



“The people of Hawaii believe that public officers and employees must exhibit the highest standards of ethical conduct and that these standards come from the personal integrity of each individual in government.”

— Hawaii State
Constitution
Article XIV

Hawai'i State Ethics Commission

Phone: (808) 587-0460

Fax: (808) 587-0470

Website:
<http://ethics.hawaii.gov/>

Email:
ethics@hawaiiethics.org

Twitter:
[@HawaiiEthics](https://twitter.com/HawaiiEthics)

The High Road

The High Road is a publication of the Hawai'i State Ethics Commission

Issue 2021-2

June 2021

State Ethics Commission Welcomes Its Newest Member: Harry J. McCarthy



Governor Ige has appointed Harry J. McCarthy to the State Ethics Commission. Commissioner McCarthy spent twenty-eight years as an Assistant United States Attorney in Washington, D.C., and Seattle, Washington, where he specialized in white collar crime and public corruption cases. He also served as a judge on the King County Superior Court for ten years, in addition to teaching at the University of Washington School of Law as an Adjunct Professor and Lecturer. Commissioner McCarthy holds a B.A. degree from St. Mary's College and a J.D. degree from the Golden Gate University School of Law. Welcome, Commissioner McCarthy!

New Ethics Bill Will Strengthen Post-Employment Law, Restrict Private Lobbying by Top State Officials

A new ethics bill creates a twelve-month “cooling off” period before high-level government officials may be paid (by private parties) to lobby the Legislature or administrative agencies. **[HB 671 HD2 SD2](#)**, which will become effective January 1, 2022 (as it was not on the Governor's Intent to Veto list), applies to the Governor, Lieutenant Governor, executive department heads, legislators and permanent legislative staff, and other high-ranking paid government officials. These designated state officials must wait for one year after leaving state employment before being paid to lobby the Legislature (or administrative agencies with respect to administrative rulemaking). The Commission thanks the Legislature

for passing this measure, and the Governor for allowing it to become law: the measure establishes clearer boundaries between government and private-sector lobbyists, and helps to promote integrity in state government.

Another bill, **[HB 741 HD2 SD1](#)**, requires the State Ethics Commission to retain lobbying records for six years from the date of filing. The Commission is currently required to retain lobbying records for four years.

This bill will also become law.



“The purpose of this chapter is to . . . establish an ethics commission which will . . . render advisory opinions and enforce the provisions of this law so that public confidence in public servants will be preserved.”

*Preamble,
Hawai‘i Revised
Statutes Chapter 84
(State Ethics Code)*

**Hawai‘i State
Ethics Commission**

Phone: (808) 587-0460

Fax: (808) 587-0470

Website:
<http://ethics.hawaii.gov/>

Email:
ethics@hawaiiethics.org

Twitter:
[@HawaiiEthics](https://twitter.com/HawaiiEthics)

Gifts Disclosure Statements Due June 30, 2021

The deadline for filing a gifts disclosure statement with the State Ethics Commission is **June 30, 2021**. If you are a state legislator, state employee, or member of a state board or commission, you must file a gifts disclosure statement if all of these conditions apply to you:

- 1) Between June 1, 2020 and May 31, 2021, you (or your spouse or dependent child) received a gift valued over \$200, or gifts from one source with an aggregate value of over \$200, **and**
- 2) The source of the gift(s) has interests that may be affected by your official action, **and**
- 3) The gift is not exempted by law from the gifts reporting requirement.

Certain gifts do not have to be reported on a gifts disclosure statement, including gifts from close relatives, gifts available to the public generally, and gifts that are returned to the donor or donated to a charitable organization within 30 days after receipt.

For more information about the gifts reporting requirement (including a list of gifts that are



SUN	MON	TUE	WED	THU	FRI	SAT
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

excluded from the reporting requirement) and instructions on how to file a gifts disclosure statement using the Commission’s e-filing system, click here: <https://hawaiiethics.force.com/disclosures/s/>

Note that if you have not received any gifts during the reporting period (June 1, 2020 to May 31, 2021), you are not required to file a gifts disclosure statement with the Commission.

Do you have questions about the gifts disclosure law or need assistance filing a gifts disclosure statement? Contact the Commission’s office at (808) 587-0460 or ethics@hawaiiethics.org.



Hawai'i State Ethics Commission

Commissioners:

Ruth Tschumy,
Chair
Melinda Wood,
Vice Chair
Reynard Gaulty
Wesley Fong
Harry McCarthy

Executive Director:

Daniel Gluck

Address:

1001 Bishop Street
Suite 970
Honolulu, HI 96813

Phone: (808) 587-0460

Fax: (808) 587-0470

Email:

ethics@hawaiiethics.org

Website:

<http://ethics.hawaii.gov>

Twitter:

[@HawaiiEthics](https://twitter.com/HawaiiEthics)

Financial Disclosure Statements Must Be Filed Electronically Beginning July 1, 2021



Nearly 2,000 state officials and employees file financial disclosure statements each year with the State Ethics Commission. Over 99% of the filers use the Commission's electronic filing system to submit their disclosure statements. Electronic filing streamlines the filing process for employees, allows the public to search public filings more easily and reduces administrative costs for the Commission.

Beginning July 1, 2021, all financial disclosure statements must

be filed using the Commission's electronic filing system, available via the Commission's website at: <https://hawaiiethics.force.com/disclosures/s/>.

After July 1, the Commission will not accept disclosures filed by paper or by any other method. The Commission's staff will assist any individual who has difficulty filing electronically due to a disability or a limited ability to read or speak English.

To view the Commission's Order Requiring Electronic Filing of Financial Disclosure Statements, click here: <https://ethics.hawaii.gov/wp-content/uploads/>

Ethics Advisory Opinions: Board Member Conflicts, Private Pay for Interns and Stipends for State Employees

Board member conflicts of interests, financial transactions between legislators and interns, and stipends for state employees were topics of the latest advisory opinions issued by the State Ethics Commission:

Advisory Opinion No. 2020-1: Three members of a state licensing board are not prohibited from voting on matters affecting a private professional association whose members are licensed practitioners.

Advisory Opinion No. 2020-2: A legislator may not use the legislator's private funds to compensate a legislative intern because the Ethics Code prohibits substantial financial transactions between supervisors and subordinates.

Advisory Opinion No. 2021-1: Employees of a state agency may accept stipends to participate in a state project so long as the employees are not compensated for work performed during state work hours and the stipend amount is reasonable.

Summaries of these and other advisory opinions issued by the Commission are posted on the Commission's website (see [Ethics Opinions & Decisions](#)).

Do you have an ethics question? For information about how to obtain ethics advice, including how to request a formal advisory opinion from the Commission, click here: <https://ethics.hawaii.gov/advice/#advice>