A BILL FOR AN ACT

RELATING TO ETHICS.

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

- SECTION 1. The legislature finds that a 2012 statutory

 change designed to clarify the application of the ethics code to

 task force members had the unintended effect of changing the law

 with respect to legislators as well. This Act restores
- 5 longstanding language that protects legislators when carrying
- 6 out a "legislative function."
- 7 The legislature further finds that a related 2012 statutory
- 8 change created an ambiguity regarding whether task force members
- 9 must file financial disclosures. This Act makes clear that task
- 10 force members need not file the same financial disclosures as
- 11 state officials.
- 12 Accordingly, the purpose of this Act is to provide
- 13 additional clarity and consistency in the administration and
- 14 enforcement of the State's ethics laws, and to promote integrity
- 15 in state government, by:

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1	(1)	Restoring previous statutory language protecting
2		legislators when carrying out a "legislative
3		function";
4	(2)	Clarifying the fair treatment laws with respect to
5		task force members and legislators by restoring
6		previous statutory language regarding a legislator's
7		"legislative function";
8	(3)	Clarifying that task force members need not file the
9		financial disclosure forms required of other state
10		officials; and
11	(4)	Clarifying the existing requirement that task force
12		members publicly disclose conflicts of interest by
13		requiring the ethics commission to adopt rules for
14		this public disclosure.
15	SECT	ION 2. Section 84-13, Hawaii Revised Statutes, is
16	amended to read as follows:	
17	"§84	-13 Fair treatment. (a) No legislator or employee
18	shall use	or attempt to use the legislator's or employee's
19	official position to secure or grant unwarranted privileges,	
20	exemptions, advantages, contracts, or treatment, for oneself or	
21	others; i	ncluding but not limited to the following:

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l	(1)	Seeking other employment or contract for services for
2		oneself by the use or attempted use of the
3		legislator's or employee's office or position.

- (2) Accepting, receiving, or soliciting compensation or other consideration for the performance of the legislator's or employee's official duties or responsibilities except as provided by law.
- (3) Using state time, equipment or other facilities for private business purposes.
 - (4) Soliciting, selling, or otherwise engaging in a substantial financial transaction with a subordinate or a person or business whom the legislator or employee inspects or supervises in the legislator's or employee's official capacity.
- (b) Nothing [herein] in this section shall be construed to prohibit a legislator from introducing bills and resolutions,

 [or to prevent a person from serving on a task force or] from serving on a task force committee, or from making statements or taking [official] action [as a legislator, or a task force member or a task force member's designee or representative.] in the exercise of the legislator's legislative functions. Every

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- 1 legislator[, or task force member or designee or representative
- 2 of a task force member] shall [file a full and complete public
- 3 disclosure of publicly disclose the nature and extent of the
- 4 interest or transaction [which] that the legislator [or task
- 5 force member or task force member's designee or representative]
- 6 believes may be affected by [the legislator's or task force
- 7 member's official action.] legislative action. The state ethics
- 8 commission shall establish rules to provide for this public
- 9 disclosure.
- 10 (c) Nothing in this section shall be construed to prevent
- 11 a person from serving on a task force or a task force committee,
- 12 or from making statements or taking official action as a task
- 13 force member or a task force member's designee or
- 14 representative. Every task force member or designee or
- 15 representative of a task force member shall publicly disclose
- 16 the nature and extent of any interest or transaction that the
- 17 task force member or task force member's designee or
- 18 representative believes may be affected by the task force
- 19 member's official action. The state ethics commission shall
- 20 establish rules to provide for this public disclosure."

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1 SECTION 3. Section 84-14, Hawaii Revised Statutes, is 2 amended by amending subsection (f) to read as follows: [Subsections (a), (b), and (d) shall not apply to a 3 task force member or the designee or representative of that task 4 force member whose service as a task force member would not 5 6 otherwise cause that member, designee, or representative to be 7 considered an employee, if the task force member or the designee or representative of that task force member complies with the 8 disclosure requirements under section 84-17.] Nothing in this 9 10 section shall be construed to prevent a person from serving on a task force or a task force committee, or from making statements 11 12 or taking official action as a task force member or a task force member's designee or representative. Every task force member or 13 14 designee or representative of a task force member shall publicly disclose the nature and extent of any interest or transaction 15 that the task force member or task force member's designee or 16 17 representative believes may be affected by the task force 18 member's official action. The state ethics commission shall establish rules to provide for this public disclosure." 19

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- 1 SECTION 4. The state ethics commission, in its discretion,
- 2 may make any changes that it deems necessary to internal
- 3 procedures or forms to aid in the implementation of this Act.
- 4 SECTION 5. If any provision of this Act, or the
- 5 application thereof to any person or circumstance, is held
- 6 invalid, the invalidity does not affect other provisions or
- 7 applications of the Act that can be given effect without the
- 8 invalid provision or application, and to this end the provisions
- 9 of this Act are severable.
- 10 SECTION 6. This Act does not affect rights and duties that
- 11 matured, penalties that were incurred, and proceedings that were
- 12 begun before its effective date.
- 13 SECTION 7. Statutory material to be repealed is bracketed
- 14 and stricken. New statutory material is underscored.
- 15 SECTION 8. This Act shall take effect upon its approval.

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INTRODUCED BY:

JAN 2 0 2017

H.B. NO. 5/0

Report Title:

Ethics Code; Legislature; Task Forces; Applicability

Description:

Clarifies service and conflict disclosure provisions relating to task force members, designees, and representatives.

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