

**COMMITTEE ON WAYS AND MEANS**

Senator Rosalyn H. Baker, Chair  
Senator Shan S. Tsutsui, Vice Chair

**Testimony Index**

DATE: Thursday, January 3, 2008  
TIME: 9:00 a.m.  
PLACE: Conference Room 211  
State Capitol  
415 South Beretania Street

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Robin K. Matsunaga  
Ombudsman

David T. Tomatani  
First Assistant

**OFFICE OF THE OMBUDSMAN  
STATE OF HAWAII**

465 South King Street, 4<sup>th</sup> Floor  
Honolulu, Hawaii 96813  
Tel: 808-587-0770 Fax: 808-587-0773 TTY: 808-587-0774  
complaints@ombudsman.hawaii.gov

**TESTIMONY OF ROBIN K. MATSUNAGA, OMBUDSMAN,  
ON THE BUDGET REQUEST FOR FISCAL YEAR 2008-2009  
FOR THE OFFICE OF THE OMBUDSMAN**

**SENATE COMMITTEE ON WAYS AND MEANS**

**JANUARY 3, 2008**

Chair Baker and Members of the Committee on Ways and Means:

Thank you for this opportunity to present the budget request of the Office of the Ombudsman for fiscal year 2008-2009.

The Ombudsman is an independent, neutral, and nonpartisan officer of the Legislature, empowered to investigate citizen complaints against State and county executive agencies. We seek to assure the public of fair, reasonable and lawful treatment by government.

The workload of the office is determined primarily by the number and types of inquiries we receive from the public. During the 2006-2007 fiscal year, we received a total of 4,501 inquiries, a 7.6 percent decrease from the 4,870 inquiries received during the 2005-2006 fiscal year. Of the total number of inquiries, 2,973 were complaints against agencies within our jurisdiction. We received 1,097 requests for information (a 13.1 percent increase), and 431 complaints against entities outside our jurisdiction (an 12.4 percent decrease).

Further statistical information regarding our caseload and a sampling of the cases we investigated and closed during the last fiscal year can be found in our annual report for fiscal year 2006-2007, which we submitted to the Legislature on December 21, 2007. The annual report can also be found on our Web site, at <[www.ombudsman.hawaii.gov](http://www.ombudsman.hawaii.gov)>.

For fiscal year 2008-2009, I am requesting a no-growth budget totaling \$1,060,728. By no-growth, I mean that no additional staff positions are being added and the current expenses and equipment budgets will remain at fiscal year 2007-2008 levels. The amount requested reflects an increase of \$48,312 over the total appropriation of \$1,012,416 provided by the Legislature for the current fiscal year through Act 1 and Act 134, Session Laws of Hawaii 2007.

The \$48,312 includes \$10,488 to cover the increases for the ombudsman and first assistant, effective July 1, 2007, as provided by sections 96-2 and 96-3, Hawaii Revised Statutes, and the salary schedule established by the Executive Salary Commission, plus the following amounts to allow the staff of the Office of the Ombudsman, other than the Ombudsman and First Assistant, to maintain parity with employees in the Executive and Judicial branches (appropriations for Executive and Judicial branch employees for fiscal year 2008-2009 are included in Act 137, Session Laws of Hawaii 2007):

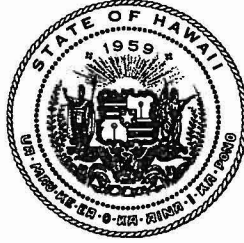
1. an additional \$15,074 to cover step/merit increases for 5 employees who are eligible for a step/merit increase, effective July 1, 2008; and
2. an additional \$22,750 to cover the across-the-board increase of 4 percent, effective October 1, 2008.

While I recognize there will be many difficult fiscal decisions that the Legislature must deal with in the upcoming session, I firmly believe that the Office of the Ombudsman provides the citizens of Hawaii a valuable and much needed service, and therefore request your consideration of this budget request for fiscal year 2008-2009.

Thank you, again, for the opportunity to present the budget request of the Office of the Ombudsman. If you have any questions, I will be happy to answer them.

OFFICE OF THE OMBUDSMAN  
OPERATING BUDGET -- FY 2008-2009 vs. FY 2007-2008

	<u>FY 2008-2009</u>	<u>FY 2007-2008</u>
<b>A. PERSONAL SERVICES</b>		
Ombudsman	\$ 114,708 (1)	\$ 109,248 (1)
First Assistant	105,528 (1)	100,500 (1)
Analysts	525,880 (8)	495,490 (8)
Intake/Secretarial	<u>255,212 (5)</u>	<u>247,778 (5)</u>
 SUBTOTAL PERSONAL SERVICES	 1,001,328 (15)	 953,016 (15)
 <b>B. OTHER CURRENT EXPENSES</b>		
Office Supplies & Postage	6,600	6,600
Telephone	3,850	3,850
Intra-state Transportation & Subsistence	220	220
Training/Out-of-state Transportation	5,500	5,500
Printing, Advertising & Publications	7,700	7,700
Maintenance - Office Equipment	5,500	5,500
Equipment Rental	4,950	4,950
Subscriptions/Dues	5,830	5,830
Other Miscellaneous Current Expense	1,100	1,100
Computer Services	14,950	14,950
Risk Management	<u>(included w/Other)</u>	<u>(included w/Other)</u>
 SUBTOTAL OTHER CURRENT EXPENSES	 56,200	 56,200
 <b>C. EQUIPMENT, FURNISHINGS, &amp; BOOKS</b>		
Equipment	2,100	2,100
Furnishings	550	550
Books	<u>550</u>	<u>550</u>
 SUBTOTAL EQUIP, FURNISHINGS, BOOKS	 3,200	 3,200
 <b>TOTAL OPERATING BUDGET REQUEST</b>	 <u><u>1,060,728</u></u>	 <u><u>1,012,416</u></u>



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**TESTIMONY OF MARION M. HIGA, STATE AUDITOR, ON THE PROPOSED  
BUDGET FOR FISCAL YEAR 2008-09 FOR THE OFFICE OF THE AUDITOR**

**Senate Committee on Ways and Means  
January 3, 2008**

Chair Baker and Members of the Committee:

Thank you for this opportunity to brief you on our proposed budget for FY2008-09.

Proposed Budget

We are proposing a general fund budget of \$2,910,684 for our regular operations and \$2,429,360 (with an expenditure ceiling of \$5,600,438) for our Audit Revolving Fund. You might note that the general fund request for the Audit Revolving Fund is approximately half of what it was last year because it represents only maintenance of the financial audit program, not additions. These are effectively transfers--what the affected agencies would have been spending for audits from their respective departmental budgets. Except for the audits of the University of Hawai'i and the Hawai'i Health Systems Corporation, all major financial audits are now under my office's administration.

The details of the budget request are presented in the following exhibits:

- Exhibit 1 presents the proposed budget by program.
- Exhibit 2 presents that budget by objects of expenditure. The proposed budget is flat except for authorized salary increases. After hearing my testimony today, I hope you will be assured that my outstanding staff well deserves these increases.
- Exhibit 3 presents budgeted and estimated expenditures for the current fiscal year. Exhibit 3 also includes the miscellaneous appropriations for the additional tasks that the Legislature has sent our way that I will discuss later in my testimony.
- Exhibit 4 presents our reports to date, in chronological order.
- Exhibit 5 presents both the to-date and the expected work, by categories of work.

Audits/Peer Review

I am pleased to report to you that all three legislative service agencies plus the Ethics Commission, which is administratively attached to my office, expect to receive clean opinions from the external CPA firm that is conducting audits of our books.

Also, my office received a clean opinion again in its sixth triennial peer review last June. This time, we contracted with the National Conference of State Legislatures (NCSL). A team of performance evaluators from Wisconsin, Utah, Mississippi, New Mexico, and Colorado spent five days at our office to test our system of quality control and concluded that we met government auditing standards.

### Professional Recognition

We continue to be involved and recognized professionally.

- We again won an impact award from the National Legislative Program Evaluation Society (NLPES) at the annual NCSL conference, this one for our management audit of Kailua High School.
- Deputy Auditor/General Counsel Jan Yamane has risen in the ranks at NCSL and NLPES. Jan is the vice chair of NLPES, staff vice chair of the NCSL Forum Education Committee, and steering committee member of the Legislative Education Staff Network. She was a presenter at NCSL and NLPES conferences.
- My speaking engagements this past year were at the national and regional conferences of the Association of Government Accountants. I also continue to sit on the U.S. Comptroller General's Advisory Council on Auditing Standards.

One exciting piece of news to bring to you is our success, after many years of trying, in bringing the annual training conference of NLPES to Honolulu in 2009. In fact, we may have succeeded beyond our expectations because two other NCSL staff sections are now considering joining us. We have also asked NCSL to consider Hawai'i as the site for the Fall 2009 NCSL Executive Committee meeting and that proposal is under consideration. So if all plans gel, we will be hosting several hundred conferees in 2009.

### A Wide-Ranging Work Year: Salient Issues

Our work year has been notable for the larger and interesting range of projects. The attendant challenges of reassigning staff in a tight personnel market has meant doubling up, especially for my managers, longer work hours, and deferring or delaying some work you requested. With reference to the appropriations at the lower portion of Exhibit 3, I would like to report the following:

- Special Studies—We initiated an audit of the executive branch's governance of information technology. Expanding our audit program to include IT audits is a promising strategic initiative made possible by our fortunate hiring of technical staff.
- Audit Revolving Fund—Our assumption of responsibility for the financial statement audits has been manageable, but I have some lingering concerns. For one thing, the Comprehensive Annual Financial Report, or CAFR, will again be late. One of my reasons for seeking the administration of all financial audit contracts was to reduce the executive branch's delay in reporting on the State's financial picture. Issuing our CAFR nine months after the close of the fiscal year, when large federal agencies can complete their audits in less than six months, is bothersome. And even at that, some of the CAFR numbers are estimates because some entities' audits are incomplete. Again this year, the

primary cause of the delay will be the University of Hawai'i. A contributing cause will be the Hawai'i Public Housing Authority. In previous years, the contributing causes were the Hawai'i Health Systems Corporation and the Housing and Community Development Corporation of Hawai'i.

- Hawai'i 2050 Sustainability Task Force—This task force's final report was issued last week in its black and white format.
- Hawai'i Broadband Task Force—This task force's interim report was issued December 31.
- Identity Theft Task Force—This task force's final report was issued last week.

Responding to the expanded work program, however, has been hampered by tussles with the executive branch over access to information. Whether it was investigative committee work on the Bureau of Conveyances, or, currently, the audit of the decision to exempt the Superferry from environmental assessment requirements, we have encountered numerous roadblocks to receiving information that we believe the statutes entitle us to have without impediment. For example, as of yesterday, we have received only one box of documents of the approximately 30 we requested of the executive branch and none from the Superferry. Only the Public Utilities Commission has been cooperative and responsive and has willingly given us access. The rest of the administration has not.

At issue are these:

- (1) Whether "executive privilege" is limited to the governor and lieutenant governor personally and individually or encompasses their staffs and the cabinet down through deputy directors;
- (2) The nature of "attorney-client privilege" and whether it includes all communication between the Department of the Attorney General and all executive agencies;
- (3) Whether all requests, including requests for documents already public, must be reviewed by the attorney general before being released to my office; and
- (4) Whether the executive branch stands behind the policy of the Department of Human Resources Development that electronic mail sent or received by state personnel on state computers is not private, but public, property.

Given where these unresolved issues stand today, we anticipate all our work schedules to be adversely affected. We have spent inordinate amounts of time trying to secure information for which we believe the statutes already provide sufficient protection.

Carrying further the theme of delays, I am alerting you to the difficulties we have encountered for the past year with our financial review of the Hawai'i Health Systems Corporation for FY2005-06. The corporation now refuses to sign a representation letter, a standard document in auditing that affirms that an audited entity asserts its belief that its financial statements are accurate. This is only the latest in a series of delays marked by the corporation's assertions that its books were not ready for audit by our contracted CPA firm.

## Conclusion

One might wonder, after the preceding testimony, what motivates my staff to weather the challenges of the job. The answer is, we keep our eyes on our constitutional mission and the conviction that our work improves accountability for the expenditure of state resources. We hope you will entertain our budget request favorably.



**OFFICE OF THE AUDITOR**  
**Budget for FY2008-09**  
**(With Comparative Amounts for FY2007-08)**

Exhibit 1

AUDIT	<u>2008-09</u>		<u>2007-08</u>	
Personal services				
Staff	1,071,929	(18)	1,022,311	(18)
Contract	259,592		259,592	
Other expenses	<u>74,617</u>		<u>74,617</u>	
Total audit	<u>1,406,138</u>		<u>1,356,519</u>	
 <b>PROGRAM EVALUATION AND SPECIAL STUDIES</b>				
Personal services				
Staff	476,413	(8)	454,360	(8)
Contract	152,459		152,459	
Other expenses	<u>30,369</u>		<u>30,369</u>	
Total program evaluation and special studies	<u>659,241</u>		<u>637,188</u>	
 <b>LEGISLATIVE SERVICES</b>				
Personal services - staff	261,560	(4)	249,453	(4)
Other expenses	<u>19,920</u>		<u>19,920</u>	
Total legislative services	<u>281,480</u>		<u>269,372</u>	
 <b>SUNSET EVALUATIONS AND SUNRISE ANALYSES</b>				
Personal services - staff	70,061	(1)	66,818	(1)
Other expenses	<u>9,960</u>		<u>9,960</u>	
Total sunset evaluation and sunrise analyses	<u>80,021</u>		<u>76,778</u>	
 <b>FOLLOW-UP</b>				
Personal services - staff	203,176	(3)	193,771	(3)
Other expenses	<u>9,960</u>		<u>9,960</u>	
Total follow-up	<u>213,136</u>		<u>203,731</u>	
 <b>GENERAL SUPPORT</b>				
Personal services - staff	252,219	(3)	240,544	(3)
Other expenses	<u>18,450</u>		<u>18,450</u>	
Total general support	<u>270,669</u>		<u>258,994</u>	
 <b>TOTAL OPERATING BUDGET</b>				
	<u>2,910,684</u>	(37)	<u>2,802,583</u>	(37)
 <b>AUDIT REVOLVING FUND</b>				
	<u>2,429,360</u>		<u>4,221,820</u>	

**OFFICE OF THE AUDITOR**  
**Statement Showing Budget for Office Operations**  
**By Object of Expenditure for FY2008-09**

Exhibit 2

Personal services:

Staff salaries	\$2,335,358
Contractual services	412,050
	<hr/>
Total personal services	\$2,747,408

Other expenses:

Office Expenses	39,195
Intrastate transportation and travel	15,075
Out-of-state travel	37,500
Training	26,130
Printing	13,065
Rental and maintenance of equipment	15,226
Books	2,010
Equipment	15,075
	<hr/>
Total other expenses	163,276

Total operating budget \$2,910,684

Audit Revolving Fund \$2,429,360  
*Expenditure Ceiling* \$5,600,438

**OFFICE OF THE AUDITOR**  
**Statement Showing Budget and Estimated Expenditures**  
**By Object of Expenditure for FY2007-08**

Exhibit 3

	<u>Budget</u>	<u>Estimated</u>	<u>Variance</u>
Personal services:			
Staff salaries	\$ 2,227,257	\$ 1,664,930	\$ 562,327
Contractual services	412,050	412,050	-
Total personal services	<u>\$ 2,639,307</u>	<u>\$ 2,076,980</u>	<u>\$ 562,327</u>
Other expenses:			
Office expenses	39,195	39,195	-
Intrastate transportation and travel	15,075	15,075	-
Out-of-state travel	37,500	37,500	-
Training	26,130	26,130	-
Printing	13,065	13,065	-
Rental and maintenance of equipment	15,226	15,226	-
Books	2,010	2,010	-
Equipment	15,075	15,075	-
Total other expenses	<u>\$ 163,276</u>	<u>\$ 163,276</u>	<u>\$ -</u>
TOTAL	<u>\$ 2,802,583</u>	<u>\$ 2,240,256</u>	<u>\$ 562,327</u>
Special Studies Appropriation ( Act 1, SLH 2007)	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ -</u>
Audit Revolving Fund Appropriation ( Act 1, SLH 2007)	<u>\$ 5,600,438</u>	<u>\$ 4,855,200</u>	<u>\$ 745,238</u>
Hawai'i 2050 Task Force & Sustainability Plan (Act 4, SSLH 2007)	<u>\$ 850,000</u>	<u>\$ 850,000</u>	<u>\$ -</u>
Hawai'i Broadband Task Force (Act 2, SSLH 2007)	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>
Identity Theft Task Force (Act 183, SLH 2007)	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>

**Office of the Auditor**  
**Reports Submitted to Date to 2007 Legislature and Work to the 2008 Legislature**

- 07-01: Financial Audit of the Hawai'i Youth Correctional Facility
- 07-02: Sunrise Analysis: Mixed Martial Arts
- 07-03: Management Audit of Student Housing Services at the University of Hawai'i at Mānoa Part 1
- 07-04: Audit of the Child Support Enforcement Agency
- 07-05: Cost Analysis of Disability Parking Placards
- 07-06: Sunrise Analysis: Nurse Aides
- 07-07: Review of Revolving Funds, Trust Funds, and Trust Accounts of the Departments of Human Resources Development, Labor and Industrial Relations, Public Safety, and Taxation
- 07-08: Systemwide Financial Audit of the University of Hawai'i System: Phase II
- 07-09: Financial Audit of the Department of Human Resources Development
- 08-\_\_: Management Audit of the Department of Education's Hawaiian Studies Program
- 08-\_\_: Management Audit of the Moloka'i Irrigation System
- 08-\_\_: Audit of the Status of the Information Technology Governance Within the State of Hawai'i
- 08-\_\_: Management Audit of Student Housing Services at the University of Hawai'i at Mānoa Part 2
- 08-\_\_: Audit of the Deposit Beverage Container Program (FY2005-06)
- 08-\_\_: Investigation of the Department of Business, Economic Development and Tourism
- 08-\_\_: Performance Audit of the State Administration's Actions Relating to the Superferry

- 08-\_\_ : Sunrise Analysis: Debt-management Service Providers
- 08-\_\_ : Sunrise Analysis: Destination Clubs
- 08-\_\_ : Sunrise Analysis: Condominium Commission for 514B Condominium Entities
- 08-\_\_ : Medical Health Insurance: Medical Vigilance Services

**Pending Work**

- Audit of the Department of Hawaiian Home Lands
- Study on the Impact of Voluntary Employees' Beneficiary Association (VEBA) Trusts
- Financial and Management Audit of the Insurance Regulation Sub-account
- University of Hawai'i Board of Regents Conflict of Interest Policy
- Aloha Stadium Plan Review
- A Comparative Study of the Department of Commerce and Consumer Affairs' Requirements for Professional and Vocational Licenses Part 2

**Act 4 Financial Statement Audits – FY2006**

- State of Hawai'i, Comprehensive Annual Financial Report, KPMG LLP
- Department of Education, Financial Statements and Single Audit Report, Nishihama & Kishida, CPA's Inc.
- Department of Health, Financial and Compliance Audit Report, Water Pollution Control Revolving Fund Financial Statements, and Drinking Water Treatment Revolving Loan Fund Financial Statements, PricewaterhouseCoopers, LLP
- Department of Human Services, Financial Statements and Single Audit Report, Grant Thornton, LLP
- Department of Transportation Administration, Financial and Compliance Audit Report, Endo & Company
- Department of Transportation Airports, Financial Statements, Single Audit Report, and Passenger Facility Charge Report, Deloitte & Touche, LLP
- Department of Transportation Harbors, Financial Statements and Government Auditing Standards Report, Grant Thornton, LLP
- Department of Transportation Highways, Financial Statements and Single Audit Report, Deloitte & Touche, LLP
- Oahu Metropolitan Planning Organization, Financial Statements and Single Audit Report, Egami and Ichikawa, CPA's Inc.

**Other Reports**

- Hawai'i Identity Theft Task Force Report, December 2007 (unnumbered report)
- Hawai'i 2050 Sustainability Task Force Report, December 2007 (unnumbered report)
- Hawai'i Broadband Task Force Report, December 2007

**Assistance on Other Projects**

- The Joint Senate-House Investigative Committee on the Bureau of Conveyances, \_\_\_\_\_ 2008

**Office of the Auditor  
Work to 2007 and 2008 Legislatures**

**Performance Audits and Special Studies**

- Sunrise Analysis: Mixed Martial Arts, **Report No. 07-02**
- Management Audit of Student Housing Services at the University of Hawai‘i at Mānoa Part I, **Report No. 07-03**
- Audit of the Child Support Enforcement Agency, **Report No. 07-04**
- Cost Analysis of Disability Parking Placards, **Report No. 07-05**
- Sunrise Analysis: Nurse Aides, **Report No. 07-06**
- Systemwide Financial Audit of the University of Hawai‘i System: Phase II, **Report No. 07-08**
- Management Audit of the Department of Education’s Hawaiian Studies Program
- Management Audit of the Moloka‘i Irrigation System
- Audit of the Status of the Information Technology Governance Within the State of Hawai‘i
- Management Audit of Student Housing Services at the University of Hawai‘i at Mānoa Part 2
- Audit of the Deposit Beverage Container Program (FY2005-06)
- Investigation of the Department of Business, Economic Development and Tourism
- Performance Audit of the State Administration’s Actions Relating to the Superferry
- Sunrise Analysis: Debt-management Service Providers
- Sunrise Analysis: Destination Clubs
- Sunrise Analysis: Condominium Commission for 514B Condominium Entities
- Medical Health Insurance: Medical Vigilance Services
- Audit of the Department of Hawaiian Home Lands
- Study on the Impact of Voluntary Employees’ Beneficiary Association (VEBA) Trusts
- Financial and Management Audit of the Insurance Regulation Sub-account
- University of Hawai‘i Board of Regents Conflict of Interest Policy
- Aloha Stadium Plan Review
- A Comparative Study of the Department of Commerce and Consumer Affairs’ Requirements for Professional and Vocational Licenses Part 2

**Financial Audits**

- Financial Audit of the Hawai‘i Youth Correctional Facility, **Report No. 07-01**
- Financial Audit of the Department of Human Resources Development, **Report No. 07-09**

**Existing Fund Reviews**

- Review of Revolving Funds, Trust Funds, and Trust Accounts of the Departments of Human Resources Development, Labor and Industrial Relations, Public Safety, and Taxation, **Report No. 07-07**

#### **Act 4 Financial Statement Audits**

- State of Hawai'i, Comprehensive Annual Financial Report, KPMG LLP
- Department of Education, Financial Statements and Single Audit Report, Nishihama & Kishida, CPA's Inc.
- Department of Health, Financial and Compliance Audit Report, Water Pollution Control Revolving Fund Financial Statements, and Drinking Water Treatment Revolving Loan Fund Financial Statements, PricewaterhouseCoopers, LLP
- Department of Human Services, Financial Statements and Single Audit Report, Grant Thornton, LLP
- Department of Transportation Administration, Financial and Compliance Audit Report, Endo & Company
- Department of Transportation Airports, Financial Statements, Single Audit Report, and Passenger Facility Charge Report, Deloitte & Touche, LLP
- Department of Transportation Harbors, Financial Statements and Government Auditing Standards Report, Grant Thornton, LLP
- Department of Transportation Highways, Financial Statements and Single Audit Report, Deloitte & Touche, LLP
- Oahu Metropolitan Planning Organization, Financial Statements and Single Audit Report, Egami and Ichikawa, CPA's Inc.

#### **Proposed Funds Review**

- We also expect to perform up to 90 reviews of proposed special and revolving funds during the 2008 legislative session.

#### **Task Forces**

- Hawai'i Identity Theft Task Force Report, December 2007 (unnumbered report)
- Hawai'i 2050 Sustainability Task Force Report, December 2007 (unnumbered report)
- Hawai'i Broadband Task Force Report, December 2007

#### **Assistance on Other Projects**

- The Joint Senate-House Investigative Committee on the Bureau of Conveyances, \_\_\_\_\_ 2008





# HAWAII STATE ETHICS COMMISSION

State of Hawaii • Bishop Square, 1001 Bishop Street, ASB Tower 970 • Honolulu, Hawaii 96813

## HAWAII STATE ETHICS COMMISSION BUDGET REQUEST FOR FY 2008-09

TO: The Honorable Rosalyn H. Baker, Chair  
The Honorable Shan S. Tsutsui, Vice Chair  
Senate Committee on Ways and Means

FROM: Hawaii State Ethics Commission

TESTIFYING: Robert R. Bean, Chair  
Hawaii State Ethics Commission

EXHIBITS: Nos. 1 - 5

VIA: Ms. Marion Higa, Legislative Auditor

DATE: January 3, 2008

TIME: 9:00 a.m.

ROOM: Conference Room 211

The Honorable Rosalyn H. Baker, Chair, the Honorable Shan S. Tsutsui, Vice-Chair, and Honorable Members of the Senate Committee on Ways and Means:

Thank you for this opportunity to present the Hawaii State Ethics Commission's Budget Request for Fiscal Year 2008-09. The Hawaii State Ethics Commission is comprised of five commission members. The current members of the Hawaii State Ethics Commission are: Robert R. Bean (Chairperson), Maria J. Sullivan (Vice-Chairperson), Jerrold A. Fuller, Mark E. Brasher, and David J. Randell, M.D. The State Ethics Commission's staff consists of 10 full-time employees: Five attorneys (including the executive and associate directors), and five support staff comprised of a computer specialist, three secretaries, and a clerk-typist.

### DUTIES OF THE HAWAII STATE ETHICS COMMISSION

January 1, 2008, was the 40<sup>th</sup> anniversary of the Hawaii State Ethics Commission. The Hawaii State Ethics Commission was the first "state" ethics commission created in the United States. The people of the State of Hawaii can rightfully be proud of Hawaii's role in being part of the initial efforts in our country to establish and enforce high ethical standards for state officials and state employees.

The Honorable Rosalyn H. Baker  
The Honorable Shan S. Tsutsui  
January 3, 2008  
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The Legislature created the Hawaii State Ethics Commission in 1967 (H.B. 6; Act 263), to begin its operations on January 1, 1968. Later in 1968, the Code of Ethics was established by Article XIV, Section 5, of the Constitution of the State of Hawaii. The Hawaii State Ethics Commission itself was established as a constitutional entity in 1978 by **Article XIV of the Constitution of the State of Hawaii**. Article XIV of the Constitution of the State of Hawaii mandates the establishment of a state ethics commission for state officials and employees, as well as a separate ethics commission for each of the four counties in Hawaii, for county officials and employees. Article XIV also mandates that the state Legislature and county councils adopt laws covering governmental ethics and lobbying for their respective jurisdictions, to be administered by the various ethics commissions.

The Hawaii State Ethics Commission is by law responsible for the **administration and enforcement** of Chapters 84 and 97 of the Hawaii Revised Statutes. Chapter 84, HRS, contains (1) the "State Ethics Code" -- a code of governmental ethics laws for state officials and employees; (2) a financial interests disclosure law for state officials, state employees, and candidates for state elective office; and (3) a gifts disclosure law for state officials and employees. Chapter 97 is the State's "Lobbyists law," which requires lobbyists to register with the Hawaii State Ethics Commission, and requires lobbyists and their clients to file three reports each year disclosing their lobbying expenditures. Chapter 97 pertains to those who lobby at the State level.

The number of individuals subject to the jurisdiction of the Hawaii State Ethics Commission is approximately **70,000**, which includes state officials and state employees, state board and commission members, and lobbyists and their clients.

The State Ethics Code, which the Hawaii State Ethics Commission administers and enforces, is a code of conduct for state officials, state employees, and state board and commission members. The State Ethics Code contains restrictions pertaining to gifts, confidential information, conflicts of interests, misuse of official position, supplemental compensation, misuse of state resources, representation of clients before state and county agencies, restrictions regarding state contracts, and post-employment restrictions.

With respect to both Chapters 84 and 97, the Hawaii State Ethics Commission is responsible for issuing advisory opinions and informal advice in order to assist individuals in understanding and abiding by these laws. The Commission received approximately **1,200** requests for advice during the prior fiscal year. Many of these requests can be handled in a short amount of time, while others may take months of researching factual and legal issues.

The Honorable Rosalyn H. Baker  
The Honorable Shan S. Tsutsui  
January 3, 2008  
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The Hawaii State Ethics Commission is also responsible for enforcing Chapters 84 and 97. In enforcing Chapters 84 and 97, the Hawaii State Ethics Commission initiates investigations, issues charges, receives charges from the public, issues subpoenas, and holds formal, contested-case hearings in accordance with Chapter 91, HRS, Hawaii's Administrative Procedure Act. The Commission received approximately **200** complaints during the prior fiscal year.

The Hawaii State Ethics Commission also received approximately **2,100** financial interests disclosure statements during the prior fiscal year. Approximately **280** lobbyists, representing approximately **340** clients, were registered with the Hawaii State Ethics Commission during the prior fiscal year. Lobbyists must file a lobbyist's registration statement with the Hawaii State Ethics Commission. On odd-numbered years, lobbyists are required to renew their lobbyist's registration statements. The Hawaii State Ethics Commission received approximately **1,800** lobbying expenditures reports from lobbyists and their clients in the prior fiscal year. The Hawaii State Ethics Commission also received in the prior fiscal year approximately **124** gifts disclosure statements and **216** candidates financial interests disclosure statements. Thus, the Hawaii State Ethics Commission in the prior fiscal year received approximately **4,520** filings for review, in addition to its other duties of rendering legal advice, issuing advisory opinions, initiating enforcement actions, and conducting numerous educational presentations on ethics and lobbying. The last exhibit attached to this testimony gives more specific statistical data relating to the Commission's workload during the prior fiscal year. During the current fiscal year, which is half over, the workload of the Commission continues to increase.

#### BUDGET PROPOSAL FOR FY 2008-09

Our budget approved by the Legislature for the current fiscal year is \$825,214.

For the upcoming fiscal year, our budget request is \$885,292, an increase of \$60,078 over our current budget, which represents an increase of approximately 7%. Of this \$60,078, \$37,147 is needed to cover salary increases already approved by the Legislature. This sum also covers pay adjustments made during the current fiscal year for certain Commission employees. The rest of the \$60,078 sum includes \$22,931 for certain increases in office expenses. The most significant increases in this category relate to an increase in office rent, and a \$10,000 increase for investigative services we contract for. Our workload of late in the enforcement area of our work indicates that we need additional funding for investigative services.

We would like to sincerely thank the Senate Committee on Ways and Means for your support in the past, and for this opportunity to present our budget requirements for the upcoming fiscal year. We would be happy at this time to respond to any questions Committee Members may have.

**HAWAII STATE ETHICS COMMISSION BUDGET FOR FY 2007-08**  
**Statement Showing Budget and Estimated Expenditures**  
**By Object of Expenditure for FY 2007-08**

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	<u>Budget</u>	<u>Estimated Expenditures</u>	<u>Variance</u>
<b>PERSONAL SERVICES:</b>			
Staff salaries	\$660,153.00	\$660,153.00	\$0.00
Contractual services	6,800.00	6,800.00	0.00
Total personal services	666,953.00	666,953.00	0.00
<b>OTHER EXPENSES:</b>			
Office expenses	16,314.00	16,314.00	0.00
Out-of-state travel	14,123.00	14,123.00	0.00
Intrastate travel	5,000.00	5,000.00	0.00
Printing	9,700.00	9,700.00	0.00
Rental & maintenance of equipment	11,443.00	11,443.00	0.00
Books, subscriptions, and dues	12,981.00	12,981.00	0.00
Training	400.00	400.00	0.00
Newspaper ads	1,600.00	1,600.00	0.00
Commission hearings and meetings	15,600.00	15,600.00	0.00
Office furniture and equipment	5,000.00	5,000.00	0.00
Space rental	66,100.00	66,100.00	0.00
Total other expenses	158,261.00	158,261.00	0.00
TOTAL	<u>\$825,214.00</u>	<u>\$825,214.00</u>	<u>\$0.00</u>

**HAWAII STATE ETHICS COMMISSION BUDGET REQUEST FOR FY 2008-09**  
**Statement Showing Budget and Estimated Expenditures**  
**By Object of Expenditure for FY 2008-09**

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Personal Services:		
Staff salary		\$697,300.00
Contractual services		<u>6,800.00</u>
Total personal services		704,100.00
Other Expenses:		
Office expenses		18,914.00
Out-of-state travel		15,654.00
Intrastate transportation and travel		5,000.00
Printing		9,700.00
Rental and maintenance of equipment		11,443.00
Dues, subscriptions, training		15,381.00
Newspaper advertisements		1,600.00
Commission meetings and hearings		28,500.00
Office furniture and equipment		5,000.00
Office rent		<u>70,000.00</u>
Total other expenses		181,192.00
<b>TOTAL</b>		<b>\$885,292.00</b>

# Hawaii State Ethics Commission Major Functions

I STATE'S ETHICS LAW	II STATE'S LOBBYISTS LAW	III FINANCIAL DISCLOSURE LAW	IV GIFTS DISCLOSURE LAW	V CANDIDATES FINANCIAL DISCLOSURE LAW	VI EDUCATION RE: LAWS	VII LEGISLATION	VIII WEBSITE
Duties: • Administration • Legal Opinions • Enforcement • Rules	Duties: • Administration • Legal Opinions • Enforcement • Filings Per Year • Auditing • Rules	Duties: • Administration • Legal Opinions • Enforcement • Filings Per Year • Auditing • Rules	Duties: • Administration • Legal Opinions • Enforcement • Filings Per Year • Auditing • Rules	Duties: • Administration • Legal Opinions • Enforcement • Filings Per Election • Auditing • Rules	Duties: • Mandatory Sessions • Sessions Developed by Office • Publications	Duties: • State Ethics Code • State Lobbying Law • Financial Disclosure Law • Gifts Disclosure Law • Candidates Financial Disclosure Law	Duties: • Development • Updating • Maintenance • Technology

IX DISCLOSURE FILINGS	Disclosure Filing Date	Approximate Number of Disclosures	X ADMINISTRATION
Annual Financial Interests Disclosures Statements	May 31	1,800	Duties: • Management • Supervision • Fiscal • Personnel • Procurement • Technology • Planning
Candidates Financial Interests Disclosures Statements	20 days before primary*	200	
Gifts Disclosure Statements	June 30	100	
Lobbyist Registration Statements	January**	250	
Lobbying Organizations Expenditure Reports	March 31	250	
Lobbying Organizations Expenditure Reports	May 31	250	
Lobbying Organizations Expenditure Reports	January 31	250	
Lobbyists Expenditure Reports	March 31	250	
Lobbyists Expenditure Reports	May 31	250	
Lobbyists Expenditure Reports	January 31	250	
Other Filings	January 1 - December 31	50	

**Note:** State's Ethics Laws: Chapter 84, Hawaii Revised Statutes  
State's Lobbyists Law: Chapter 97, Hawaii Revised Statutes

**ANNUAL TOTAL (even-numbered years) 4,000**

**ANNUAL TOTAL (odd-numbered years) 3,700\*\*\***

\* Filed every even-numbered year only. OHA candidates file 20 days before the general election.

\*\* Renewed every odd-numbered year for registered lobbyists.

\*\*\* Candidate's Financial Interests Disclosure Statements not filed in odd-numbered years.

**FULL-TIME STAFF: 10 Individuals**

HAWAII STATE ETHICS COMMISSION DUTIES

A. PRINCIPAL DUTIES

1. Administration and Enforcement of State Ethics Laws (Chapter 84, Hawaii Revised Statutes)
2. Administration and Enforcement of Financial Interests Disclosure Law (Chapter 84, Hawaii Revised Statutes)
3. Administration and Enforcement of Gifts Disclosure Law (Chapter 84, Hawaii Revised Statutes)
4. Administration and Enforcement of the Lobbyists Law (Chapter 97, Hawaii Revised Statutes)
5. Issuance of Advisory Opinions Pursuant to HRS §11-192.5
6. Mandatory Ethics Training (Act 198, SLH 2004)
7. Other Educational Programs With Respect to Laws Administered and Enforced
8. Office Administration

B. SPECIFIC DUTIES REGARDING PERFORMANCE OF PRINCIPAL DUTIES

1. Legal Advisory Duties

- (1.1) Attorney oral legal advice (no written office memorandum)
- (1.2) Attorney oral legal advice (written office memorandum)
- (1.3) Attorney legal opinion letters
- (1.4) Confidential Commission advisory opinions
- (1.5) Public format Commission advisory opinions
- (1.6) Declaratory orders
- (1.7) Legal research

2. Legal Enforcement

- (2.1) Drafting resolutions
- (2.2) Drafting subpoenas
- (2.3) Interviews
- (2.4) Investigation
- (2.5) Writing letters requesting information
- (2.6) Involvement in informal hearings
- (2.7) Prosecutorial role in formal hearings
- (2.8) Counsel to the HSEC in formal hearings
- (2.9) Drafting charges
- (2.10) Reviewing charges filed with the HSEC
- (2.11) Review of requests to investigate
- (2.12) Handling court appeals
- (2.13) Review of information to determine if investigation is warranted
- (2.14) Writing decisions
- (2.15) Writing Findings of Fact and Conclusions of Law
- (2.16) Writing Commission Informal Advisory Opinions

- (2.17) Writing public formatted Commission Informal Advisory Opinions
- (2.18) Legal research

3. Education Program

- (3.1) Mandatory Ethics Training
- (3.2) New employee orientations
- (3.3) Post-employment law orientations
- (3.4) Ethics laws workshops
- (3.5) Ethics laws presentations
- (3.6) Presentations on the lobbying law
- (3.7) Presentations on the financial interests disclosure law
- (3.8) Writing educational brochures and flyers
- (3.9) Television and radio presentations
- (3.10) Advisory memoranda
- (3.11) Preparation of speeches
- (3.12) Preparation of educational materials
- (3.13) Board member orientation speech
- (3.14) Workshop flyers & registration
- (3.15) Parking permit requisition

4. Legislation

- (4.1) Proposing new legislation
- (4.2) Drafting proposed legislation
- (4.3) Amending current laws
- (4.4) Drafting testimony
- (4.5) Testifying at legislative hearings
- (4.6) Monitoring all bills for those affecting our laws
- (4.7) Legal research involving legislation
- (4.8) Bill tracking
- (4.9) Reviewing hearing agendas, standing committee reports, Senate and House journals, order of the day.

5. Commission Meeting Preparation

- (5.1) Preparation and organization of meeting folder
- (5.2) Drafting of "for actions"
- (5.3) Preparation of oral presentations at Commission Meetings

6. Contact With Commissioners

7. Audit/Review of Filings; Lobbyist List

- (7.1) Annual legislator and state employee disclosure of financial interests statements (1,800/yr.)
- (7.2) Lobbying expenditures reports (800/yr.)
- (7.3) Lobbyist registration (234 currently registered)
- (7.4) Preparation and dissemination of list of lobbyists and organizations they represent.



- (7.5) Candidates' disclosure of financial interests statements (300 every other year)
- (7.6) Signing lobbyists' registration cards
- (7.7) Acknowledgment letters for financial disclosure filers (state employees/candidates)
- (7.8) Reminder letters for financial disclosure filers (state employees/candidates)
- (7.9) Reminder letters to filers for lobbying expenditure reports

8. Forms Drafting and Revision

- (8.1) Financial interests disclosure form and instructions for state officials and candidates
- (8.2) Amendatory financial interests disclosure form for state officials and employees
- (8.3) Lobbyist registration form
- (8.4) Lobbying expenditures report form
- (8.5) Telcon form

9. Rules

- (9.1) Proposing new rules
- (9.2) Modifying existing rules
- (9.3) Repealing existing rules
- (9.4) Handling petitions for rule changes
- (9.5) Drafting rules
- (9.6) Legal research

10. Media

- (10.1) Media inquiries and interviews
- (10.2) Drafting press releases

11. Conferences

- (11.1) Conference attendance
- (11.2) Conference participation as speakers, panelists

12. Assisting Other Jurisdictions

- (12.1) Assistance by written correspondence
- (12.2) Assistance by oral consultations
- (12.3) Responding to requests for information

13. Purchasing

- (13.1) Summary Warrant Voucher form review and signature
- (13.2) Journal vouchers
- (13.3) Purchasing forms
- (13.4) Petty cash vouchers
- (13.5) Requisition and Purchase Order form review

14. Travel

- (14.1) Purchasing tickets
- (14.2) Setting itinerary
- (14.3) Statement of Completed Travel form review

15. Other Administrative Functions

- (15.1) Daily office management
- (15.2) Budget preparation
- (15.3) Budget testimony
- (15.4) Daily budget management
- (15.5) Payroll management
- (15.6) Personnel hiring (advertising, resume review, writing sample review, interviews, reference checks)
- (15.7) Personnel matters
- (15.8) Personnel evaluations
- (15.9) Short-term planning
- (15.10) Long-range planning
- (15.11) Vacation leave, sick leave, other leave approval
- (15.12) Office space and leasing matters
- (15.13) Compliance with directives from other state agencies
- (15.14) Compilation of statistics
- (15.15) Office Security
- (15.16) Office equipment acquisition
- (15.17) Office equipment integration into office work
- (15.18) Development of appropriate job descriptions
- (15.19) Dealing with lessor re office matters
- (15.20) Incoming mail review
- (15.21) Transfer of Property forms
- (15.22) Inventory forms
- (15.23) Writing letters of reference or recommendation
- (15.24) Payroll Change Schedule form review
- (15.25) Compliance with Procurement Laws
- (15.26) Disaster Recovery Plan
- (15.27) Building Floor Fire Marshall Duties

16. Supervising Functions

- (16.1) Supervision of work performed by staff
- (16.2) Delegation of work
- (16.3) Development of staff's knowledge of our laws and office procedures (staff training)

17. Elections

- (17.1) Campaign guidelines distribution

18. Publications

(18.1) Preparing annual advisory opinion and decisions packet

19. Gifts Disclosure Law

- (19.1) Drafting of forms and instructions
- (19.2) Drafting of commonly asked questions
- (19.3) Mailing out gifts packets each year
- (19.4) Logging in filed gifts disclosure forms
- (19.5) Auditing gifts disclosure statements

20. Audits of Financial Interests Disclosure Forms

- (20.1) Selection of forms to audit
- (20.2) Audit of Financial Interests Disclosure Forms
- (20.3) Contact and Resolution with audited filer

21. Fines

- (21.1) Assessment of fines for late filers of candidates' financial disclosure statements
- (21.2) Assessment of fines for late filers of financial interests disclosure statements
- (21.3) Review of requests to waive fines
- (21.4) Development of procedures to collect fines
- (21.5) Development of form letters for collecting fines
- (21.6) Collecting fines
- (21.7) Deposit of fines into General Fund
- (21.8) Assessment of fines for violations of the Lobbyists Law
- (21.9) Collection of Lobbying fines

22. State contracts subject to HRS §84-15(a)

- (22.1) Receipt of notices of intent to award contract
- (22.2) Placing notices in public files
- (22.3) Acknowledging receipt of notices

23. Implementation of New Legislation

- (23.1) Re-typing handouts each year of amended chapters 84 and 97
- (23.2) Printing of handouts of amended chapters 84 and 97

24. Computers

- (24.1) Computer technology
- (24.2) Working with computer consultant
- (24.3) Enhancing office computers and technology
- (24.4) Internet
- (24.5) Website

- (24.6) E-mail
- (24.7) Determining work to be done by computer
- (24.8) Staff training with computers
- (24.9) Keeping abreast of computer trends and issues
  
- 25. Coordination with State Procurement Officer
- 26. Consideration of Claims of the Filing of False Charges
- 27. Consideration of Claims of the Filing of Frivolous Charges
- 28. Implementation of Court Decisions
- 29. Reviewing and Signing Form Letters
- 30. COGEL Projects
- 31. Submission to Office of Elections Campaign Manual
- 32. Clipping Relevant Newspaper, Magazine, TV Stories
- 33. Editing and Proofing All Materials
- 34. Newsletter
- 35. Judicial Selection Commission Inquiries
- 36. Preparation of Management's Discussion and Analysis (MD&A) For Yearly Audit
- 37. Responding to Surveys
- 38. New Commissioners Search
- 39. Training Sessions Attendance
- 40. Keeping Abreast of Trends in Ethics, Financial Disclosure, Lobbying Laws
- 41. Records Disposal (Disclosures, Expenditures Reports)
- 42. Honorary Resolutions
- 43. Aloha United Way Campaign
- 44. US Savings Bond Campaign
- 45. COGEL Updates Questionnaire

46. Purchasing relevant books
47. Review of Publications
48. Mailings requesting and acknowledging filings
49. Annual Calendar
50. List of HSEC Duties

(185 items)  
Rev: 12/05

# Hawaii State Ethics Commission

Statistics for Fiscal Year 2006-2007

TABLE 1

<b>HAWAII STATE ETHICS COMMISSION NUMBER OF REQUESTS FOR ADVICE AND COMPLAINTS RECEIVED BY ATTORNEYS IN FY 2006-2007</b>		
<b>MONTH</b>	<b>REQUESTS FOR ADVICE</b>	<b>COMPLAINTS</b>
July 2006	97	13
August 2006	110	23
September 2006	95	13
October 2006	82	9
November 2006	68	31
December 2006	85	15
January 2007	111	10
February 2007	114	15
March 2007	93	17
April 2007	125	22
May 2007	125	18
June 2007	93	13
<b>TOTAL</b>	<b>1,198</b>	<b>199</b>
<b>Total Number of Requests for Advice and Complaints Received in FY 2006-2007</b>		<b>1,397</b>

TABLE 2

<b>HAWAII STATE ETHICS COMMISSION                      NUMBER OF REQUESTS FOR ADVICE                      RECEIVED BY ATTORNEYS IN FY 2006-2007                      CATEGORIZED BY METHOD USED TO SUBMIT REQUESTS FOR ADVICE</b>					
Month	Telephone	Mail	Fax	E-mail	Visit/Meeting
July 2006	82	6	3	6	
August 2006	93	6		11	
September 2006	82	4		7	2
October 2006	71	6	1	3	
November 2006	55	6	1	6	1
December 2006	68	5	2	9	1
January 2007	83	7	1	15	5
February 2007	88	2		19	5
March 2007	80	5	1	5	2
April 2007	99	6	3	12	5
May 2007	95	6		15	9
June 2007	77		1	13	2
<b>Total:</b>	<b>973</b>	<b>59</b>	<b>13</b>	<b>121</b>	<b>32</b>
<b>Total Number of Requests for Advice Received in FY 2006-2007</b>					<b>1,198</b>



TABLE 3

<b>HAWAII STATE ETHICS COMMISSION                      NUMBER OF COMPLAINTS RECEIVED BY ATTORNEYS IN FY 2006-2007                      CATEGORIZED BY METHOD USED TO SUBMIT COMPLAINTS</b>					
Month	Telephone	Mail	Fax	E-mail	Visit/Meeting
July 2006	10	1	1	1	
August 2006	20	1	1	1	
September 2006	11			1	1
October 2006	17	2			
November 2006	19	1		1	
December 2006	15				
January 2007	9	1			
February 2007	14	1			
March 2007	14	1		2	
April 2007	16	1		4	1
May 2007	15	1		1	1
June 2007	9			3	1
<b>Total:</b>	<b>169</b>	<b>10</b>	<b>2</b>	<b>14</b>	<b>4</b>
<b>Total Number of Complaints Received in FY 2006-2007</b>					<b>199</b>

TABLE 4

<b>HAWAII STATE ETHICS COMMISSION ATTORNEY OPINION LETTERS ISSUED IN FY 2006-2007</b>	
<b>MONTH</b>	<b>NUMBER OF LETTERS</b>
July 2006	8
August 2006	7
September 2006	7
October 2006	11
November 2006	5
December 2006	5
January 2007	17
February 2007	2
March 2007	7
April 2007	13
May 2007	11
June 2007	11
<b>TOTAL</b>	<b>104</b>

TABLE 5

<b>HAWAII STATE ETHICS COMMISSION                      FORMAL ETHICS CHARGES FILED IN FY 2006-2007</b>		
FILE NO.	SWORN CHARGES FILED BY INDIVIDUAL OR ORGANIZATION	CHARGES FILED BY HAWAII STATE ETHICS COMMISSION*
06-Cg-4	X	
06-Cg-5		X
07-Cg-1		X
07-Cg-2	X	
<b>TOTAL: 4</b>		

\* Charges filed by the Commission must be signed by a majority of the members of the Commission.

TABLE 6

<b>HAWAII STATE ETHICS COMMISSION INCOMING TELEPHONE CALLS HANDLED BY ATTORNEYS AND CLERICAL STAFF IN FY 2006-2007</b>	
<b>MONTH</b>	<b>NUMBER OF TELEPHONE CALLS</b>
July 2006	276
August 2006	276
September 2006	239
October 2006	182
November 2006	142
December 2006	218
January 2007	251
February 2007	192
March 2007	246
April 2007	334
May 2007	393
June 2007	298
<b>TOTAL</b>	<b>3,047</b>

TABLE 7

<b>HAWAII STATE ETHICS COMMISSION FINANCIAL INTERESTS DISCLOSURE STATEMENTS FILED BY LEGISLATORS, EMPLOYEES, AND BOARD AND COMMISSION MEMBERS IN FY 2006-2007</b>	
Month	NUMBER FILED
July 2006	72
August 2006	20
September 2006	33
October 2006	128
November 2006	25
December 2006	42
January 2007	540
February 2007	220
March 2007	122
April 2007	134
May 2007	625
June 2007	123
<b>TOTAL</b>	<b>2,084</b>

TABLE 8

<b>HAWAII STATE ETHICS COMMISSION            FINANCIAL INTERESTS DISCLOSURE STATEMENTS FILED            BY CANDIDATES FOR STATE ELECTIVE OFFICE IN FY 2006-2007</b>	
FILING DEADLINE	NUMBER FILED
09/05/2006	194
10/17/2006 (OHA)	22
<b>TOTAL</b>	<b>216</b>

TABLE 9

<b>HAWAII STATE ETHICS COMMISSION            GIFTS DISCLOSURE STATEMENTS FILED IN 2007</b>	
STATE POSITION	NUMBER FILED
Governor / Lt. Governor	2
Legislators	45
Employees	57
Board / Commission Members	20
<b>TOTAL</b>	<b>124</b>

TABLE 10

<b>HAWAII STATE ETHICS COMMISSION                      TOTAL NUMBER OF REGISTERED LOBBYISTS IN 2007                      AND NUMBER OF CLIENTS REPRESENTED*</b>		
YEAR	NUMBER OF LOBBYISTS	NUMBER OF CLIENTS REPRESENTED
2007	279	334

\* Some lobbyists may represent more than one client, but must file a separate registration form for each client.



TABLE 11

<b>HAWAII STATE ETHICS COMMISSION LOBBYING EXPENDITURES AND CONTRIBUTIONS REPORTS FILED IN FY 2006-2007</b>			
<b>FILERS</b>	<b>REPORTING PERIODS</b>		
	<b>05/01/06-12/31/06 (Jan. 31, 2007 Report)</b>	<b>01/01/07-02/28/07 (Mar. 31, 2007 Report)</b>	<b>03/01/07-04/30/07 (May 31, 2007 Report)</b>
<b>LOBBYISTS</b>	<b>312</b>	<b>252</b>	<b>279</b>
<b>LOBBYISTS' CLIENTS *</b>	<b>336</b>	<b>298</b>	<b>334</b>
<b>TOTAL REPORTS FILED</b>	<b>648</b>	<b>550</b>	<b>613</b>
<b>GRAND TOTAL</b>	<b>1,811</b>		

\* The number of lobbying reports filed by clients may be greater than the number of reports filed by lobbyists because lobbyists may report expenditures and contributions for multiple clients on a single report form.

TABLE 12

<b>HAWAII STATE ETHICS COMMISSION TOTAL NUMBER OF DISCLOSURE FILINGS</b>	
Financial Interests Disclosure Statements filed by Legislators, Employees, and Board and Commission Members (FY 2006-2007)	2,084
Financial Interests Disclosure Statements filed by Candidates for State Elective Office (2006-2007)	216
Gifts Disclosure Statements (2007)	124
Lobbying Expenditures and Contributions Reports (FY 2006-2007)	1,811
Lobbyist Registrations (2006-2007)	279
Notice of Intent to Award Contract Pursuant to HRS §84-15(a) (FY 2006-2007)	5
<b>TOTAL</b>	<b>4,519</b>

TABLE 13

<b>HAWAII STATE ETHICS COMMISSION MAILINGS OF FORMS, INSTRUCTIONS, AND REMINDERS TO FILERS FY 2006-2007</b>	
<b>DESCRIPTION</b>	<b>AMOUNT</b>
All Mailings For Financial Disclosure Filings	5,370
All Mailings for Candidates' Financial Disclosure Filings	515
All Mailings For Gifts Disclosure Filings	2,203
All Mailings For Lobbying Expenditure Filings	1,811
<b>TOTAL NUMBER OF MAILINGS</b>	<b>9,899</b>

TABLE 14

HAWAII STATE ETHICS COMMISSION FY 2006 - 2007 EDUCATION PROGRAM (Ethics Workshops and Presentations)		
DATE	PRESENTATIONS	NO. OF PARTICIPANTS
07/20/06	Hawaii Public Housing Authority	9
08/02/06	New Employee Orientation	28
08/21/06	Kona Mental Health Center	20
08/24/06	University of Hawaii Law School Alumni	10
09/01/06	High Technology Development Corp.	8
09/12/06	University of Hawaii Personnel	50
09/13/06	Oahu Island Burial Council	10
09/14/06	Hawaii Housing & Finance Development Corp.	10
09/27/06	UH Law School State and Local Gov. Class	12
10/19/06	Hawaii Pacific University	15
11/08/06	New Employee Orientation	30
12/05/06	Bureau of Conveyances	18
12/05/06	COGEL Breakfast Table Topic	10
12/07/06	Bureau of Conveyances	18
01/04/07	<b>Mandatory Ethics Workshop</b> for Elected and Appointed State Officials	7
01/24/07	New Employee Orientation	38
01/25/07	<b>Mandatory Ethics Workshop</b> for Elected and Appointed State Officials	1
02/02/07	Dept. Of Health, Hazardous Waste Branch	40
02/21/07	<b>Mandatory Ethics Workshop</b> for Elected and Appointed State Officials	5

DATE	PRESENTATIONS	NO. OF PARTICIPANTS
02/27/07	University of Hawaii New Employee Orientation	75
03/09/07	High Technology Development Corporation	8
03/13/07	<b>Mandatory Ethics Workshop</b> for Elected and Appointed State Officials	1
03/29/07	Judiciary 2 <sup>nd</sup> Circuit Court	11
04/03/07	Judiciary 2 <sup>nd</sup> Circuit Court	18
04/03/07	Judiciary 2 <sup>nd</sup> Circuit Court	16
04/18/07	New Employee Orientation	30
04/25/07	Judiciary 2 <sup>nd</sup> Circuit Court	24
05/31/07	Public Utilities Commission	25
06/21/07	Hilo Medical Center	20
<b>TOTAL</b>	<b>29 Presentations</b>	<b>539 Participants</b>

TABLE 15

<b>HAWAII STATE ETHICS COMMISSION DISTRIBUTION OF EDUCATIONAL PUBLICATIONS* FOR FY 2006-2007</b>		
PUBLICATION		COPIES DISTRIBUTED
Ethics Workshop Packets, including the following:		539
Ethics Guide for Elected Officials, Employees, Members of Boards and Commissions Chapter 84, Hawaii Revised Statutes (State Ethics Code) Article XIV, Hawaii State Constitution Ethics Checklist		
"The High Road" (Newsletter)		
July, 2006	Issue No. 2006-2	5,350
October, 2006	Issue No. 2006-3	5,350
December, 2006	Issue No. 2006-4	5,350
March, 2007	Issue No. 2007-1	5,350
June, 2007	Issue No. 2007-2	5,350
Total:		26,750
<b>TOTAL:</b>		<b>27,289</b>

\*All publications are also available on the Hawaii State Ethics Commission's website at [www.hawaii.gov/ethics](http://www.hawaii.gov/ethics).

TABLE 16

<b>HAWAII STATE ETHICS COMMISSION WEB SITE INFORMATION</b>	
WEB SITE INTERNET URL:	<a href="http://www.hawaii.gov/ethics">http://www.hawaii.gov/ethics</a>
YEAR ESTABLISHED:	1998
<b>INFORMATION POSTED ON HSEC WEB SITE</b>	
<ul style="list-style-type: none"> <li>• General Information about the Hawaii State Ethics Commission</li> <li>• Major Functions of the Hawaii State Ethics Commission</li> <li>• Statutes and Rules administered by the Hawaii State Ethics Commission:               <ul style="list-style-type: none"> <li>○ State Ethics Code, Chapter 84, HRS</li> <li>○ State Lobbyist Law, Chapter 97, HRS</li> <li>○ Title 21, Administrative Rules of the State Ethics Commission</li> </ul> </li> <li>• Advisory Opinions, Informal Advisory Opinions, and Decisions of the Hawaii State Ethics Commission</li> <li>• Publications of the Hawaii State Ethics Commission</li> <li>• Hawaii State Ethics Commission Newsletter: <i>The High Road</i></li> <li>• News Releases from Hawaii State Ethics Commission</li> <li>• New Legislation</li> <li>• Administrative Decisions and Court Decisions</li> <li>• Forms and Instructions:               <ul style="list-style-type: none"> <li>○ Financial Disclosure Forms and Instructions</li> <li>○ Gifts Disclosure Forms and Instructions</li> <li>○ Lobbyist Registration Forms and Instructions</li> <li>○ Lobbying Expenditures Report Forms and Instructions</li> </ul> </li> <li>• Public Records:               <ul style="list-style-type: none"> <li>○ Public Financial Disclosure Statements</li> <li>○ Gift Disclosure Statements</li> <li>○ Notices of Intent to Award Contract Pursuant to HRS § 84-15 (a)</li> <li>○ Lobbyist Registration Statements</li> <li>○ Lists of Registered Lobbyists</li> <li>○ Lists of Organizations Represented by Registered Lobbyists</li> <li>○ Lobbying Expenditure Reports of Organizations</li> <li>○ Total Lobbying Expenditure Amounts Reported by Organizations</li> </ul> </li> </ul>	

TABLE 17

<b>HAWAII STATE ETHICS COMMISSION 2007 LEGISLATIVE SESSION</b>	
Number of Legislative Measures Reviewed	
Bills	<b>3,962</b>
Resolutions	<b><u>1,022</u></b>
Total	<b>4,984</b>
Number of Legislative Measures Tracked	
Bills	<b>58</b>
Resolutions	<b><u>3</u></b>
Total	<b>61</b>
Number of Bills Introduced by the Hawaii State Ethics Commission*	<b>2</b>
Number of Letters Sent to Legislators Regarding Legislation	
Letters Sent to Individual Legislators	<b>7</b>
Written Testimony Submitted to the Legislature Regarding Legislation	
Testimony Submitted to the House	<b>14</b>
Testimony Submitted to the Senate	<b><u>11</u></b>
Total	<b>25</b>
Testimony Presented in Person at Legislative Hearing by Chair, Executive Director, Associate Director, or Staff Attorney	<b>22</b>

\* Includes companion bills in the Senate and House of Representatives. These bills were introduced by the Commission in 2007 and carried over to the 2008 legislative session.



TABLE 18

<b>HAWAII STATE ETHICS COMMISSION TESTIMONY PRESENTED TO LEGISLATORS FOR 2007 LEGISLATIVE SESSION</b>			
Hearing Date	Bill No.	Testified in Person	Written Testimony
01/03/07	Budget FY 2007-08 (House Finance)	X	X
01/05/07	Budget FY 2007-08 (Senate Ways & Means)	X	X
01/23/07	Budget FY 2006-07, SB 638, Making Appropriations to Provide for the Expenses of the Legislature, the Auditor, the Legislative Reference Bureau, and the Ombudsman (Senate Ways & Means)	X	X
01/29/07	Budget FY 2006-07, SB 638, SD 1, Making Appropriations to Provide for the Expenses of the Legislature, the Auditor, the Legislative Reference Bureau, and the Ombudsman (House Finance)	X	X
02/06/07	SB 945, Relating to Ethics (Senate Committee on Judiciary and Labor)	X	X
02/06/07	SB 1957, Relating to Code of Ethics (Senate Committee on Judiciary and Labor)	X	X
02/09/07	SB 25, SD 1, Relating to the Legislature (Incorporates SB 638, SD 1, Making Appropriations to Provide for the Expenses of the Legislature, the Auditor, the Legislative Reference Bureau, and the Ombudsman) (Senate Ways & Means)	X	X
02/12/07	SB 1281, Relating to State Officers and Employees Excluded From Collective Bargaining and Making Appropriations and Other Adjustments (Senate Committee on Judiciary and Labor)	X	X

Hearing Date	Bill No.	Testified in Person	Written Testimony
02/13/07	SB 25, SD 1, Relating to the Legislature (Incorporates SB 638, SD 1, Making Appropriations to Provide for the Expenses of the Legislature, the Auditor, the Legislative Reference Bureau, and the Ombudsman) (House Finance)	X	X
02/14/07	SB 1084, Relating to the Legislature (House Committee on Legislative Management)	X	X
02/20/07	HB 1909, Relating to Standards of Conduct (Joint House Committees on Judiciary, and Committee on Legislative Management)	X	X
02/20/07	HB 910, Relating to Public Financial Disclosure Statements (House Committee on Judiciary)	X	X
02/20/07	HB 975, Relating to Standards of Conduct (House Committee on Judiciary)	X	X
02/20/07	HB 909, Relating to Conflicts of Interest (House Committee on Judiciary)	X	X
02/20/07	HB 976, Relating to Lobbyists (House Committee on Judiciary)	X	X
02/22/07	HB 1567, Relating to State Officers and Employees Excluded from Collective Bargaining and Making Appropriations and Other Adjustments (House Finance)	X	X
02/22/07	SB 1281, Relating to State Officers and Employees Excluded from Collective Bargaining and Making Appropriations and Other Adjustments (Senate Ways & Means)		X
03/12/07	HB 1567, Relating to State Officers and Employees Excluded from Collective Bargaining and Making Appropriations and Other Adjustments (Senate Committee on Judiciary and Labor)	X	X

Hearing Date	Bill No.	Testified in Person	Written Testimony
03/13/07	SB 1281, Relating to State Officers and Employees Excluded from Collective Bargaining and Making Appropriations and Other Adjustments (House Committee on Labor and Public Employment)		X
03/15/07	SB 945, Relating to Ethics (House Committee on Judiciary)	X	X
03/22/07	SB 1957, SD 1, Relating to Code of Ethics (House Committee on Judiciary)	X	X
03/28/07	HB 1567, Relating to State Officers and Employees Excluded from Collective Bargaining and Making Appropriations and Other Adjustments (Senate Committee on Judiciary and Labor)		X
03/28/07	HB 910, HD 1, Relating to Public Financial Disclosure Statements (Senate Committee on Judiciary and Labor)	X	X
03/28/07	HB 1909, HD 1, Relating to Standards of Conduct (Senate Committee on Judiciary and Labor)	X	X
04/26/07	HR 176, Requesting the State Ethics Commission to Conduct a Study to Ascertain What Measures May Be Enacted to Address Possible Conflicts of Interests of the Members of the House of Representatives (Joint House Committees on Legislative Management; and Judiciary)	X	X

TABLE 19

<b>HAWAII STATE ETHICS COMMISSION  RECORDS CHECK OF APPLICANTS FOR JUDICIAL OFFICE PERFORMED  AT THE REQUEST OF THE JUDICIAL SELECTION COMMISSION  IN FY 2006-2007</b>	
MONTH	NUMBER OF APPLICANTS
July 2006	0
August 2006	10
September 2006	0
October 2006	17
November 2006	9
December 2006	19
January 2007	7
February 2007	8
March 2007	0
April 2007	0
May 2007	0
June 2007	1
<b>TOTAL</b>	<b>71</b>

TABLE 20

<b>HAWAII STATE ETHICS COMMISSION DISCLOSURE RECORDS AVAILABLE FOR PUBLIC INSPECTION*</b>	
1	Public Financial Disclosure Statements (Legislators, Other Elected State Officials, Appointed State Officials and Candidates for State Elective Office)
2	Gifts Disclosure Statements
3	Lists of Registered Lobbyists
4	Lobbyist Registration Statements
5	Lobbying Expenditure Statements of Registered Lobbyists
6	Lists of Organizations Represented by Registered Lobbyists
7	Lobbying Expenditure Statements of Organizations
8	Total Amounts of Lobbying Expenditures Reported by Organizations
9	Notices of Intent to Award Contracts to a Legislator or Employee, or Business in Which a Legislator or Employee Has a Controlling Interest (filed pursuant to HRS Section 84-15(a))

\* Most records also available on the Hawaii State Ethics Commission web site:  
<http://www.hawaii.gov/ethics>.

TABLE 21

<b>HAWAII STATE ETHICS COMMISSION FORMS AND INSTRUCTIONS ON FILE*</b>	
1	Financial Disclosure Long Form
2	Instructions for Financial Disclosure Long Form
3	Financial Disclosure Short Form
4	Instructions for Financial Disclosure Short Form
5	Candidates Financial Disclosure Form
6	Instructions for Candidates Financial Disclosure Form
7	Gifts Disclosure Form
8	Gifts Disclosure Form Additional Sheet
9	Instructions for Gifts Disclosure Form
10	Lobbyist Registration Form
11	Instructions for Lobbyist Registration Form
12	Lobbyist Expenditures Statement
13	Instructions for Lobbyist Expenditures Statement
14	Organization Lobbying Expenditures Statement
15	Instructions for Organization Lobbying Expenditures Statement

\* Also available on the Hawaii State Ethics Commission web site:  
<http://www.hawaii.gov/ethics>

TABLE 22

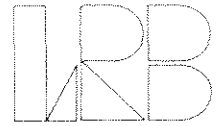
<b>HAWAII STATE ETHICS COMMISSION FY 2006-2007 BROCHURES, MANUALS, REPORTS, FLYERS, PUBLICATIONS ON FILE*</b>	
1	Chapter 84, Hawaii Revised Statutes, Standards of Conduct
2	Hawaii State Ethics Commission Administrative Rules
3	Ethics Guide for State Elected Officials, State Employees, State Board and Commission Members
4	Ethics Checklist
5	Outline of Substantive Areas of the State Ethics Code
6	Article XIV, Hawaii State Constitution
7	Gifts and the State Ethics Code
8	Informational or Educational Trips Solicited or Accepted by Legislators
9	Questions and Answers on the Gifts Disclosure Law
10	Campaign Restrictions for State Officials and State Employees
11	Prohibition on Candidate Campaign Walk-Throughs in State Agencies
12	Use of State E-Mail for Campaign Purposes
13	Fundraising in State Offices
14	Ethics Guidelines for AUW Fund Raiser Activities Conducted by State Agencies
15	Post Employment Restrictions
16	The High Road Newsletter
17	Chapter 97, Hawaii Revised Statutes, Lobbyists
18	Lobbying Registration and Reporting Manual
19	Informational or Educational Trips as Lobbying Expenditures

\* Also available on the Hawaii State Ethics Commission web site:  
<http://www.hawaii.gov/ethics>

Ken H. Takayama  
Acting Director

Research (808) 587-0666  
Revisor (808) 587-0670

Fax (808) 587-0681



LEGISLATIVE REFERENCE BUREAU  
State of Hawaii  
State Capitol  
Honolulu, Hawaii 96813

**TESTIMONY ON THE 2008-2009 FISCAL YEAR BUDGET REQUEST  
OF THE LEGISLATIVE REFERENCE BUREAU**

**Presented to the Senate Committee on Ways and Means  
Twenty-fourth Legislature  
Regular Session of 2008  
January 3, 2008  
by Ken H. Takayama, Acting Director**

Honorable Chair and Members:

I am Ken H. Takayama, Acting Director of the Legislative Reference Bureau. Thank you for this opportunity to appear before you to present the Bureau's budget request for fiscal year 2008-2009.

The LRB provides comprehensive, impartial research and reference services on legislative matters. The LRB provides a wide range of nonpartisan services primarily for the Legislature but also for other governmental agencies and for the general public.

The Bureau's major functions include:

Research, including bill drafting at the request of the Legislature, legislative committees and individual legislators. We prepare studies and reports and issue memoranda of various issues. We strive to maintain a standard of being objective, impartial, nonpartisan, and fair in all of our research.

Statutory revision, including the publication of the Session Laws of Hawaii and the Hawaii Revised Statutes and all supplements thereto. We also establish the format for, and compile and publish an index of administrative agency rules adopted under the Administrative Procedure Act.

We maintain a reference library as an information resource primarily for the Legislature and legislative staff but also for all other government agencies and the general public. Our library provides outstanding services, including online information services, and maintains the Bureau's worldwide website designed to assist legislative research by providing links to other important websites.



We maintain a legislative systems office which provides information and research on the subject matter and status of all legislation on a continuous basis during legislative sessions for legislators, state and county offices, and other government agencies.

We maintain the Public Access Room, which is provided to ensure public participation in the legislative process. Our Public Access Room staff has been working with librarians on the neighbor islands to expand the availability of information, materials, and services beyond Oahu. We also coordinate the Legislative Broadcasting Project for the House of Representatives and the Senate.

The proposed 2008-2009 budget for the Bureau is \$3,364,585. Of this, the following amounts are budgeted for the respective functions: \$1,586,013 for bill drafting, research and general support functions; \$401,399 for library operations; \$672,267 for statute revision; \$545,687 for systems office operations; and \$159,219 for the public access room. These figures do not include appropriations for the CSG dues (\$81,768 in Act 1, Session Laws of Hawaii 2007) which has been added to the Bureau's budget during the past several years to pay on behalf of the Legislature.

The proposed 2008-2009 budget represents an increase of approximately 3.7 percent over the \$3,243,147 appropriated to the Bureau last year by Acts 1, and 134, Session Laws of Hawaii 2007. The great majority of the requested increases are for the purpose of providing parity in salary increases: (1) for staff with those provided to members of bargaining units 3, 4, and 13; and (2) for administrators with those provided to executive branch administrators pursuant to the Salary Commission report and Act 63, Session Laws of Hawaii 2007.

We are also requesting some smaller increases for operational purposes, including: (1) some expenses for the Library to cover equipment maintenance, staff development, subscriptions, and pay for part-time student hires (\$2,500), (2) a Westlaw service for the Research and Statute Revision sections (\$9,456), and (3) equipment maintenance and expenses for neighbor island workshops for our Public Access Room (\$1,000).

Our permanent staff presently totals 38 full-time positions, divided as follows: 16.5 in the research division and general support, 6 in the library, 6.5 in the revisor's division, 7 in the systems office, and 2 in the Public Access Room. We also have student help in the library and session staffers for the systems office and the Public Access Room.

We have attached a series of exhibits which provide more detailed information on Bureau operations.

Exhibit A Details of the systems office budget

Exhibit B Details of the library budget

Exhibit C Details of the Public Access Room budget

Exhibit D Details of the statute revision budget

Exhibit E Comparative statistics on research division workload for fiscal years 2005-2006 and 2006-2007

Exhibit F Comparative statistics of the systems office's requests for fiscal years 2005-2006 and 2006-2007

Exhibit G Comparative statistics of the LRB library workload for fiscal years 2005-2006 and 2006-2007

Exhibit H Comparative statistics of the Public Access Room for fiscal years 2005-2006 and 2006-2007

Thank you.

LEGISLATIVE REFERENCE BUREAU  
BUDGET REQUEST FOR FY 2008-2009

	2007-2008 <u>APPROPRIATION</u> *	2008-2009 <u>BUDGET REQUEST</u>
<u>BILL DRAFTING &amp; RESEARCH</u>		
Personal Services:		
Staff	\$1,075,846 (11)	\$1,137,650 (11)
TOTAL BILL DRAFTING & RESEARCH	\$1,075,846	\$1,137,650
<u>SYSTEMS OFFICE</u>		
Personal Services:		
Staff	365,760 (7)	377,130 (7)
Session Staff	78,465	78,465
Other Current Expenses	<u>90,092</u>	<u>90,092</u>
TOTAL SYSTEMS OFFICE	534,317	545,687
<u>LIBRARY</u>		
Personal Services:		
Staff	314,160 (6)	323,999 (6)
Other Current Expenses	<u>74,900</u>	<u>77,400</u>
TOTAL LIBRARY	389,060	401,399
<u>PUBLIC ACCESS ROOM</u>		
Personal Services:		
Staff	93,878 (2)	95,011 (2)
Session Staff	38,908	38,908
Other Current Expenses	<u>24,300</u>	<u>25,300</u>
TOTAL PUBLIC ACCESS ROOM	157,086	159,219
<u>GENERAL SUPPORT</u>		
Personal Services:		
Staff	276,134 (5.5)	284,325 (5.5)
Student Staff	36,504	38,532
Overtime	20,000	20,000
Other Current Expenses	<u>96,050</u>	<u>105,506</u>
TOTAL GENERAL SUPPORT	428,688	448,363
<u>REVISOR OF STATUTES</u>		
Personal Services:		
Staff	374,472 (6.5)	388,589 (6.5)
Other Current Expenses	<u>283,678</u>	<u>283,678</u>
TOTAL REVISOR OF STATUTES	658,150	672,267
TOTAL LRB	\$3,243,147	\$3,364,585
CSG Dues	79,386	81,768

\* Includes appropriations from both  
Act 1, SLH 2007 and Act 134, SLH 2007

EXHIBIT A

SYSTEMS OFFICE  
BUDGET REQUEST FOR FISCAL YEAR 2008-2009

OTHER CURRENT EXPENSES

	<u>2007-2008</u> <u>APPROPRIATION</u>	<u>2008-2009</u> <u>BUDGET REQUEST</u>
Software/Hardware Maintenance	\$29,135	\$29,135
Acquisition of Software/Hardware	22,259	22,259
Equipment Rental	6,000	6,000
Data Communication	3,500	3,500
Telephone	2,000	2,000
General Supplies	5,698	5,698
Staff Training Programs, etc.	12,000	12,000
Publication, Training Manuals, etc.	2,500	2,500
Services on Fee	2,000	2,000
Other Current Expenses	<u>5,000</u>	<u>5,000</u>
Total	\$90,092	\$90,092

EXHIBIT B

LIBRARY DIVISION  
 BUDGET REQUEST FOR FISCAL YEAR 2008-2009

The FY 2008-2009 Library Budget request reflects an increase of \$2,500.00 over the FY 2007-2008 appropriation.

This request is due to annual increase of subscription costs, the maintenance of the web catalog and other office equipment, and staff development.

OTHER CURRENT EXPENSES

	<u>2007-2008</u> <u>APPROPRIATION</u>	<u>2008-2009</u> <u>BUDGET REQUEST</u>
Books	22,350	22,350
Online Information Services		
<i>WESTLAW</i>	20,000	20,000
Print Subscriptions and Dues	17,900	18,150
Web Catalog		
Maintenance	2,500	3,000
Upgrades	3,000	3,000
Computer Hardware, Software, Maintenance and Supplies	2,000	2,125
Copier Maintenance and Supplies	3,300	3,425
Office and Library Supplies	800	800
Staff Development and Training	3,000	4,500
Other Current Expenses	<u>50</u>	<u>50</u>
TOTAL	\$74,900	\$77,400

EXHIBIT C

PUBLIC ACCESS ROOM  
BUDGET REQUEST FOR FISCAL YEAR 2008-2009

The fiscal year 2008-2009 Public Access Room budget request reflects a modest increase in expenses from the figures for fiscal year 2007-2008, to cover added costs for equipment maintenance, as well as outreach efforts on behalf of the Public Access Room Staff.

OTHER CURRENT EXPENSES

	<u>2007-2008</u> <u>APPROPRIATION</u>	<u>2008-2009</u> <u>BUDGET REQUEST</u>
Office supplies	\$ 1,000	\$ 1,000
Equipment maintenance	13,000	13,500
Subscriptions	300	300
Neighbor island workshops	7,600	8,100
Postage	100	100
Staff development and training	1,800	1,800
Other	<u>500</u>	<u>500</u>
TOTAL:	\$24,300	\$25,300

12/1/2007

EXHIBIT D

REVISOR OF STATUTES DIVISION  
BUDGET REQUEST FOR FISCAL YEAR 2008-2009

The requested appropriation by the Division includes \$282,078 in 2008-2009 for the production and printing of the Session Laws and the Hawaii Revised Statutes Supplement.

2008 Session Laws .....	\$ 38,000
2,400 volumes; 1,200 pages each volume.	
2008 HRS Supplement .....	<u>\$244,078</u>
3,000 sets; 5,000 pages each set.	\$282,078

OTHER CURRENT EXPENSES

	<u>2007-2008</u> <u>APPROPRIATION</u>	<u>2008-2009</u> <u>BUDGET REQUEST</u>
Office Supplies	\$ 500	\$ 500
Postage	1,000	1,000
Notices, Publication of	100	100
Printing	<u>282,078</u>	<u>282,078</u>
Total	\$283,678	\$283,678

**Exhibit E**  
**MASTER STATISTICS FOR HAWAII STATE LEGISLATIVE REQUESTS, NON-LEGISLATIVE/  
INFORMATIONAL REQUESTS COMPLETED BY THE LEGISLATIVE REFERENCE BUREAU**  
**For Fiscal Year Ending June 30, 2007**

Type of Request	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
<b>I. LEGISLATIVE REQUESTS</b>													
Senate Bills	--	3	15	20	10	54	961	77	113	127	--	2	1382
House Bills	3	19	25	25	9	116	1398	77	39	20	1	6	1738
<b>Total Bills</b>	<b>3</b>	<b>22</b>	<b>40</b>	<b>45</b>	<b>19</b>	<b>170</b>	<b>2359</b>	<b>154</b>	<b>152</b>	<b>147</b>	<b>1</b>	<b>8</b>	<b>3120</b>
Senate Resolutions	--	2	--	14	1	8	22	15	144	92	2	--	300
House Resolutions	--	3	--	1	1	4	27	21	302	170	--	--	529
<b>Total Resolutions</b>		<b>5</b>	<b>--</b>	<b>15</b>	<b>2</b>	<b>12</b>	<b>49</b>	<b>36</b>	<b>446</b>	<b>262</b>	<b>2</b>	<b>0</b>	<b>829</b>
Senate Certificates	--	--	--	--	1	--	--	2	3	3	32	2	43
House Certificates	--	--	--	1	1	14	1	1	1	2	5	2	28
<b>Total Certificates</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1</b>	<b>2</b>	<b>14</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>37</b>	<b>4</b>	<b>71</b>
Caucus Digest	--	--	--	--	--	--	--	--	114	139	--	--	253
Committee Reports	--	--	--	--	--	--	--	218	204	152	1	--	575
Floor Amendments	--	--	--	--	--	--	--	--	1	4	1	--	6
Language	2	--	--	--	--	--	1	7	3	8	--	--	21
Letters/Memos	14	17	14	14	7	35	74	919	437	48	2	6	1587
Published Reports				--	--	4	3	--	1	--	--	1	9
<b>Total Others</b>	<b>16</b>	<b>17</b>	<b>14</b>	<b>14</b>	<b>7</b>	<b>39</b>	<b>78</b>	<b>1144</b>	<b>760</b>	<b>351</b>	<b>4</b>	<b>7</b>	<b>2451</b>
<b>TOTAL LEGISLATIVE     REQUESTS</b>	<b>19</b>	<b>44</b>	<b>54</b>	<b>75</b>	<b>30</b>	<b>235</b>	<b>2487</b>	<b>1337</b>	<b>1362</b>	<b>765</b>	<b>44</b>	<b>19</b>	<b>6471</b>
<b>II. NON-LEGISLATIVE REQUESTS FOR ASSISTANCE</b>													
Hawaii State Government	--	--	--	--	--	--	--	--	--	--	--	--	0
Other Governments*	--	--	--	--	--	--	--	--	--	--	--	--	0
Private	--	--	--	--	--	--	--	--	--	--	--	--	0
Materials Sent	--	--	--	--	--	--	--	--	--	--	--	--	0
<b>TOTAL NON-LEGISLATIVE     REQUESTS</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>0</b>
<b>TOTAL REQUESTS BY MONTH</b>	<b>19</b>	<b>44</b>	<b>54</b>	<b>75</b>	<b>30</b>	<b>235</b>	<b>2487</b>	<b>1337</b>	<b>1362</b>	<b>765</b>	<b>44</b>	<b>19</b>	<b>6471</b>

\*Includes counties, other states, federal and foreign governments.



**MASTER STATISTICS FOR HAWAII STATE LEGISLATIVE REQUESTS, NON-LEGISLATIVE/  
INFORMATIONAL REQUESTS COMPLETED BY THE LEGISLATIVE REFERENCE BUREAU  
For Fiscal Year Ending June 30, 2006**

Type of Request	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
<b>I. LEGISLATIVE REQUESTS</b>													
Senate Bills	--	--	2	10	34	89	970	95	178	133	6	2	1519
House Bills	20	12	11	20	49	98	1209	94	33	29	7	3	1585
<b>Total Bills</b>	<b>20</b>	<b>12</b>	<b>13</b>	<b>30</b>	<b>83</b>	<b>187</b>	<b>2179</b>	<b>189</b>	<b>211</b>	<b>162</b>	<b>13</b>	<b>5</b>	<b>3104</b>
Senate Resolutions	--	--	--	2	7	7	7	42	238	6	1	--	310
House Resolutions	3	2	--	2	5	11	17	47	407	43	--	--	537
<b>Total Resolutions</b>	<b>3</b>	<b>2</b>	<b>--</b>	<b>4</b>	<b>12</b>	<b>18</b>	<b>24</b>	<b>89</b>	<b>645</b>	<b>49</b>	<b>1</b>	<b>--</b>	<b>847</b>
Senate Certificates	--	--	--	--	--	--	--	--	--	--	--	--	--
House Certificates	2	3	1	--	10	--	2	10	20	6	2	--	56
<b>Total Certificates</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>--</b>	<b>10</b>	<b>--</b>	<b>2</b>	<b>10</b>	<b>20</b>	<b>6</b>	<b>2</b>	<b>--</b>	<b>56</b>
Caucus Digest	--	--	--	--	--	--	--	--	65	50	--	--	115
Committee Reports	--	--	--	--	--	--	3	177	256	211	--	--	647
Floor Amendments	--	--	--	--	--	--	--	--	--	2	--	--	2
Language	--	--	--	--	--	--	--	--	--	1	--	--	1
Letters/Memos	24	11	20	15	19	16	137	642	342	88	6	9	1329
Published Reports	--	--	--	--	--	1	2	--	1	--	--	--	4
<b>Total Others</b>	<b>24</b>	<b>11</b>	<b>20</b>	<b>15</b>	<b>19</b>	<b>17</b>	<b>142</b>	<b>819</b>	<b>664</b>	<b>352</b>	<b>6</b>	<b>9</b>	<b>2098</b>
<b>TOTAL LEGISLATIVE     REQUESTS</b>	<b>49</b>	<b>28</b>	<b>34</b>	<b>49</b>	<b>124</b>	<b>222</b>	<b>2347</b>	<b>1107</b>	<b>1540</b>	<b>569</b>	<b>22</b>	<b>14</b>	<b>6105</b>
<b>II. NON-LEGISLATIVE REQUESTS FOR ASSISTANCE</b>													
Hawaii State Government	--	--	--	--	--	--	--	--	--	--	--	--	--
Other Governments*	--	--	--	1	--	--	--	--	--	--	--	--	1
Private	--	--	--	--	--	--	--	--	--	--	--	--	--
Materials Sent	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>TOTAL NON-LEGISLATIVE     REQUESTS</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1</b>
<b>TOTAL REQUESTS BY MONTH</b>	<b>49</b>	<b>28</b>	<b>34</b>	<b>50</b>	<b>124</b>	<b>222</b>	<b>2347</b>	<b>1107</b>	<b>1540</b>	<b>569</b>	<b>22</b>	<b>14</b>	<b>6106</b>

\*Includes counties, other states, federal and foreign governments.

**EXHIBIT F**

**REQUESTS FOR SERVICE  
FOR THE LEGISLATIVE REFERENCE BUREAU SYSTEMS OFFICE  
FOR FISCAL YEAR 2006-2007**

Request for:	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Information from computer	51	36	36	33	35	22	63	69	67	52	74	34	572
Technical Assistance	30	27	23	27	30	30	82	42	87	45	51	52	526
Printouts	26	15	14	20	17	19	15	22	32	21	18	9	228
General Information	20	10	7	13	28	12	27	24	16	4	26	13	200
Training	0	0	0	0	0	0	0	0	0	0	0	0	0
Copying services	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>127</b>	<b>88</b>	<b>80</b>	<b>93</b>	<b>110</b>	<b>83</b>	<b>187</b>	<b>157</b>	<b>202</b>	<b>122</b>	<b>169</b>	<b>108</b>	<b>1526</b>

**REQUESTS FOR SERVICE  
FOR THE LEGISLATIVE REFERENCE BUREAU SYSTEMS OFFICE  
FOR FISCAL YEAR 2005-2006**

Request for:	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Information from computer	56	34	38	32	34	31	52	82	59	53	69	50	590
Technical Assistance	16	21	51	43	22	35	56	40	28	23	12	6	353
Printouts	8	7	8	9	12	8	17	29	42	33	21	21	215
General Information	15	8	11	13	13	18	20	13	15	18	24	24	192
Training	0	0	0	0	0	0	0	0	0	0	0	0	0
Copying services	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>95</b>	<b>70</b>	<b>108</b>	<b>97</b>	<b>81</b>	<b>92</b>	<b>145</b>	<b>164</b>	<b>144</b>	<b>127</b>	<b>126</b>	<b>101</b>	<b>1350</b>

**Exhibit G**

**Requests for Service  
For Legislative Reference Bureau Library  
For Fiscal Year 2006-07**

Requests for:	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
Reference/Research	147	137	156	128	138	132	173	170	157	179	155	91	1,763
Online database searches	13	7	6	15	5	8	13	15	7	13	9	7	118
Orientation/Training	0	0	0	0	0	3	8	0	3	3	0	0	17
Publications distributed/sold	28	61	147	22	51	96	113	40	667	343	63	67	1,698
Documents borrowed	<u>8</u>	<u>30</u>	<u>15</u>	<u>25</u>	<u>37</u>	<u>34</u>	<u>23</u>	<u>34</u>	<u>10</u>	<u>19</u>	<u>47</u>	<u>26</u>	<u>308</u>
Total	196	235	324	190	231	273	330	259	844	557	274	191	3,904
Photocopying (pages)	797	747	475	482	276	218	378	574	576	215	149	134	5,021
Computer printouts (pages)	<u>23</u>	<u>22</u>	<u>14</u>	<u>2</u>	<u>8</u>	<u>2</u>	<u>8</u>	<u>65</u>	<u>21</u>	<u>209</u>	<u>5</u>	<u>692</u>	<u>1,071</u>
Total	820	769	489	484	284	220	386	639	597	424	154	826	6,092

**Requests for Service  
For Legislative Reference Bureau Library  
For Fiscal Year 2005-06**

Requests for:	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
Reference/Research	177	98	107	116	127	127	199	147	172	158	136	120	1,684
Online database searches	11	6	17	17	22	29	28	23	23	22	18	10	226
Orientation/Training	0	0	1	1	1	35	9	0	2	4	18	0	71
Publications distributed/sold	103	32	39	61	71	37	93	69	56	749	180	50	1,540
Documents borrowed	<u>63</u>	<u>50</u>	<u>80</u>	<u>71</u>	<u>35</u>	<u>54</u>	<u>67</u>	<u>35</u>	<u>49</u>	<u>38</u>	<u>26</u>	<u>12</u>	<u>580</u>
Total	354	186	244	266	256	282	396	274	302	971	378	192	4,101
Photocopying (pages)	1839	476	1010	199	404	406	537	3201	557	522	1151	974	11,276
Computer printouts (pages)	<u>8</u>	<u>16</u>	<u>11</u>	<u>15</u>	<u>29</u>	<u>11</u>	<u>15</u>	<u>8</u>	<u>22</u>	<u>9</u>	<u>3</u>	<u>12</u>	<u>159</u>
Total	1,847	492	1021	214	433	417	552	3209	579	531	1154	986	11,435

**EXHIBIT H**  
 REQUESTS FOR SERVICE  
 FOR PUBLIC ACCESS ROOM  
 FOR FISCAL YEAR 2006-2007

Request for:	July	Aug	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Total
Photocopying (pages)*				13,770			38,788	70,388	206,689			99,501	429,136
Email inquiries	48	35	30	27	38	46	125	109	80	78	55	36	707
Email testimony received	-	-	-	-	-	-	564	6,074	3,570	2,280	5	0	12,493
Workshops	46	0	45	30	43	78	68	40	94	0	0	0	444

REQUESTS FOR SERVICE  
 FOR PUBLIC ACCESS ROOM  
 FOR FISCAL YEAR 2005-2006

Request for:	July	Aug	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Total
Photocopying (pages)*				13,041			43,043	77,909				130,190	264,183
Email inquiries	48	43	67	60	43	40	44	64	110	33	34	22	608
Email testimony received	-	-	-	-	-	-	186	1,921	1,394	736	0	0	4,237
Workshops	0	0	115	298	20	48	78	86	41	0	0	32	718

\* Figures compiled when requested by Xerox