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# A BILL FOR AN ACT

RELATING TO THE CODE OF ETHICS.

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

1           SECTION 1. Policy makers, state agency leaders, candidates  
2 for state elective offices, and members of state boards and  
3 commissions are required to file annual financial disclosure  
4 statements with the state ethics commission. The financial  
5 disclosure statements reveal potential conflicts of interest.

6           However, only the financial disclosure statements of the  
7 governor, lieutenant governor, legislators, and state department  
8 directors and their deputies are public records and available  
9 for inspection and duplication. Financial disclosure statements  
10 are not publicly available for the majority of the members of  
11 very powerful state boards and commissions. These boards and  
12 commissions shape the political, economic, social,  
13 environmental, and cultural fabric of society in Hawaii.

14           The primary purpose of this Act is to further ensure  
15 transparency and accountability of individuals serving in state  
16 government by making the financial disclosure statements of  
17 state board and commission members public documents and  
18 available for public inspection.



1           Additionally, the Act will clarify the fair treatment law  
2 as applicable to legislators and task force members by  
3 separating out certain limitations placed on task force members  
4 from those placed on legislators, and making clear that  
5 legislators are not prohibited from taking action in the  
6 exercise of the legislator's legislative functions.

7           SECTION 2. Section 84-13, Hawaii Revised Statutes, is  
8 amended to read as follows:

9           "**§84-13 Fair treatment.** (a) No legislator or employee  
10 shall use or attempt to use the legislator's or employee's  
11 official position to secure or grant unwarranted privileges,  
12 exemptions, advantages, contracts, or treatment, for oneself or  
13 others; including but not limited to the following:

14           (1) Seeking other employment or contract for services for  
15 oneself by the use or attempted use of the  
16 legislator's or employee's office or position.

17           (2) Accepting, receiving, or soliciting compensation or  
18 other consideration for the performance of the  
19 legislator's or employee's official duties or  
20 responsibilities except as provided by law.

21           (3) Using state time, equipment or other facilities for  
22 private business purposes.



1           (4) Soliciting, selling, or otherwise engaging in a  
2           substantial financial transaction with a subordinate  
3           or a person or business whom the legislator or  
4           employee inspects or supervises in the legislator's or  
5           employee's official capacity.

6           (b) Nothing [~~herein~~] in this section shall be construed to  
7           prohibit a legislator from introducing bills and resolutions,  
8           ~~[or to prevent a person from serving on a task force or]~~ from  
9           serving on ~~[a task force committee,]~~ committees, or from making  
10          statements or taking ~~[official]~~ action ~~[as a legislator, or a~~  
11          ~~task force member or a task force member's designee or~~  
12          ~~representative.]~~ in the exercise of the legislator's legislative  
13          functions. Every legislator ~~[, or task force member or designee~~  
14          ~~or representative of a task force member]~~ shall file a full and  
15          complete public disclosure of the nature and extent of the  
16          interest or transaction which the legislator ~~[or task force~~  
17          ~~member or task force member's designee or representative]~~  
18          believes may be affected by the ~~[legislator's or task force~~  
19          ~~member's official action]~~ legislative action.

20          (c) Nothing in this section shall be construed to prevent a  
21          person from serving on a task force or a task force committee,  
22          or from making statements or taking official action as a task



1 force member or a task force member's designee or  
2 representative. Every task force member or designee or  
3 representative of a task force member shall file a full and  
4 complete public disclosure of the nature and extent of the  
5 interest or transaction which the task force member or task  
6 force member's designee or representative believes may be  
7 affected by the task force member's official action."

8 SECTION 3. Section 84-17, Hawaii Revised Statutes, is  
9 amended by amending subsection (d) to read as follows:

10 "(d) The financial disclosure statements of the following  
11 persons shall be public records and available for inspection and  
12 duplication:

13 (1) The governor, the lieutenant governor, the members of  
14 the legislature, candidates for and delegates to the  
15 constitutional convention, the trustees of the office  
16 of Hawaiian affairs, and candidates for state elective  
17 offices;

18 (2) The directors of the state departments and their  
19 deputies, regardless of the titles by which the  
20 foregoing persons are designated; provided that with  
21 respect to the department of the attorney general, the



1           foregoing shall apply only to the attorney general and  
2           the first deputy attorney general;

3           (3) The administrative director of the State;

4           (4) The president, the vice presidents, the assistant vice  
5           presidents, the chancellors, board of regents, and the  
6           provosts of the University of Hawaii;

7           (5) The members of the board of education and the  
8           superintendent, the deputy superintendent, the state  
9           librarian, and the deputy state librarian of the  
10          department of education;

11          (6) The administrative director and the deputy director of  
12          the courts; [~~and~~]

13          (7) The administrator and the assistant administrator of  
14          the office of Hawaiian affairs[~~-~~]; and

15          (8) The members of state boards or commissions, including  
16          but not limited to the following:

17          (A) Board of directors of the agribusiness  
18          development corporation established under section  
19          163D-3;

20          (B) Board of agriculture established under section  
21          26-16;



- 1           (C) The members of the state ethics commission  
2                           established under section 84-21;
- 3           (D) Hawaii community development authority  
4                           established under section 206E-3;
- 5           (E) Hawaiian homes commission established under  
6                           section 26-17;
- 7           (F) Board of directors of the Hawaii housing finance  
8                           and development corporation established under  
9                           section 201H-3;
- 10          (G) Board of land and natural resources established  
11                          under section 171-4;
- 12          (H) Land use commission established under section  
13                          205-1;
- 14          (I) Legacy land conservation commission established  
15                          under section 173A-2.4;
- 16          (J) Natural area reserves system commission  
17                          established under section 195-6;
- 18          (K) Board of directors of the natural energy  
19                          laboratory of Hawaii authority established under  
20                          section 227D-2;
- 21          (L) Board of directors of the Hawaii public housing  
22                          authority established under section 356D-3;



- 1            (M) Board of directors of the public land development
- 2            corporation established under section 171C-3;
- 3            (N) Public utilities commission established under
- 4            section 269-2;
- 5            (O) Commission on water resource management
- 6            established under section 174C-7;
- 7            (P) Hawaii labor relations board established under
- 8            section 89-5; and
- 9            (Q) Labor and industrial relations appeals board
- 10           established under section 371-4."

11           SECTION 4. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13           SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

Financial Disclosure Statements; Boards and Commissions; Public Documents

**Description:**

Makes the financial disclosure statements of members of state boards and commissions available for public inspection and duplication. Clarifies the fair treatment law by separating out certain limitations placed on task force members from those placed on legislators and makes clear that legislators are not prohibited from taking action in the exercise of the legislator's legislative functions. (SB66 HD2 PROPOSED)

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

