

SB631, SD1

RELATING TO ETHICS

LAB, JUD

SB631 SD1



Submit Testimony

Measure Title: RELATING TO ETHICS.

Report Title: Ethics; Gift Reporting; Elected Officials

Description: Exempts tangible and nonperishable gifts received by an elected or appointed official on behalf of the State from gift reporting requirements under the ethics code. Requires the gift to be publicly recorded as property of the State and allows the gift to remain with the official's state agency or be transferred to the state archives or state foundation on culture and the arts at the end of the official's term. Takes effect on 1/7/2059. (SD1)

Companion:

Package: None

Current Referral: LAB, JUD

Introducer(s): IHARA, S. Chang, Keith-Agaran, Kim

Sort by Date		Status Text
1/20/2017	S	Introduced.
1/23/2017	S	Passed First Reading.
1/23/2017	S	Referred to JDL.
2/23/2017	S	The committee(s) on JDL has scheduled a public hearing on 02-27-17 9:30AM in conference room 016.
2/27/2017	S	The committee(s) on JDL recommend(s) that the measure be PASSED, WITH AMENDMENTS. The votes in JDL were as follows: 5 Aye(s): Senator(s) Keith-Agaran, K. Rhoads, Gabbard, Kim, L. Thielen; Aye(s) with reservations: none ; 0 No(es): none; and 0 Excused: none.
3/3/2017	S	Reported from JDL (Stand. Com. Rep. No. 718) with recommendation of passage on Second Reading, as amended (SD 1) and placement on the calendar for Third Reading.
3/3/2017	S	Report adopted; Passed Second Reading, as amended (SD 1).
3/3/2017	S	48 Hrs. Notice 03-07-17.
3/7/2017	S	Passed Third Reading, as amended (SD 1). Ayes, 25; Aye(s) with reservations: none . Noes, 0 (none). Excused, 0 (none). Transmitted to House.
3/7/2017	H	Received from Senate (Sen. Com. No. 216) in amended form (SD 1).
3/9/2017	H	Pass First Reading
3/9/2017	H	Referred to LAB, JUD, referral sheet 27
3/10/2017	H	Bill scheduled to be heard by LAB on Tuesday, 03-14-17 9:00AM in House conference room 309.

A BILL FOR AN ACT

RELATING TO ETHICS.

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

1 SECTION 1. Section 84-11.5, Hawaii Revised Statutes, is
2 amended by amending subsection (d) to read as follows:

3 "(d) Excluded from the reporting requirements of this
4 section are the following:

- 5 (1) Gifts received by will or intestate succession;
- 6 (2) Gifts received by way of distribution of any inter
7 vivos or testamentary trust established by a spouse or
8 ancestor;
- 9 (3) Gifts from a spouse, fiance, fiancée, or any relative
10 within four degrees of consanguinity, or the spouse,
11 fiance, or fiancée of such a relative. A gift from
12 any such person is a reportable gift if the person is
13 acting as an agent or intermediary for any person not
14 covered by this paragraph;
- 15 (4) Political campaign contributions that comply with
16 state law;



- 1 (5) Anything available to or distributed to the public
2 generally without regard to the official status of the
3 recipient;
- 4 (6) Gifts that, within thirty days after receipt, are
5 returned to the giver or delivered to a public body or
6 to a bona fide educational or charitable organization
7 without the donation being claimed as a charitable
8 contribution for tax purposes; [~~and~~]
- 9 (7) Exchanges of approximately equal value on holidays,
10 [~~birthday,~~] birthdays, or special occasions[~~-~~]; and
- 11 (8) Tangible and nonperishable gifts received by an
12 elected or appointed official on behalf of the State;
13 provided that the gift shall be listed in a public
14 record as the property of the State. Upon the end of
15 the official's term of office, the gift may remain
16 with the official's state agency, or the state agency
17 may transfer the gift to the state archives or state
18 foundation on culture and the arts, as appropriate."

19 SECTION 2. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.

21 SECTION 3. This Act shall take effect on January 7, 2059.



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Ethics; Gift Reporting; Elected Officials

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Exempts tangible and nonperishable gifts received by an elected or appointed official on behalf of the State from gift reporting requirements under the ethics code. Requires the gift to be publicly recorded as property of the State and allows the gift to remain with the official's state agency or be transferred to the state archives or state foundation on culture and the arts at the end of the official's term. Takes effect on 1/7/2059.
(SD1)

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





HAWAII STATE ETHICS COMMISSION

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

Committee: Committee on Labor and Public Employment
Bill Number: S.B. 631, SD1, Relating to Ethics
Hearing Date/Time: Tuesday, March 14, 2017, 9:00 a.m.
Re: Testimony of the Hawaii State Ethics Commission with
COMMENTS

Dear Chair Johanson and Committee Members:

The Hawaii State Ethics Commission (“Commission”) hereby submits comments on S.B. 631, SD1, which seeks to amend Hawaii’s gift reporting law, HRS § 84-11.5.

Currently, under Hawaii’s gift reporting law, a gift given to the State – such as a piece of artwork given by a foreign dignitary – does not have to be reported by the individual who accepts the gift on the State’s behalf. Instead, that item belongs to the State and remains with the State after the official’s departure from office. As such, this proposed amendment to HRS § 84-11.5 appears to be unnecessary. Nevertheless, insofar as the measure does not weaken Hawaii’s ethics laws, the Commission does not oppose its passage.

Thank you for considering the Commission’s testimony on S.B. 631, SD1.

Very truly yours,

Daniel Gluck
Executive Director and General Counsel



HAWAII

STATE FOUNDATION on
CULTURE and the ARTS

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TESTIMONY OF
THE STATE FOUNDATION ON CULTURE AND THE ARTS
TO THE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT
MARCH 14, 2017
S. B. 0631
RELATING TO ETHICS

Chair Johanson and members of the Committee, I am Jonathan Johnson, Executive Director of the State Foundation on Culture and the Arts (SFCA), and I am grateful for the opportunity to **COMMENT** on S.B.0631.

The State Foundation on Culture and the Arts may accept works of art as unconditional gifts and transfers of inventory, if the artwork fits within the context of the state art collection. To assure the uniform quality of the Art in Public Places Collection, works of art must be reviewed by an Art Advisory Committee or an Art Acquisition Selection Committee and the SFCA board. For consideration of gift offers, donors must follow the process as outlined in the State Foundation on Culture and the Arts Collections Management Policy and for transfers, follow Department of Accounting and General Services Inventory Management protocols.

Thank you for the opportunity to submit testimony on this matter.



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COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT

Tuesday, March 14, 2017 9:00 a.m., Room 309
SB 631, SD1 RELATING TO ETHICS

TESTIMONY

Janet Mason, Legislative Committee, League of Women Voters of Hawaii

Chair Johanson, Vice-Chair Holt, and Committee Members:

The League of Women Voters of Hawaii supports SB 631, SD1 which exempts tangible and nonperishable gifts received by an elected or appointed official on behalf of the State from gift reporting requirements under the ethics code. As an alternative, the measure requires that the gift be publicly recorded as property of the State and remain with the official's state agency or be transferred to the State Archives or State Foundation on Culture and the Arts at the end of the official's term.

This alternative approach makes sense, because it would reinforce the fact that the gift was intended for the State (not the official), as well as providing a method for documenting where the gift is located after the end of the official's term. Conceivably some of these gifts (such as artwork) have monetary value and should be under the State's active management.

Thank you for the opportunity to submit testimony.



House Labor and Public Employment Committee
Chair Aaron Johanson, Vice Chair Daniel Holt

03/14/2017 9:00 AM Room 309
SB631 SD1 – Relating to Ethics

TESTIMONY / SUPPORT
Corie Tanida, Executive Director, Common Cause Hawaii

Dear Chair Johanson, Vice Chair Holt, and members of the committee:

Common Cause Hawaii supports SB631 SD1 which would exempt tangible and nonperishable gifts received by an official on behalf of the state from gift reporting requirements and require the gift to be recorded as property of the state and allows the gift to remain with the official's state agency or be transferred to the archives or state foundation on culture and the arts.

We believe that having the gifts recorded will make it simpler for state agencies, some of whom go through frequent personnel changes, to not only keep track of gifts received, but to ensure that the gifts are transferred to the proper repository. SB631 SD1 will help increase transparency and accountability regarding gifts to the state.

Thank you for the opportunity to offer testimony **supporting SB631 SD1**.

SB631, SD1

Late Testimony