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# A BILL FOR AN ACT

RELATING TO PUBLIC FINANCIAL DISCLOSURE STATEMENTS.

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

1           SECTION 1.    The legislature finds that members of boards  
2 and commissions presently file annual financial disclosure  
3 statements with the state ethics commission that are not made  
4 public.  Some board members are vested with authority to run  
5 departments, and are thus entrusted with significant policy and  
6 financial decisions.  This Act identifies ten boards and  
7 commissions whose members file financial disclosures that are  
8 not released for public review, but who exercise authority  
9 equivalent to executive branch departments headed by a single  
10 executive.

11           Confidential disclosures keep the public unaware of  
12 potential conflicts of interest between a board or commission's  
13 work and their members' personal affairs.  While the  
14 confidential disclosure statements are received and reviewed by  
15 the Hawaii state ethics commission, the commission is generally  
16 not aware of the issues that the one hundred fifty or so boards  
17 and commissions handle on a day-to-day basis.  Individuals who



1 deal with these boards and commissions are in the best position  
2 to determine whether board or commission members have conflicts  
3 of interest. Public disclosure statements are necessary so that  
4 those who appear before boards and commissions can assure  
5 themselves that board or commission members have no conflicts of  
6 interest, or if they do, that they may recuse themselves.

7 Public disclosure statements build public confidence in  
8 state government. While some board and commission members may  
9 feel reluctant to serve if required to make public financial  
10 disclosures, the legislature finds that the interests of the  
11 public outweigh these concerns when such members are charged  
12 with significant discretionary and fiscal powers.

13 The purpose of this Act is to make ethics requirements  
14 consistent between public officials exercising equivalent  
15 authority and to assure the public that these public officials  
16 are performing their duties without conflicts of interest.

17 SECTION 2. Section 84-17(d), Hawaii Revised Statutes, is  
18 amended to read as follows:

19 "(d) The financial disclosure statements of the following  
20 persons shall be public records and available for inspection and  
21 duplication:



- 1           (1) The governor, the lieutenant governor, the members of  
2           the legislature, candidates for and delegates to the  
3           constitutional convention, the members of the board of  
4           education, the trustees of the office of Hawaiian  
5           affairs, and candidates for state elective offices;
- 6           (2) The directors of the state departments and their  
7           deputies, regardless of the titles by which the  
8           foregoing persons are designated; provided that with  
9           respect to the department of the attorney general, the  
10          foregoing shall apply only to the attorney general and  
11          the first deputy attorney general;
- 12          (3) The administrative director of the State;
- 13          (4) The president, the vice presidents, the assistant vice  
14          presidents, the chancellors, and the provosts of the  
15          University of Hawaii;
- 16          (5) The superintendent, the deputy superintendent, the  
17          state librarian, and the deputy state librarian of the  
18          department of education;
- 19          (6) The administrative director and the deputy director of  
20          the courts; [~~and~~]
- 21          (7) The administrator and the assistant administrator of  
22          the office of Hawaiian affairs [~~+~~]; and



- 1        (8) The members of following boards and commissions:
- 2            (A) The board of agriculture;
- 3            (B) The Hawaii community development authority;
- 4            (C) The board of trustees of the employees'
- 5            retirement system;
- 6            (D) The Hawaiian homes commission;
- 7            (E) The board of land and natural resources;
- 8            (F) The land use commission;
- 9            (G) The public utilities commission;
- 10           (H) The board of directors of the research
- 11           corporation of the University of Hawaii;
- 12           (I) The board of regents of the University of Hawaii;
- 13           and
- 14           (J) The Hawaii tourism authority."

15        SECTION 3. Statutory material to be repealed is bracketed  
 16 and stricken. New statutory material is underscored.

17        SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

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**Report Title:**

Public Financial Disclosure Statements; Boards and Commissions

**Description:**

Expands the state ethics code section 84-17(d), HRS, to include members of ten boards and commissions as public officials required to file financial disclosure statements that are open to public review.

