

Honolulu, Hawaii

APR 08 2016

RE: H.B. No. 1713
H.D. 2
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 1713, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ETHICS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Exempt extracurricular service of employees from the State Ethics Code if certain conditions are met;
- (2) Define detached remuneration and extracurricular service; and
- (3) Require the review of any existing policy, procedure, or rule previously adopted by any department or other state agency for consistency and compliance with the exemption for extracurricular service of employees from the State Ethics Code.

Your Committee received testimony in support of this measure from the Department of Education. Your Committee received testimony in opposition to this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, and League of Women Voters of Hawaii.

Your Committee finds that in State Ethics Commission Advisory Opinion No. 2015-1, the Commission found ethical violations in the



longstanding practice of public school teachers receiving free travel and other benefits from tour companies when chaperoning students on out-of-state educational trips. The Commission determined that the dual role as teacher and tour company representative places public school teachers in a conflict of interest under the State Ethics Code and also raises concerns under the gifts law and the fair treatment law. Some believe that this Advisory Opinion may have an unintended effect of depriving students of valuable learning opportunities outside of the classroom, by making it difficult for teachers to afford activities that are largely contingent upon their participation, and may be based on a subjective and overly broad application of the State Ethics Code. By specifying certain conduct that may be exempt from the State Ethics Code, this measure prevents important opportunities, such as educational trips, from being lost.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1713, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1713, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,


GILBERT S.C. KEITH-AGARAN, Chair



