



THE HIGH ROAD

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

Mandatory Ethics Training Is Here!

Beginning January 1, 2023, all state legislators, employees, and members of state boards and commissions will be required to take an ethics training course and repeat the course every four years.

Elected state officials, department heads, and officials who file public financial disclosure statements must take a live ethics training course. For a list of all state officials who are required to take the live course, please go to <https://ethics.hawaii.gov/wp-content/uploads/MandatoryEthicsTrainingFlyer.pdf>. All other employees and board members may take either a live training course or an online self-directed course.

The live and self-directed courses provide an overview of the ethics laws that apply to all state officials and employees. The live training course, held via Zoom videoconference, is a 90-minute class presented by a State Ethics Commission attorney. Participants can submit questions to the presenter during class for discussion. Individuals can register online for one of these classes at <https://ethics.hawaii.gov/training/#signup>.

The self-directed course is an interactive 30-minute course that you can take on any day, at any time to fit your schedule. For more information on this course and how to take it, go to <https://ethics.hawaii.gov/ethiconlinetraining/>.

Have you attended an ethics training course between January 1, 2020 and January 1, 2023? If so, congratulations! You have satisfied your initial training requirement and won't need to take ethics training again for the next four years. Of course, you are always welcome to sign up for a class or take the self-directed course at any time as a refresher.

Still have questions about the mandatory ethics training requirement? See our Mandatory State Ethics Training FAQ's at <https://ethics.hawaii.gov/wp-content/uploads/MandatoryEthicsTrainingFlyer.pdf> or contact the State Ethics Commission at ethics@hawaiiethics.org or (808) 587-0460.

"The people of Hawai'i 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."

— Hawai'i State Constitution
Article XIV

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Commission to Improve Standards of Conduct

On December 1, 2022, the Commission to Improve Standards of Conduct (“Standards Commission”) submitted its final report to the Hawai‘i House of Representatives. After dozens of meetings, multiple interviews with stakeholders, and many drafts, the Standards Commission submitted 31 proposals that, if adopted by the Legislature, could impact the State Ethics Code and the laws governing lobbyists (among other things). Some of the notable proposals include:

- **Lobbyists training.** One proposal requires all lobbyists to participate in a training session prior to registering with the Ethics Commission. The intent is to ensure lobbyists know how to comply with the lobbying laws and to prevent inadvertent mistakes.
- **Lobbyists reporting.** Another proposal requires lobbyists to identify the bill, budget item, or resolution they worked on with specificity on their regular report. This differs from the current requirement, which allows lobbyists to report a broad subject area that they worked on.
- **Disclosing financial connections to lobbyists or lobbying organizations.** Another concept requires legislators to report income received (directly or indirectly) from lobbyists or lobbying organizations. Currently these relationships may not be reported because the income is received as a salary or disbursement from an intermediary entity.
- **Prohibiting nepotism.** In addition, as noted elsewhere in this High Road issue, another proposal would create a bright-line rule against nepotism, specifically on the hiring or supervising of a relative.

The Standards Commission’s final report can be found at bit.ly/3VkxtVB or by searching the Hawai‘i State Legislature website.

State Ethics Commission Backs Nepotism Law for Hawaii

Which of the following actions is prohibited by the State Ethics Code?

- A. A state employee promotes a nephew to a higher-paying position in the employee’s department.
- B. A state employee awards a contract to a business owned by the employee’s daughter.
- C. A state employee hires and supervises the employee’s brother for a state position.

It may surprise you to learn that the State Ethics Code does not prohibit any of these actions unless they involve preferential treatment by an employee to benefit a relative. The State Ethics Code’s Conflicts-of-Interests law prohibits an employee from hiring or supervising a spouse or dependent child, or awarding a contract to a business owned by a spouse or dependent child. But the law does not prohibit actions by an employee affecting other relatives or their businesses.

An employee’s actions affecting close relatives can create an appearance of bias or unfairness even where no preferential treatment is given. To address this, the State Ethics Commission will advocate for a nepotism law to be passed in 2023. The proposed law will prohibit employees from appointing, hiring, or promoting a relative or household member, or awarding a contract to a business owned by a relative or household member.

Holiday Season Ethics Guide

If you have questions about a holiday gift sent to your state office, our [Holiday Season Ethics Guide](https://ethics.hawaii.gov/wp-content/uploads/2019/12/quickguide_holidays.pdf) may help (https://ethics.hawaii.gov/wp-content/uploads/2019/12/quickguide_holidays.pdf).

For questions about gifts to legislators, see our [Quick Guide: Gifts to Legislators](https://ethics.hawaii.gov/wp-content/uploads/quickguide_giftsLeg.pdf) (https://ethics.hawaii.gov/wp-content/uploads/quickguide_giftsLeg.pdf).

Still have questions? Contact the State Ethics Commission's office at ethics@hawaiiethics.org or (808) 587-0460. Our attorney of the day will be happy to assist you.



Lobbyists, Are You Ready for 2023?

All 2021-2022 lobbyist registrations will automatically expire on December 31, 2022. Lobbyists who plan to lobby in 2023 must register for the upcoming 2023-2024 legislative biennium.

Want to learn more about the Lobbyists Law requirements or refresh your understanding of the law? Register for a Lobbyists Law webinar on January 4, 2023 or January 10, 2023. The class will cover the registration and reporting requirements for lobbyists and organizations that hire lobbyists, and will also demonstrate how to use the Commission's e-filing system for lobbying forms. To register for a class, go to: <https://ethics.hawaii.gov/training/#signup>.

For a quick review of the lobbyist registration requirements, read the Commission's publication, "Do I need to register as a lobbyist?" by going to https://ethics.hawaii.gov/wp-content/uploads/quickguide_lobbying.pdf.

Filing Deadlines Reminder!

January 31, 2023

- 2023 Financial Disclosure Statements for State Legislators
File your financial disclosure at <https://hawaiiethics.my.site.com/disclosures/s/>
- Lobbying Expenditures and Contributions Report for May 1 – December 31, 2022
File your forms at <https://hawaiiethics.my.site.com/lobbying/s/>



"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)