the Commission voted to keep its current officers in place¹ and defer the election of new officers to July 2023. Accordingly, the Commission should elect a chair and vice chair for 2023 at its upcoming meeting on July 19, 2023.

¹ The Commission's officers were Chair Wesley Fong and Vice Chair Reynard D. Graulty. Vice Chair Graulty's term as a Commissioner ended on June 30, 2023. Chair Fong's first term as a Commissioner ended on June 30, 2022, and he was appointed to a second term to run from July 1, 2022 through June 30, 2026.

The following table is provided for your information.

Commissioner	Date Appointed	Term End	Date of Reappointment	Term End
Reynard D. Graulty*	7/01/2015	6/30/2019	7/01/2019	6/30/2023
Wesley Fong**	7/01/2018	6/30/2022	7/01/2022	6/30/2026
Harry J. McCarthy	3/12/2021	6/30/2024		
Beverley Tobias	7/22/2021	6/30/2025		
Robert Hong	7/01/2022	6/30/2026		

* Commissioner Graulty served as Chair from February 2017 to June 2020, and has served as Vice Chair from July 2022 to present.

** Commissioner Fong served as Vice Chair from July 2021 to July 2022, and has served as Chair from July 2022 to present.

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

SUNSHINE LAW MEETING AGENDA ITEM III

CONSIDERATION AND APPROVAL OF THE MINUTES OF THE JUNE 21, 2023 MEETING

Attachment 1:Sunshine Law Meeting Minutes of the June 21, 2023
Hawai'i State Ethics Commission Meeting

Attachment 1

1 2		SUNSHINE LAW MEETING MINUTES OF THE HAWAI'I STATE ETHICS COMMISSION
3 4 5		STATE OF HAWAI'I
6 7	Date:	June 21, 2023
8 9	Time:	9:00 a.m.
10 11 12	Location:	Held via Zoom video and audio conference
12 13 14	Link:	Recorded video available at https://www.youtube.com/watch?v=TA0wygrO7JU
15 16		Public Meeting Location
17 18 19 20 21		Hawaiʻi State Ethics Commission Conference Room 1001 Bishop Street American Savings Bank Tower, Suite 960 Honolulu, Hawaiʻi 96813
22 23	Present:	State Ethics Commission Members
24 25 26 27 28 29		Wesley F. Fong, Chair (present in conference room) Reynard D. Graulty, Vice Chair (present in conference room) Harry J. McCarthy, Commissioner (via video conference) Beverley Tobias, Commissioner (present in conference room) Robert Hong, Commissioner (via video conference)
30 31		State Ethics Commission Staff
32 33 34 35 36 37 38 39 40 41 42		Robert D. Harris, Executive Director (present in conference room) Susan D. Yoza, Associate Director (excused) 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) Myles A. Yamamoto, Adminstrative Assistant (present in conference room)
43 44	CALL TO O	RDER (0:00)
45 46 47	Graulty, Con	Fong called the meeting to order at 9:01 a.m. Chair Fong, Vice Chair missioner McCarthy, Commissioner Tobias, Commissioner Hong, and staff were present. All Commissioners and staff participating via video or

audio conference confirmed no one was in the room with them at their respectiveremote locations.

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Agenda Item No. I: Consideration and Approval of the Minutes of the May 17, 2023 Meeting (2:48)

Commissioner Tobias made and Commissioner Graulty seconded a motion to approve the minutes of the May 17, 2023, meeting. The motion carried (Fong, Graulty, Tobias, and Hong voting in the affirmative).

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13 Agenda Item No. II: Executive Director's Report (3:35)

After reviewing the training statistics for May 2023 and the training schedule for the rest of the year, Executive Director Harris observed a decrease in attendance for the live training courses. This decline could be attributed to the fact that only approximately 300 employees are mandated to undergo live training. Despite this, Executive Director Harris confirmed that live trainings will continue to be available. Additionally, Executive Director Harris reported that a significant number of individuals are still opting for selfdirected online training.

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The Executive Director mentioned that Attachment 2, which presents the overall count of employees who completed the self-directed ethics training, is currently undergoing development. It is important to note that the total count for each department, board, or commission does not consider factors such as employees who have completed the training multiple times. As a result, the overall completion percentage per agency may be significantly skewed, potentially indicating completion rates of over 1000% for some agencies.

Executive Director Harris reported that the commission responded to 122 Attorney of the Day requests, received 51 new assignments, and closed out 49 assignments in the month of May. The Commission also received three anti-fraud, waste, and abuse complaints.

Staff Attorney Bonita Chang reported that staff are in the process of working on Board and Commission updates in preparation for the upcoming financial disclosure deadline. Staff Attorney Chang expressed her appreciation to the staff and board administrators for their efforts in helping ensure that board and commission members filed in a timely manner.

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Executive Director Harris reported on his recent trip to Moldova. He explained that the trip was sponsored by the US State Department sas a professional fellowship to emerging democracies. During the trip, Executive Director Harris along with the US Embassy gave a presentation on the foundations of good government. He noted that his presentation spurred a lot of questions and discussion. Executive Director Harris described Moldova as a relatively young democracy that is trying to overcome a long history of corruption. He met officials from Moldova's National Integrity Authority (NIA).
NIA functions in a similar role to the commission with a greater focus on bribery. The
NIA would like to engage in a cooperative partnership with the commission. He further
noted that Moldova is seeking membership in the European Union and that addressing
current levels of corruption is key to obtaining membership.

Chair Fong asked what Moldova's relationship with the US is like. Executive
Director Harris stated that based on his observations, the State Department is
committed to supporting this fledgling democracy. Moldova's proximity to Ukraine may
also play a role. He noted that the State Department wants to support Moldova's
democratic movement and was supportive of continuing relationship.

13 Commissioner Graulty asked what support the State Department would provide 14 if the Commission was to enter into an agreement with NIH. Executive Director Harris 15 said he wasn't sure that the State Department would provide support beyond assisting 16 with communications. Commissioner Graulty pointed out that the Legislature may raise concerns given that Moldova is far away from Hawaii and be reluctant to provide 17 financial support for a relationship. Executive Director Harris noted that the agreement 18 19 may be more ceremonial in nature and responding to inquiries from NIA. He noted that 20 he doesn't anticipate a significant cost.

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Commissioner Tobias asked what kind of election process Moldova has. She
 expressed concern that democratic efforts would be wasted with corrupt elections.
 Executive Director Harris explained that Moldova has a process like the US. He noted
 that the country is moving towards a more democratic process. He further noted that the
 expectation of the US and Europe is that the country will become more democratic over
 time.

29 Chair Fong stated that the bottom line in agreeing to a partnership with NIA is, 30 "What is the benefit to the State of Hawaii and the Commission." 31

Commissioner McCarthy noted that relationships with other countries can be beneficial. He wondered if the Commission was the appropriate agency as opposed to the US State Department. Executive Director Harris replied that Moldova is a small country like Hawaii in terms of size and population. Commissioner McCarthy inquired if this would be a good fit for the Commission. Executive Director Harris noted that this would be a policy call for the Commission. He further noted that this is an opportunity for Hawaii and the Commission to demonstrate leadership in the ethics field.

Staff Attorney Bonita Chang noted that the Commission and staff have hosted
international exchanges in the past. She noted that staff had hosted interns to talk about
and show our processes and exchange ideas, Chair Fong asked if these involved
ceremonial agreements. Staff Attorney Chang replied that she did not believe that there
were formal agreements, but that these were more informal meetings and visits.

46 Commissioner Tobias suggested that the Commission needs to explore what an 47 agreement would entail. Commissioner Graulty stated that we cannot underestimate Hawaii's leadership
when it comes to government ethics. He noted how we were one of the first states to
establish a statewide commission. He further stated that the Commission should pursue
an agreement if it makes financial sense.

Commissioner Hong agreed with both Commissioners Tobias and Graulty that
the Commission needs to understand the financial and political implications of an
agreement with NIA. Commissioner McCarthy agreed with all the points raised by his
fellow Commissioners.

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12 Commissioner Hong moved, and Commissioner Tobias seconded a motion to 13 pursue formalizing a relationship between the Hawaii State Ethics Commission and 14 Moldova with Executive Director Harris preparing a position statement for the 15 Commission. The motion carried (Fong, Graulty, Hong, McCarthy, Tobias voting in the 16 affirmative).

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19 Agenda Item No. III: 2023 Legislative Session (33:23)

Executive Director Harris updated the Commission about the status of legislation that staff have been tracking and reviewed each category of bills. He noted that the governor will be holding a bill signing ceremony on Friday, June 23 where several ethics bills are expected to be signed.

Agenda Item No. IV: Consideration of Draft Legislation Increasing Commission's Administrative Fine Authority (Haw. Rev. Stat. §§ 84-39 and 97-7) 35:00

30 Executive Director Harris noted Commission staff had been previously asked to 31 research ethics fines across various jurisdictions. Executive Director Harris reported 32 that, on a national basis, fines ranged from \$1,000 on the low end to \$20,000 on the 33 high end. The average seemed to be around \$5,000 per violation. 34

Chair Fong asked what, "per violation" means. Would 20 bribes constitute 20
violations? Director Harris replied that yes, 20 bribes would constitute 20 violations.
Chair Fong expressed his thanks to the staff for their research.

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Commissioner Hong moved, and Commissioner Graulty seconded a motion to
approve proposed revisions to Haw. Rev. Stat. §§ 84-39 and 97-7, increasing the
administrative fine maximum to \$5,000 per violation. The motion carried (Fong, Graulty,
Hong, McCarthy, and Tobias voting in the affirmative).

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Agenda Item No. V. Consideration of Draft Ethics Commission Guidance on Social Media Use (38:44)

Staff Attorney Nancy Neuffer noted that staff have seen an increase in questions
about social media use. Questions have centered around legislators and the use of
official legislative social media accounts. Staff Attorney Neuffer stated that the proposed
guidance document, "Ethics Commission Guidance on Social Media Use," is meant to
help address common situations. Staff Attorney Neuffer further noted that rules on
social media may be proposed in the future.

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Commissioner Graulty moved, and Commissioner Tobias seconded a motion to
 adopt "Ethics Commission Guidance on Social Media Use." The motion carried (Fong,
 Graulty, Hong, McCarthy, and Tobias voting in the affirmative).

Agenda Item No. VI: Consideration of Draft Ethics Commission Guidance on Nepotism Law (41.28)

Staff Attorney Kee Campbell noted additional revisions and updates have been
made to the draft "Ethics Commission Guidance on the Nepotism Law" that was
adopted at the May Commission Meeting.

Executive Director Harris commended Staff Attorney Campbell and Office
 Manager Caroline Choi for their efforts in developing the quick guide.

Chair Fong asked if the law would retroactively apply. Director Harris replied that the law is not retroactive. However, it would affect current employees. Staff Attorney Campbell noted that the affected employee would have the option to apply for a good cause exception.

Commissioner Hong moved, and Commissioner McCarthy seconded a motion to adopt revised draft "Ethics Commission Guidance on Nepotism Law." The motion carried (Fong, Graulty, Hong, McCarthy, and Tobias voting in the affirmative).

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Agenda Item No. VII: 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) (45:00)

There was no update on the Akana case.

43 44 Agenda Item No. VII: Recognition of Vice Chair Reynard Graulty (47:33)

45 46 Chair Fong noted that this is the last Commission meeting for Vice Chair Graulty. 47 He further noted that Commissioner Graulty has served for 8 years and has been both

1 the Commission Chair as well as Vice Chair. Chair Fong went on to express his thanks 2 to Vice Chair Graulty for his service to the country, state, and Commission. He also 3 expressed thanks for Vice Chair Graulty's friendship. Chair Fong then read a 4 Commission resolution presented to Vice Chair Graulty. 5 6 Vice Chair Graulty expressed his thanks to the Governor for his appointment, 7 Executive Director Harris and the Commission Staff. He noted that it is the staff that 8 puts life into the Ethics Code and expressed his thanks and aloha for their efforts. 9 10 Commissioner McCarthy expressed his thanks and gratitude for all the guidance that Vice Chair Graulty provided. 11 12 13 Commissioner Hong expressed his appreciate for all the work done by Vice Chair 14 Graulty. 15 16 Commissioner Tobias expressed her thanks for his wisdom shared by Vice Chair 17 Graulty as well as for his humor. 18 19 20 ADJOURNMENT OF SUNSHINE LAW MEETING (55:10) 21 22 At approximately 9:58 a.m., Commissioner Tobias made and Commissioner 23 Graulty seconded a motion to adjourn the meeting. The motion carried unanimously 24 (Fong, Graulty, McCarthy, Tobias, and Hong voting). 25 26 The meeting was adjourned at 10:00 a.m. 27 28 Minutes approved on

SUNSHINE MEETING AGENDA ITEM IV

EXECUTIVE DIRECTOR'S REPORT July 19, 2023

1. Introduction of the Enforcement Director and Compliance Director Positions

2. Education / Training Report

Attachment 1: 2023 Training Schedule

Attachment 2: Online Training Completions by Department

Attachment 3: 2023 Information Sessions

3. Guidance and Assignment Statistics – June 2023

Attachment 4: 2023 Guidance and Assignment Statistics / Website Traffic

- 4. Update on 2023 Financial Disclosure Filings and Lobbying Expenditure Reports for March 1 April 30, 2023
- 5. Miscellaneous Office Projects / Updates

Attachment 5: Q4 Financial Report

Attachment 1

HAWAII STATE ETHICS COMMISSION

2023 EDUCATION PROGRAM

(Ethics Workshops and Presentations)

	(Ethics workshops and Tresentations)	
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'inuiakea 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	23
5/3/2023	General Ethics Training, Zoom	24
5/9/2023	General Ethics Training, DOE, Campbell-Kapolei Complex Area	21
5/18/2023	Ethics for State Board and Commission members, Zoom	8

Sunshine Law Folder - 7/19/2023

HAWAII STATE ETHICS COMMISSION

2023 EDUCATION PROGRAM

(Ethics Workshops and Presentations)

DATE	PRESENTATIONS	NUMBER OF PARTICIPANTS
6/7/2023	General Ethics Training, Zoom	8
6/22/2023	General Ethics Training, Zoom (CANCELLED)	0
7/6/2023	General Ethics Training, Zoom (CANCELLED)	0
7/20/2023	Ethics for State Board and Commission members, Zoom (CANCELLED)	0
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	851 participants

Attachment 2

State Employees

	20	20	20	-		022	2	023	т	otal	Total	No. of	%
Department/Agency	Live	-	Live	Self	Live	Self		Self		Self	Completions	Employees*	Completed
Department of Accounting and General Services (DAGS)	4	60	3	4	8	56	2	149	17	269	286	644	44%
Department of Agriculture (DOA)	2	36	14	18	5		4		25	300	325	299	109%
Department of Budget and Finance (B&F)	26	1	25	1	127	103	10	168	188	273	461	385	120%
Department of Business, Economic Development and Tourism (DBEI	5	62	70	10	79	50	36	63	190	185	375	305	123%
Department of Commerce and Consumer Affairs (DCCA)	346	47	40		73	50	5	370	464	467	931	541	172%
Department of Corrections and Rehabilitation (DCR)						85	2	30	2	115	117		
Department of Defense (DOD)	1	82		1	20	44	4	330	25	457	482	497	97%
Department of Education (DOE)	35	167	73	76	25	164	123	572	256	979	1,235	22,159	6%
Department of Hawaiian Home Lands (DHHL)	1				2	16	2	77	5	93	98	111	88%
Department of Health (DOH)	7	193	3	38	143	314	18	1,960	171	2,505	2,676	2,447	109%
Department of Human Resources Development (DHRD)		4	6		4	7	1	48	11	59	70	65	108%
Department of Human Services (DHS)	35	201	270	6	4	6	5	987	314	1,200	1,514	1,686	90%
Department of Labor and Industrial Relations (DLIR)	2	41			137	186	18	267	157	494	651	847	77%
Department of Land and Natural Resources (DLNR)	1	63	29	10	15	59	4	583	49	715	764	792	96%
Department of Law Enforcement (DLE)					1	62	5	30	6	92	98	332	30%
Department of Public Safety (DPS)	3	39	5	5	241	525	18	198	267	767	1,034	3,002	34%
Department of Taxation (TAX)	4	1			33	299	3	174	40	474	514	309	166%
Department of the Attorney General (ATG)	73	97	190	22	297	149	21	343	581	611	1,192	646	185%
Department of Transportation (DOT)	12	209	71	72	112	107	7	209	202	597	799	2,255	35%
Hawai'i Health Systems Corporation (HHSC)	32	38	9	2	11	8		759	52	807	859	3,071	28%
Hawai'i State Ethics Commission (HSEC)	4		6		12	3	37	4	59	7	66	10	660%
Hawai'i State Public Library System (HSPLS)		1			1	2	1		2	565	567	429	132%
House of Representatives (REP)	28		52	1	54	2	55	103	189	106	295	166	178%
Judiciary (JUD)	1	38	7	18	208	85	50	866	266	1,007	1,273	1,727	74%
Legislative Reference Bureau (LRB)			1		1		2	18	4	18	22	44	50%
Office of Hawaiian Affairs (OHA)	11	5	13	57	37	47	3	8	64	117	181	145	125%
Office of the Auditor (AUD)	11	3	3		15		2	1	31	4	35	23	152%
Office of the Governor (GOV)	2	8		1	6	10	19	33	27	52	79	48	165%
Office of the Lieutenant Governor (LTG)		4			6	1	4		10	5	15	10	150%
Office of the Ombudsman (OMB)		2	2		3	3	-		6	_	14	12	117%
Public Charter School (SPCSC)	25	9	80	14			23		159	58	217	20	1085%
Research Corporation of the University of Hawai'i (RCUH)		6		3		684	3	343	38	1,036	1,074	2,631	41%
Senate (SEN)	20	3	77	1	132	3	85	8	314	15	329	109	302%
University of Hawai'i-Community Colleges (UOHC)	137		14		206				410	729	1,139	2,568	44%
University of Hawai'i-Hilo (UOHH)		1	1		41	90	9	53	51	144	195	864	23%
University of Hawai'i-Manoa (UOHM)			65		405	1,429	132		602	1,941	2,543	8,511	30%
University of Hawai'i-System (UOH)	117	245	43	67	102	296	-	106	278	714	992	502	198%
University of Hawai'i-West Oahu (UOHW)	2				45	113	13	63	60	176	236	399	59%
Total Employees Training Completed	947	1,666	1,172	427	2,677	5,827	796	10,241	5,592	18,161	23,753	58,611	41%

*Based on annual financial disclosure updates from departments collected in March/April 2023 As of July 2, 2023

State Boards and Commissions

	20	20	20	21	20	22	20	23	To	tal	Total	No. of	%
Board/Commission	Live	Self	Completions	Members*	Completed								
Agribusiness Development Corporation	2				2	3	3		7	3	20	8	250%
Board of Acupuncture	1				1	1			2	1	6	5	120%
Board of Agriculture	1			1	4				5	1	12	10	120%
Board of Barbering and Cosmetology	1	1			1	2			2	3	10	7	143%
Board of Certification of Operating Personnel in Wastewater Treatment Plants					3	2			3	2	10	9	111%
Board of Chiropractic Examiners						1				1	2	5	40%
Board of Dentistry					1	8			1	8	18	12	150%
Board of Education	1	1	1	3	11	1			13	5	36	11	327%
Board of Electricians and Plumbers	3			1	2	2			5	3	16	7	229%
Board of Land and Natural Resources		2		2	1	2			1	6	14	7	200%
Board of Massage Therapy	1				2				3		6	5	120%
Board of Naturopathic Medicine	1								1		2	5	40%
Board of Nursing					4	1	1		5	1	12	9	133%
Board of Pharmacy					1	1		1	1	2	6	7	86%
Board of Physical Therapy						3		2		5	10	7	143%
Board of Private Detectives and Guards					2	1			2	1	6	7	86%
Board of Professional Engineers, etal	1					2			1	2	6	14	43%
Board of Psychology					2				2		4	7	57%
Board of Public Accountancy					4	1		1	4	2	12	9	133%
Board of Registration	1				2	2			3	2	10	12	83%
Board of Speech Pathology and Audiology	2				1	1			3	1	8	7	114%
Board on Geographic Names					6	2			6	2	16	7	229%
Boxing Commission	1			1					1	1	4	5	80%
Campaign Spending Commission						2				2	4	5	80%
Civil Rights Commission					3	1		1	3	2	10	5	200%
Commission on Status of Women											0	5	0%
Commission on Water Resource Management				1		2				3	6	7	86%
Contractors License Board	5				1	3			6	3	18	13	138%
Correctional System Oversight Commission					3				3		6	5	120%
Council on Revenues					3			1	3	1	8	7	114%
Crime Victim Compensation Commission							1		1		2	3	67%
Defender Council					2				2		4	5	80%
Deferred Compensation Plan Board of Trustees	1				6				7		14	7	200%
Disability and Communication Access Board						1	1	5	1	6	14	17	82%
Early Learning Board						1		2		3	6	13	46%
Elections Commission					4	2			4	2	12	9	133%
Elevator Mechanics Licensing Board					3	1			3	1	8	7	114%

State Boards and Commissions

	20	020	20	21	20	22	20	23	То	tal	Total	No. of	%
Board/Commission	Live	Self	Completions	Members*	Completed								
Employees' Retirement System Board of Trustees											0	8	0%
Enhanced 911 Board	1							1	1	1	4	13	31%
Environmental Advisory Council					8	2			8	2	20	15	133%
Festival of the Pacific Arts & Culture					1	6			1	6	14	9	156%
Hawai'i Board of Optometry					2	3		1	2	4	12	7	171%
Hawai'i Board of Veterinary Medicine					2				2		4	7	57%
Hawai'i Climate Change Mitigation and Adaptation Commission					4	1		5	4	6	20	20	100%
Hawai'i Community Development Authority					1				1		2	17	12%
Hawai'i Employer-Union Health Benefits Trust Fund				1	1			5	1	6	14	10	140%
Hawai'i Green Infrastructure Authority					2				2		4	5	80%
Hawai'i Health Systems Corporation-Corporation				1				1		2	4	18	22%
Hawai'i Health Systems Corporation-East Hawai'i						2		2		4	8	12	67%
Hawai'i Health Systems Corporation-Kauai											0	10	0%
Hawai'i Health Systems Corporation-Maui											0	4	0%
Hawai'i Health Systems Corporation-Oahu			8			1			8	1	18	8	225%
Hawai'i Health Systems Corporation-West Hawai'i						4				4	8	9	89%
Hawai'i Historic Places Review Board					2				2		4	10	40%
Hawai'i Housing Finance and Development Corporation				1	6				6	1	14	9	156%
Hawai'i Hurricane Relief Fund Board	1								1		2	7	29%
Hawai'i Law Enforcement Standards Board	1				2	1		2	3	3	12	14	86%
Hawai'i Medical Board					12	2		2	12	3	31	11	282%
Hawai'i Paroling Authority	1					3		1	1	4	10	5	200%
Hawai'i Public Housing Authority	1				4	6	2		7	6	26	10	260%
Hawai'i Retirement Savings Board								1		1	2	9	22%
Hawai'i State Emergency Response Commission					1	1			1	1	4	9	44%
Hawai'i State Ethics Commission				1			2		2	1	6	5	120%
Hawai'i State Fire Council					2				2		4	4	100%
Hawai'i Teacher Standards Board					3	7			3	7	20	17	118%
Hawai'i Technology Development Corporation						3				3	6	9	67%
Hawai'i Tourism Authority						1				1	2	12	17%
Hawaiian Homes Commission					2	2			2	2	8	9	89%
Hoisting Machine Operators Advisory Board						1				1	2	5	40%
Island Burial Council - Hawai'i					1				1		2	7	29%
Island Burial Council - Kauai/Niihau				3						3	6	6	100%
Island Burial Council - Maui/Lanai											0	6	0%
Island Burial Council - Molokai						1				1	2	3	67%
Island Burial Council - Oahu				1	3	1			3	2	10	8	125%

State Boards and Commissions

	20	20	20	21	20	22	20	23	To	tal	Total	No. of	%
Board/Commission	Live	Self	Completions	Members*	Completed								
Kaho'olawe Island Reserve Commission											0	7	0%
King Kamehameha Celebration Commission	1				6	3	2	1	9	4	26	15	173%
Land Use Commission	1				6	2		1	7	3	20	9	222%
Legacy Land Conservation Commission				1	2		1		3	1	8	9	89%
Lesbian, Gay, Bisexual, Transgender, Queer, Plus Commission											0	14	0%
Mauna Kea Stewardship and Oversight Authority								2		2	4	11	36%
Medical Education Council				1	2	1			2	2	8	13	62%
Merit Appeals Board											0	3	0%
Motor Vehicle Industry Licensing Board						3		2		5	10	7	143%
Motor Vehicle Repair Industry Board						1		1		2	4	7	57%
National and Community Service, Hawai'i Commission for	1				5				6		12	15	80%
Natural Area Reserves System Commission	1				1				2		4	12	33%
Natural Energy Laboratory of Hawai'i						1	1		1	1	4	10	40%
Oahu Metropolitan Planning Organization						3		1		4	8	14	57%
Other Board/Commission				3	25	50	2	19	27	71	197		0%
Pacific International Space Center for Exploration Systems	1								1		2	9	22%
Pest Control Board					3	3			3	3	12	9	133%
Public Water System Operators, Board of Certification of					2				2		4	5	80%
Radiologic Technology Board	3								3		6	5	120%
RCUH-Board of Directors	1				1	1			2	1	6	8	75%
Real Estate Commission	1				9	3			10	3	26	9	289%
School Facilities Authority Board											0	5	0%
Soil and Water Conservation District Boards				2	34	10	1	1	35	13	96	84	114%
Stadium Authority Commission					4	3			4	3	14	8	175%
State Council on Developmental Disabilities	4				5	2		1	9	3	24	28	86%
State Foundation on Culture and the Arts					7	2	1		8	2	20	7	286%
State Public Charter School Commission					8	3	1	1	9	4	26	9	289%
Statewide Health Coordinating Council	2					2			2	2	8	9	89%
Tax Review Commission	2								2		4	7	57%
Transit Oriented Development Infrastructure Improvement District Board											0	5	0%
University of Hawai'i Board of Regents				2	4	4	2		6	6	24	11	218%
Women's Corrections Implementation Commission											0	5	0%
Total Board/Commission Members Training Completed	45	4	9	26	258	194	21	64	333	286	1240	1006	123%

*Membership number is based on full membership and may include vacant positions As of July 2, 2023

Attachment 3

HAWAII STATE ETHICS COMMISSION

2023 INFORMATION SESSIONS

(Ethics Workshops and Presentations)

DATE	PRESENTATIONS	NUMBER OF PARTICIPANTS
7/6/2023	Human Resources – Information Session re Ethics Training Law, Zoom	17
7/7/2023	Board Administrators – Information Session re Ethics Training Law, Zoom	23
7/14/2023	Human Resources – Information Session re Ethics Training Law, Zoom	
7/21/2023	Board Administrators – Information Session re Ethics Training Law, Zoom	
7/26/2023	Board Administrators – Information Session re Ethics Training Law, Zoom	
TOTAL	5 Presentations	40 participants

Attachment 4

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	1	0							7
# of People Trained In Person	113	24	47	59	21	0							264
# of On-Line Trainings (Self-Directed)	1051	522	4042	1454	1793	1438							10300
# of Training Webinars	4	2	2	1	2	1							12
# of Participants in Training Webinars	376	124	24	30	32	8							594
Attorney of the Day	125	103	125	97	122	84							656
New assignments													
Advisory Opinion	0	0	0	0	0	0							0
Complaint	18	19	24	21	20	20							122
Gifts/Invitations/Travel	12	25	26	17	18	33							131
Guidance	4	2	1	0	3	2							12
Judicial Selection Comm'n	0	4	2	1	5	4							16
Training Request	0	0	0	0	0	0							0
Record Request	1	1	0	0	3	1							6
Project/Other	6	2	1	4	2	2							17
Total	41	53	54	43	51	62	0	0	0	0	0	0	304
Closed Assignments													
Advisory Opinion	0	0	1	1	1	0							3
Complaint	8	4	30	46	18	30							136
Gifts/Invitations/Travel	0	21	34	20	22	33							130
Guidance	0	0	2	4	1	1							8
Judicial Selection Comm'n	0	4	2	1	3	5							15
Training Request	0	0	0	0	0	0							0
Record Request	0	1	0	1	1	2							5
Project/Other	1	7	4	5	3	0							20
Total	9	37	73	78	49	71	0	0	0	0	0	0	317
Anti-Fraud	3	2	2	2	3	1							13

HAWAII STATE ETHICS COMMISSION FINANCIAL REPORT FY 2023 (MONTH ENDING: June 30, 2023) Appropriation Symbol: G-23-393-Y6

	Amount Appropriated FY 2022-2023	Expenditures for Qtr. End 9/30/2022	Expenditures for Qtr. End 12/31/2022	Expenditures for Qtr. End 3/31/2023	•	Year-To-Date Expenditures Totals	% of Budget Expended
A. PERSONNEL SERVICES							
Staff Salaries	\$ 1,061,285.00	\$ 218,466.29 ²	\$ 245.491.05	\$ 241.966.00	\$ 265,402.42	971,325.76	91.5%
Total Personnel Services	\$ 1,061,285.00	\$ 218,466.29	\$ 245,491.05		\$ 265,402.42	•	
B. OTHER CURRENT EXPENSES							
Office Expenses	14,500.00	2,485.77	3,395.41	3,326.04	7,666.86	16,874.08	116.4%
Intrastate Transportation and Travel	9,250.00	3.00	125.11	57.50	•	•	
Out-of-State Travel	12,660.00	1,187.34	0.00	7,600.62			
Equipment Rental and Maintenance	33,700.00	3,207.89	701.70	2,122.32	31,707.71	37,739.62	112.0%
Dues, Subscriptions, Training	16,410.00	801.89	2,561.13				
Newspaper Advertisements	1,100.00	0.00	35.00	,		,	
Comm'n Mtgs, Investigations, Hrgs	10,500.00	0.00	0.00	0.00	565.28	565.28	5.4%
Consulting Services	27,000.00	0.00	0.00	0.00	91,379.06	91,379.06	338.4%
Office Rent	154,410.00	19,582.24	29,373.36	30,650.49	48,268.74	127,874.83	82.8%
Total Other Current Expenses	\$ 279,530.00	\$ 27,268.13	\$ 36,191.71	\$ 47,512.23	\$ 184,254.36	\$ 295,226.43	105.6%
C. CAPITAL OUTLAY							
Office Furniture and Equipment	79,000.00	0.00	0.00	0.00	83,138.57	83,138.57	105.2%
Total Capital Outlay	\$ 79,000.00	\$ 0.00	\$ 0.00		,	\$ 83,138.57	
GRAND TOTAL (A+B+C)	\$ 1,419,815.00 ¹	\$ 245,734.42	\$ 281,682.76	\$ 289.478.23	\$ 532,795.35	\$ 1,349,690.76	95.1%

¹ \$1,419,815 awarded by Act 1, SLH 2022 - Appropriation 393.

² \$26,372.50 additional award from Appropriation 181 for the Cost Adjustments for LEG employees excluded from CBA.

HAWAII STATE ETHICS COMMISSION FINANCIAL REPORT FY 2023 (QUARTER ENDING: June 30, 2023) Appropriation Symbol: G-22-396-Y6

	Amount Appropriated FY 2022-2023	•	Expenditures for Qtr. End 12/31/2022	Expenditures for Qtr. End 3/31/2023	Expenditures for Qtr. End 6/30/2023	Year-To-Date Expenditures Totals	% of Budget Expended
A. ACCRUED VACATION/VACATION TRAN	SFERS						
Vacation Payout	\$ 16,553.00 ¹	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0.0%
Total Accrued Vacation/Vacation Transfers	\$ 16,553.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0.0%
GRAND TOTAL	\$ 16,553.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0.0%
Appropriation for Accrued Vacation/Vacation Transfer Payments Total Expenditures as of June 30, 2023.							
Balance as of June 30, 2023							

¹ Funds for accrued vacation and vacation transfer payments appropriated by Act 2, SLH 2022, for \$16,553.00.

G:Share/Budget/Reports/2022-23/FY23 Q4

SUNSHINE LAW MEETING AGENDA ITEM V

2023 LEGISLATIVE SESSION WRAP-UP

SUNSHINE LAW MEETING AGENDA ITEM VI

CONSIDERATION OF RECOMMENDATION TO STAY ENFORCEMENT OF NEPOTISM LAW FOR TWO MONTHS

Attachment 1: Staff Overview

CONSIDERATION OF RECOMMENDATION TO STAY ENFORCEMENT OF NEPOTISM LAW FOR TWO MONTHS

STAFF OVERVIEW

I. <u>Summary</u>

On July 11, 2023, the Nepotism law, <u>HB 717 HD1 SD2 CD1</u>, went into effect. The Nepotism law prohibits executive branch employees from hiring, supervising, or otherwise taking official action affecting their relatives or household members.

To educate state employees, agencies, and the public, the Commission took several steps to provide an overview of the new law. A Quick Guide was posted to the Commission's website (available at <u>ethics.hawaii.gov</u>). Additionally, the Commission issued a press release, which garnered media coverage in the Honolulu Star Advertiser, thereby increasing public awareness about the law. Finally, the Commission posted a Nepotism Good Cause Exception Application on its website to provide an orderly and transparent process to process good cause exception requests. This application serves as a formal process for individuals or agencies to request exceptions to the law, particularly in cases where a valid reason or extenuating circumstances exist.

However, despite these efforts, agencies are still seeking guidance on how to implement the Nepotism law. One particular concern is how to handle existing family relationships between supervisors and subordinate employees, which are now prohibited by the law. Given these ongoing inquiries and the need for employees and agencies to adjust to the new requirements, it seems appropriate to temporarily halt the enforcement proceedings related to the Nepotism law for a period of two months. This stay of enforcement would provide affected employees and agencies with time to adapt and submit applications for a good cause exception.

II. Recommended Motion:

Motion to stay enforcement proceedings regarding the Nepotism law until September 11, 2023.

RH/ls

SUNSHINE LAW MEETING AGENDA ITEM VII

DISCUSSION OF THE ETHICS COMMISSION OFFICE RENOVATIONS AND TEMPORARY CLOSURE OF THE PHYSICAL OFFICE (SEPTEMBER THROUGH NOVEMBER 2023)

SUNSHINE LAW MEETING AGENDA ITEM VIII

STATUS OF THE STATE ETHICS CONFERENCE (SEPTEMBER 1, 2023)

SUNSHINE LAW MEETING AGENDA ITEM IX

DISCUSSION OF THE COMMISSION'S JURISDICTION OVER HAWAI'I JUDGES AND JUSTICES IN LIGHT OF RECENT U.S. SUPREME COURT ETHICS CONCERNS

SUNSHINE LAW MEETING AGENDA ITEM X

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.