



HAWAII STATE ETHICS COMMISSION

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

February 1, 2013

The Honorable Scott Y. Nishimoto, Chair
The Honorable John M. Mizuno, Vice Chair
House Committee on Legislative Management
Hawaii State Capitol, Room 439
415 South Beretania Street
Honolulu, Hawaii 96813

Re: **Testimony on HB No. 1132, Relating to Public Disclosure of
Financial Interests Statements**

Hearing: February 1, 2013, 2:00 p.m.
State Capitol, Conference Room 423

Testimony From: Hawaii State Ethics Commission

The Honorable Scott Y. Nishimoto, Chair; The Honorable John M. Mizuno, Vice Chair;
and Honorable Members of the House Committee on Legislative Management:

Thank you for the opportunity to testify on House Bill 1132, Relating to Public Disclosure of Financial Interests Statements. This bill changes the deadline for a legislator to file his or her annual financial disclosure statement, under Haw. Rev. Stat. section 84-17(b), from May 1 to January 31.

The State Ethics Commission supports HB No. 1132, as it applies to legislators. Under the State Ethics Code, chapter 84, Haw. Rev. Stat., legislators are presently required to file annual public financial disclosure statements by May 31 of each year, which is after the end of the regular legislative session. By moving the filing requirement to January 31, legislators' financial disclosure statements would be made available to the public early in the legislative session. This earlier disclosure, in turn, would enable the public to assess a legislator's actions or positions against the legislator's publicly disclosed financial interests.

The State Ethics Commission notes that legislators are not subject to HRS section 84-14(a). This conflict of interest provision prohibits an employee (but not a legislator) from taking official action directly affecting a business in which the employee has a financial interest. HB No. 1132's proposed amendment of HRS section 84-17(b) does not expand or change the scope of the conflicts of interests provision, HRS section 84-14(a), to apply to legislators. Nonetheless, the State Ethics Commission believes

The Honorable Scott Y. Nishimoto, Chair
The Honorable John M. Mizuno, Vice Chair
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that HB No. 1132, by requiring an earlier financial disclosure statement filing requirement for legislators, would improve openness, transparency and public confidence in state government.

For the reasons set forth above, the Hawaii State Ethics Commission supports this bill. We appreciate the opportunity to testify on HB No. 1132, Relating to Public Disclosure of Public Interests Statements. We would like to thank this Committee for its consideration of our testimony.

HB1132

Submitted on: 1/31/2013

Testimony for LMG on Feb 1, 2013 14:00PM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara B. Polk	Americans for Democratic Action/Hawaii	Support	No

Comments: Americans for Democratic Action/Hawaii strongly supports HB 1132. At present, legislators do not have to file financial disclosure forms until after the legislative session, obviating the major purpose of the law. Legislators' financial information allows the public, as well as other legislators, to monitor for potential conflicts of interest, and helps to promote the integrity of and confidence in the political system.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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House Legislative Management (LMG) Committee
Chair Scott Nishimoto, Vice Chair John Mizuno

Friday 02/01/13 at 02:00PM in Room 423
HB1132– Relating to public disclosure of financial interests statements

TESTIMONY OF SUPPORT
Carmille Lim, Executive Director, Common Cause Hawaii

Dear Chair Nishimoto, Vice Chair Mizuno, and members of the Legislative Management Committee:

Common Cause Hawaii strongly supports HB1132. This bill would require legislators to file their disclosure of financial interest by January 31 of each year. This bill also clarifies that employees* would be required to file their disclosure of financial interest by May 31 of each year.

We believe that moneyed interest must be made transparent to the public early in the legislative session. By requiring legislators to file their disclosures of financial interest at the beginning of legislative session, as opposed to its current filing deadline of May 31, after session is over, we help the public know who is financially supporting our elected officials – and by extension, the policy decisions being made.

Thank you for the opportunity to testify in strong support of HB1132.

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**Employees as defined in §84-3: "Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices and judges.*

Submitted testimony for HB1132 on Feb 1, 2013 14:00PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Wednesday, January 30, 2013 11:15 PM

To: LMGtestimony

Cc: merway@hawaii.rr.com

HB1132

Submitted on: 1/30/2013

Testimony for LMG on Feb 1, 2013 14:00PM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Marjorie Erway	Individual	Support	No

Comments: Financial interests of legislators definitely need to be disclosed and with a deadline. Please support completely.

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Submitted testimony for HB1132 on Feb 1, 2013 14:00PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Wednesday, January 30, 2013 12:58 PM

To: LMGtestimony

Cc: ndavlantes@aol.com

HB1132

Submitted on: 1/30/2013

Testimony for LMG on Feb 1, 2013 14:00PM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Nancy Davlantes	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 31, 2013 3:23 PM
To: LMGtestimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for HB1132 on Feb 1, 2013 14:00PM*

HB1132

Submitted on: 1/31/2013

Testimony for LMG on Feb 1, 2013 14:00PM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

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