

STAND. COM. REP. NO. 2001

Honolulu, Hawaii

JAN 29 2016

RE: H.B. No. 813
H.D. 3
S.D. 1

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. 813, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO THE CODE OF ETHICS,"

begs leave to report as follows:

The purpose and intent of this measure is to clearly
establish:

- (1) That in accordance with Article III, section 7, of the
Hawaii State Constitution, legislators are exempt from
the fair treatment law when exercising legislative
functions; and
- (2) That the fair treatment law exemption, the financial
disclosure statements, and the phrase "official action"
as applied to task force members, are distinct and
separate from similar provisions, and the phrase
"official action" as applied to legislators.

Your Committee received testimony in support of this measure
from the Hawaii State Ethics Commission, Common Cause Hawaii, and
League of Woman Voters of Hawaii.

Your Committee finds that during the Regular Session of 2012,
the Legislature amended the Code of Ethics to exempt task force
members from the fair treatment law. The amendment sought to
duplicate the constitutionally based fair treatment exemption for

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legislators by including task force members, but with additional language to maintain a distinction between legislators and task force members. The State Ethics Commission testified that the amendment created some confusion as to the application of the amendment to legislators, and that prior to the amendments made in 2012, the exemption from the fair treatment law for legislators who exercised their legislative functions was consistent with the Hawaii State Constitution.

Your Committee finds that the distinction between legislators and task force members in the application of the fair treatment exemption of the Code of Ethics must be clear. Accordingly this measure reinstates the fair treatment exemption for legislators as it existed prior to 2012 and adds a separate paragraph to address the fair treatment law exemption and financial disclosure statement requirement for task force members.

Your Committee has amended this measure by inserting an effective date of January 1, 2017.

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. 813, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 813, H.D. 3, S.D. 1, and be placed on the calendar for Third Reading.

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



GILBERT S.C. KEITH-AGARAN, Chair



