## **SUNSHINE LAW MEETING**

# NOTICE OF MEETING OF THE HAWAI'I STATE ETHICS COMMISSION

#### **Commissioners:**

Wesley Fong, Chair

Beverley Tobias, Vice-Chair • Robert Hong • Cynthia Thielen • Roderick Becker

<u>Date</u>: August 20, 2025

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

<u>Location</u>: <u>Zoom Videoconference or Phone</u>:

Videoconference: <u>Join Zoom Meeting</u>

https://us06web.zoom.us/j/82338392953?pwd=YiftxO

QYgJnAg6lVNlBSSeoUaPA9Ah.1

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

Phone passcode: 528693

Meeting ID: 823 3839 2953

Passcode: AL5mn2

### **Public Meeting Location:**

Hawai'i State Ethics Commission Conference Room 1001 Bishop Street American Savings Bank Tower, Suite 970 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 visit the Commission's website (<a href="www.ethics.hawaii.gov">www.ethics.hawaii.gov</a>) for more information, including reconnection information.

Public meeting materials for this meeting are available on the Commission's website at <a href="www.ethics.hawaii.gov">www.ethics.hawaii.gov</a>.

#### <u>AGENDA</u>

#### CALL TO ORDER

I. Consideration and Approval of the Minutes of the July 16, 2025 Meeting

Attachment 1: Sunshine Law Meeting Minutes of the July 16, 2025, Hawai'i State Ethics Commission Meeting

## II. <u>Directors' Report</u>

1. Education & Disclosures - Report/Updates

Attachment 1: 2025 Training Schedule

2. Guidance and Assignment Statistics - July 2025

Attachment 2: 2025 Guidance and Assignment Statistics/Website Traffic

3. Miscellaneous Office Projects/Updates

## III. <u>Discussion of Media Reports Concerning Ethics or the Ethics Commission Since</u> the Last Meeting

Description: The Commission will discuss recent media coverage related to ethics in government or the Hawai'i State Ethics Commission. The discussion may include consideration of potential responses, clarification of public information, or other appropriate actions.

### IV. <u>Discussion of Possible Legislative Proposals within the Commission's Jurisdiction</u>

Description: The Commission will discuss potential legislative proposals for the upcoming legislative session, including possible amendments to the State Ethics Code (Haw. Rev. Stat. Chapter 84), the Lobbyists Law (Haw. Rev. Stat. Chapter 97), or other matters within the Commission's jurisdiction. The Commission may provide direction to staff regarding research, drafting, and consultation with stakeholders.

Attachment 1: Staff Overview

Hawai'i State Ethics Commission Notice of Meeting on August 20, 2025 Page 3

Attachment 2: Draft of Proposed Ban on Political Fundraising By State Employees Involved in Procurement Matters

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.

V. <u>Akana v. Hawai 'i State Ethics Commission and Daniel Gluck, Civil No. 18-1-1019-06 (JHA); Akana v. Hawai 'i State Ethics Commission, Civil No. 19-1-0379-03 (JHA); State of Hawai 'i, Ethics Commission v. Rowena Akana, Civil No. 20-1-0453 (BIA)</u>

Description: 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.

VI. Adjournment

Hawai'i State Ethics Commission Notice of Meeting on August 20, 2025 Page 4

### Disruption of Interactive Technology:

If the Commission loses internet or Zoom connection, the meeting will be automatically recessed for up to 30 minutes to restore communication. **Audio-Only Communication:** If audio-only communication is available, all Commissioners, staff, members of the public, and other interested individuals may continue to participate in the meeting via teleconference by dialing the telephone number and Meeting ID number noted above. If communication cannot be restored within thirty minutes, the meeting will be automatically continued to a date and time to be posted on the Commission's website at <a href="www.ethics.hawaii.gov">www.ethics.hawaii.gov</a>. Alternatively, if a decision is made to terminate the meeting, the termination will be posted on the Commission's website.

#### **Public Testimony:**

Anyone wishing to testify may do so during the meeting or may submit written testimony in advance of the meeting by email (info.ethics@hawaii.gov), facsimile (fax) (808-587-0470), or U.S. postal mail (State Ethics Commission, 1001 Bishop Street, American Savings Bank Tower, Suite 970, Honolulu, Hawaiʻi 96813). Public testimony must be related to an item on the agenda, and the testifier must identify the item to be addressed by the testimony. Pursuant to Hawaiʻi Revised Statutes section 92-3 and Hawaiʻi 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 Accommodation Due to a Disability:

If you require an auxiliary aid or accommodation due to a disability, please get in touch with the State Ethics Commission at (808) 587-0460 or email the Commission at <a href="mailto:info.ethics@hawaii.gov">info.ethics@hawaii.gov</a> as soon as possible, preferably at least 48 hours prior to the meeting. Last-minute requests will be accepted but may be impossible to fill.

Upon request, this notice is available in alternate/accessible formats.

## SUNSHINE LAW MEETING AGENDA ITEM I

## CONSIDERATION AND APPROVAL OF THE MINUTES OF THE JULY 16, 2025 MEETING

Sunshine Law Meeting Minutes of the July 16, 2025 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 8	Date:	July 16, 2025
9 10	Time:	9:00 a.m.
11 12	Location:	Hybrid meeting held via Zoom video and audio conference
13 14 15		Recorded video available at <a href="https://ethics.hawaii.gov/category/commissionmeetings/comm_videos/">https://ethics.hawaii.gov/category/commissionmeetings/comm_videos/</a>
16 17		Public Meeting Location
18 19		Hawaiʻi State Ethics Commission Conference Room 1001 Bishop Street
20 21 22		American Savings Bank Tower, Suite 970 Honolulu, Hawaiʻi 96813
23 24	Present:	State Ethics Commission Members
25 26 27		Wesley F. Fong, Chair (present in the conference room) Beverley Tobias, Vice Chair (via video conference) Robert Hong, Commissioner (via video conference)
28 29		Cynthia Thielen, Commissioner (present in the conference room) Roderick Becker, Commissioner (present in the conference room)
30 31		State Ethics Commission Staff  Pob at D. Harris, Everytive Director (present in the conference recent)
32 33		Robert D. Harris, Executive Director (present in the conference room) Bonita Y.M. Chang, Compliance Director (via video conference)  Voc Compliant Director (via video conference)
34 35 36		Kee Campbell, Enforcement Director (via video conference) Nancy C. Neuffer, Staff Attorney (via video conference)  Leppifor M. Venezules, Staff Attorney (via video conference, icipad et 0:15 cm)
37 38		Jennifer M. Yamanuha, Staff Attorney (via video conference, joined at 9:15am) Jodi L. K. Yi, Staff Attorney (via video conference) Jared Elster, Investigator (via video conference)
39 40		Barbara A. Gash, Investigatory Analyst (via video conference)
40 41 42		Patrick Lui, Computer Specialist (via video conference) Melissa Vomvoris, Administrative Assistant (present in the conference room)
42 43 44 45		Guests and Members of the Public Chad Blair, Civil Beat (via video conference)
46		

### CALL TO ORDER (0:06)

Chair Fong called the meeting to order at 9:02 a.m. All Commissioners confirmed that no one else was present at their respective remote locations. Executive Director Harris reminded participants that the meeting was being recorded for the official record and posted online.

## Agenda Item No. I: Consideration and Approval of the Minutes of the June 25, 2025, Meeting (2:39)

Commissioner Thielen moved to approve the minutes of the June 25, 2025 meeting, and was seconded by Commissioner Becker. The motion passed unanimously with all Commissioners present voting in the affirmative.

## Agenda Item No. II: Election of Officers (4:02)

Executive Director Harris explained that, per custom, the Commission has elected to defer officer elections until newly appointed commissioners are onboard. Commissioner Thielen moved to postpone the election of officers until a new commissioner is appointed, and motion was seconded by Commissioner Hong. The motion passed unanimously with all Commissioners present voting in the affirmative.

### Agenda Item No. III: Directors' Report (6:34)

### Education & Disclosures - Report/Updates (6:45):

Compliance Director Chang reported that a live training session is scheduled for Friday, July 18, 2025, and that initial courtesy reminders were sent to board administrators regarding mandatory training and financial disclosure requirements for new board members. Staff anticipates an increase in disclosure activity this month due to new board filers and the revised gift disclosure deadline, which now aligns with the fiscal year.

On August 7, 2025, staff will be participating in a COGEL Connect Webinar to share best practices on how to track training attendance and completions. Chair asked whether the staff would be presenting at the COGEL conference, noting that there is a lot of information exchanged during the sessions.

## Guidance and Assignments Statistics - June 2025 (11:35):

Enforcement Director, Kee Campbell, reported that:

- 37 complaints received and 29 closed in June
- Year-to-date: 172 complaints received and 157 closed.
  - 53 Travel requests processed.

- Projected 316 total complaints for 2025, with most complaints involving no jurisdiction, fair treatment, harassment, and retaliation. Many are resolved due to a lack of jurisdiction or evidence and are referred to the appropriate agency.
- For the quarter, 239 AOD requests were opened and 231 were closed, with the majority relating to gift and fair treatment issues.
- 39 written summaries (emails) and three formal guidance letters issued.

Executive Director Harris noted these statistics reflect improved transparency enabled by the Commission's new case management system. The office aims to publish performance metrics, such as average time to close complaints, by the end of the year.

## Miscellaneous Office Projects/Updates (15:52):

Executive Director Harris reported in the Q4 Financial Report, that \$21,709 lapsed back to the general fund due to prudent budget control. The office saved approximately \$8,000 by transitioning to Microsoft Teams for its telecommunications needs. New expenses for training functions, Salesforce licensing and consulting services to upgrade the financial disclosure system in line with legal requirements.

## Agenda Item No. IV: Discussion of Media Reports Concerning Ethics or the Ethics Commission Since the Last Meeting (18:08)

Executive Director Harris reported on two media mentions:

- June 29, 2025 Civil Beat article titled "State Watchdogs Keeping Pressure on Government Reform." <a href="https://www.civilbeat.org/2025/06/state-watchdogs-are-keeping-the-pressure-on-for-government-reform/">https://www.civilbeat.org/2025/06/state-watchdogs-are-keeping-the-pressure-on-for-government-reform/</a>
- June 28, 2025 blog post by Ian Lind discussing lobbying and influence peddling.
   <a href="https://www.ilind.net/2025/06/27/lets-not-confuse-lobbying-with-influence-peddling/">https://www.ilind.net/2025/06/27/lets-not-confuse-lobbying-with-influence-peddling/</a>

## Agenda Item No. V: Discussion of Legislative Proposals within the Commission's Jurisdiction (19:28)

Commissioner Thielen proposed an amendment to a draft bill that would prohibit executive branch officers and employees with procurement authority from engaging in political fundraising. She recommended raising the threshold from \$5,000 to \$100,000 to align with state procurement thresholds and reduce the potential for overbreadth. There were no objections from the Commissioners.

Executive Director Harris noted that staff and the Deputy Attorney General are reviewing the draft bill and will provide comments. Chair Fong confirmed the Commission will revisit the bill in the next meeting to allow time for legal review and finalization before legislative submission in December.

1	Chair Fong requested that the Staff prepare a draft bill broadening the application of the
2	nepotism law for the Commissioners to consider.
3	
4	
5	Agenda Item No. VI: Akana v. Hawai'i State Ethics Commission and Daniel Gluck, Civil
6	No. 18-1-1019-06 (JHA); Akana v. Hawai'i State Ethics Commission, Civil No. 19-1-0379-03
7	(JHA); State of Hawai'i, Ethics Commission v. Rowena Akana, Civil No. 20-1-0453 (BIA)
8	<u>(27:58)</u>
9	
10	Executive Director Robert Harris reported that there are no updates. The matter remains
11	pending before the Hawaiʻi Supreme Court.
12	
13	
14	Agenda Item No. VII: Adjournment of Sunshine Law Meeting (29:47)
15	
16	At approximately 9:31 a.m., Commissioner Hong moved to adjourn the meeting, and
17	Commissioner Thielen seconded the motion. The motion passed unanimously.
18	
19	The meeting was adjourned at 9:31 a.m.
20	
21	Minutes approved on

## SUNSHINE MEETING AGENDA ITEM II

## DIRECTORS' REPORT August 20, 2025

## 1. Education & Disclosures - Report/Updates

Attachment 1: 2025 Training Schedule

2. Guidance and Assignment Statistics - July 2025

Attachment 2: 2025 Guidance and Assignment Statistics / Website Traffic

3. Miscellaneous Office Projects / Updates

# HAWAII STATE ETHICS COMMISSION 2025 EDUCATION PROGRAM

(Ethics Workshops and Presentations)

(Ethics Workshops and Presentations)  IN PERSON   WEBINAR								
DATE	PRESENTATIONS	PARTICIPANTS	PARTICIPANTS					
1/2/2025	WEBINAR: Lobbyists Law Training	0	25					
1/10/2025	WEBINAR: Lobbyists Law Training	0	22					
1/17/2025	IN PERSON: Ethics Refresher, Capitol House Members	46	0					
1/23/2025	WEBINAR: General Ethics Training	0	18					
2/10/2025	WEBINAR: Universal Access Advisory Council, Custom Advisory	0	24					
3/5/2025	WEBINAR: General Ethics Training	0	3					
4/17/2025	WEBINAR: General Ethics Training, Charter Schools	0	34					
5/8/2025	WEBINAR: General Ethics Training	0	15					
7/18/2025	WEBINAR: Ethics for State Board & Commission members	0	13					
8/6/2025	WEBINAR: General Ethics Training	0	11					
9/25/2025	WEBINAR: Ethics for State Board & Commission members							
10/22/2025	WEBINAR: General Ethics Training							
11/7/2025	WEBINAR: Ethics for State Board & Commission members							
TOTAL	13 Presentations	46 participants	165 participants					

## **Attachment 2**

2025	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Year to date
Training statistics													
# of In-Person Trainings	1	0	0	0	0	0	0						
# of People Trained In Person	46	0	0	0	0	0	0						4
# of On-Line Trainings (Self-Directed)	698	511	411	419	441	421	2,815						5,71
# of Lobbyists Law Trainings	180	62	117	11	8	2	3						38
# of Training Webinars	3	1	1	1	1	0	1						
# of Participants in Training Webinars	65	24	3	34	15	0	13						15
Attorney of the Day	97	89	87	88	87	64	75						58
New assignments													
Advisory Opinion	0	0	0	0	0	0	0						
Anti-Fraud	6	2	3	6	11	7	6						
Complaint	22	20	37	25	31	37	34						20
Gifts/Invitations/Travel	46	33	31	49	32	53	39						23
Guidance	2	5	0	2	1	0	0						
Judicial Selection Comm'n	2	4	4	1	2	3	3						
Nepotism	0	0	0	0	0	0	0						
Training Request	1	0	2	0	0	0	0						
Record Request	0	0	1	0	0	0	3						
Project/Other	9	3	2	6	8	2	6						3
Total	88	67	80	89	85	102	91	0	0	0	0	0	60
Closed Assignments													
Advisory Opinion	0	0	0	0	0	0	0						
Anti-Fraud	2	5	13	3	5	11	9						4
Complaint	25	26	29	28	20	29	39						19
Gifts/Invitations/Travel	46	35	26	43	43	52	37						28
Guidance	1	5	0	3	1	1	0						
Judicial Selection Comm'n	2	4	4	1	2	3	3						
Nepotism	0	0	1	0	0	0	0						
Training Request	4	1	1	1	1	0	1						
Record Request	0	0	1	0	0	0	3						
Project/Other	5	3	1	1	4	1	1						
Total	85	79	76	80	76	97	93	0	0	0	0	0	58

Sunshine Law Folder - 8/20/2025

## SUNSHINE LAW MEETING AGENDA ITEM III

## DISCUSSION OF MEDIA REPORTS CONCERNING ETHICS OR THE ETHICS COMMISSION SINCE THE LAST MEETING

Description: The Commission will discuss recent media coverage related to ethics in government or the Hawai'i State Ethics Commission. The discussion may include consideration of potential responses, clarification of public information, or other appropriate actions.

No Attachments.

### SUNSHINE LAW MEETING AGENDA ITEM IV

## DISCUSSION OF POSSIBLE LEGISLATIVE PROPOSALS WITHIN THE COMMISSION'S JURISDICTION

Description: The Commission will discuss potential legislative proposals for the upcoming legislative session, including possible amendments to the State Ethics Code (Haw. Rev. Stat. Chapter 84), the Lobbyists Law (Haw. Rev. Stat. Chapter 97), or other matters within the Commission's jurisdiction. The Commission may provide direction to staff regarding research, drafting, and consultation with stakeholders.

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.

Attachment 1: Staff Overview

Attachment 2: Draft of Proposed Ban on Political Fundraising By State Employees

Involved in Procurement Matters

#### PROPOSED BILL RELATING TO POLITICAL FUNDRAISING BY STATE EMPLOYEES

Consideration of Draft Bill Language Proposing a Political Fundraising Ban for High-Level State Employees

#### STAFF OVERVIEW

### I. <u>Background</u>

The bill seeks to enhance public confidence in the integrity of Hawai'i's state government by addressing the potential for political influence in state contracting. It prohibits certain high-level state employees—those appointed by the Governor, confirmed by the Senate, compensated for state service, and possessing procurement authority over contracts exceeding \$100,000—from engaging in political fundraising activities.

The stated legislative intent is to avoid both actual and perceived conflicts of interest by preventing situations in which state contract awards appear to be tied to campaign contributions or political favoritism.

Key provisions of the draft bill include:

- 1. **Covered Individuals** Must meet all of the following:
  - o Nominated by the Governor;
  - Subject to Senate confirmation;
  - o Paid for state service; and
  - o Hold oversight, management, or procurement authority over state contracts valued at more than \$100,000.
- 2. **Prohibited Activities** Covered individuals may not:
  - o Organize, attend, host, or solicit contributions for any political fundraiser for any candidate for elective office; or
  - o Directly solicit campaign contributions from any individual or entity.
- 3. **Definition of "Procurement Authority"** Includes authority to select vendors, award contracts, approve payments, or otherwise influence state procurement outcomes.
- 4. **Preservation of Political Rights** Covered individuals may still express political opinions and vote.

## II. <u>Analysis</u>

### a. Strengths:

- **Targeted Scope**: The proposed restriction is limited to positions with the greatest potential for fundraising-related conflicts. The bill narrowly applies to a small group of state employees who are appointed by the Governor, confirmed by the Senate, compensated for state service, and have authority over contracts exceeding \$100,000. Because these officials answer to both the executive and legislative branches and control high-value procurements, they face heightened risks—or the appearance—of political influence in the procurement process.
- **Brightline Standard:** The Fair Treatment section of the Ethics Code currently prohibits coercion of government contractors for political purposes, and proposed revisions to the Commission's administrative rules would make this standard more explicit. Nonetheless, establishing coercion in an enforcement proceeding may be difficult. The proposed bill establishes a more defined prohibition, making it easier to apply and enforce.
- **Alignment with Policy Goals** Consistent with the Ethics Code's objective to prevent the appearance of undue influence in government contracting.

#### b. Potential Issues:

- **Enforcement Considerations** Determining "attendance" at a fundraiser could be difficult (e.g., virtual participation, incidental presence). Clarity may be needed with guidance and rulemaking over time.
- **First Amendment Concerns** While tailored, restrictions on political fundraising must balance constitutional rights; narrowing the ban to core conflict situations (as the bill does) helps, but further review may be necessary.

## III. Recommendation

Staff recommends that the Commission approve the substance of the proposed bill and ask Staff to continue working with the Department of the Attorney General and Legislative Research Bureau to finalize the proposed language.

<u>Recommended Motion</u>: Motion to approve the substance of the proposed bill and direct staff to finalize the language for legislative introduction.

RDH/lo

THE SENATE
THIRTY-FOURTH LEGISLATURE, 2026
STATE OF HAWAII

S.B. NO.

## A BILL FOR AN ACT

RELATING TO POLITICAL FUNDRAISING BY STATE EMPLOYEES

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that public confidence in 2 the integrity of state government depends on the assurance that 3 decisions about state contracts are made free from political 4 influence. When high-level state employees with significant procurement or contract authority engage in political 5 6 fundraising, it creates a risk - or the appearance - that such 7 authority could be used to reward political supporters instead 8 of acting in the public's best interest. To prevent even the 9 appearance that state contracts are awarded based on political 10 contributions or affiliations, the legislature finds it 11 necessary to prohibit these employees from engaging in political 12 fundraising activities. 13 SECTION 2. Chapter 84, Hawaii Revised Statutes, is amended 14 by adding a new section to be appropriately designated and to

16

15

read as follows:

## S.B. NO.

```
1
         ~84 -
                Political fundraising; procurement authority;
2
    prohibition.
3
         (a) No individual who:
4
              (1)
                   is nominated by the governor;
5
                   is subject to confirmation by the senate;
              (2)
6
              (3)
                   receives compensation for state service; and
7
                   has oversight, management, or procurement
              (4)
8
                   authority over state contracts with a value
9
                   greater than $100,000
10
    shall:
11
              (1) Organize, attend, host, or solicit contributions
12
    for any political fundraiser for any candidate for elective
13
    office; or
14
              (2) Directly solicit campaign contributions from any
    individual or entity.
15
16
         (b) For the purpose of this section, "procurement
    authority" includes authority to select vendors, award
17
18
    contracts, approve payments, or otherwise influence the outcome
19
    of a state procurement process.
```

# S.B. NO.

1	(c) Nothing in this section shall be construed to prohibit
2	an individual from exercising the individual's rights as a
3	citizen to express opinions or cast votes."
4	SECTION 3. This Act shall take effect upon its approval.
5	
	INTRODUCED BY:

## SUNSHINE LAW MEETING AGENDA ITEM V

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)

Description: Discussion of case status.

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No attachments.