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# A BILL FOR AN ACT

RELATING TO ETHICS.

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

1           SECTION 1. The legislature finds that it is authorized to  
2 establish task forces on an ad hoc basis to serve information-  
3 gathering functions, such as investigating and discussing policy  
4 issues and making non-binding recommendations to the legislature  
5 for proposed legislation, and do not perform adjudicatory or  
6 regulatory functions. Private-sector members of these task  
7 forces are selected to represent particular industries and areas  
8 of interest, and contribute their knowledge and experience to  
9 assist the task force in accomplishing its purpose and  
10 objectives. Moreover, task force members serve without pay and  
11 are not entitled to public employee benefits and pensions for  
12 their service on the task force.

13           The purpose of this Act is to clarify that a person serving  
14 on a task force established by the legislature for the purpose  
15 of recommending possible legislation is exempt from the conflict  
16 of interest law under the state ethics code.

17           SECTION 2. Section 84-3, Hawaii Revised Statutes, is  
18 amended as follows:



1           1. By amending the definition of "employee" to read:  
2            "Employee" means any nominated, appointed, or elected  
3 officer or employee of the State, including members of boards,  
4 commissions, and committees, and employees under contract to the  
5 State or of the constitutional convention, but excluding  
6 legislators, delegates to the constitutional convention,  
7 justices and judges[-], and members of task forces or working  
8 groups established by the legislature for the purpose of  
9 recommending possible legislation."

10           2. By amending the definition of "state agency" to read:  
11           "State agency" includes the State, the legislature and its  
12 committees, all executive departments, boards, commissions,  
13 committees, bureaus, offices, the University of Hawaii, and all  
14 independent commissions and other establishments of the state  
15 government, but excluding the courts[-], and task forces or  
16 working groups established by the legislature for the purpose of  
17 recommending possible legislation."

18           SECTION 3. Section 84-14, Hawaii Revised Statutes, is  
19 amended by amending subsection (a) to read as follows:

20           "(a) No employee shall take any official action directly  
21 affecting:



- 1           (1) A business or other undertaking in which [~~he~~] the  
2                 employee has a substantial financial interest; or  
3           (2) A private undertaking in which [~~he~~] the employee is  
4                 engaged as legal counsel, advisor, consultant,  
5                 representative, or other agency capacity.

6           A department head who is unable to disqualify [~~himself~~]  
7     oneself on any matter described in items (1) and (2) above will  
8     not be in violation of this subsection if [~~he~~] the department  
9     head has complied with the disclosure requirements of section  
10    84-17 [~~+~~and].

11          A person whose position on a board, commission, or  
12     committee is mandated by statute, resolution, or executive order  
13     to have particular qualifications shall only be prohibited from  
14     taking official action that directly and specifically affects a  
15     business or undertaking in which [~~he~~] the person has a  
16     substantial financial interest; provided that the substantial  
17     financial interest is related to the member's particular  
18     qualifications. This section shall not apply to a person  
19     serving on a task force or working group established by the  
20     legislature for the purpose of recommending possible  
21     legislation."



# H.B. NO. 2175

1 SECTION 4. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect upon its approval.  
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INTRODUCED BY:

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# H.B. NO. 2175

**Report Title:**

Conflict of Interest; Task Force Members; Ethics Code

**Description:**

Exempts a person serving on a task force or working group established by the legislature for the purpose of recommending possible legislation from the conflict of interest law under the state ethics code and clarifies that an employee, as defined in the ethics code, does not include such persons.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

