



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

GOV. MSG. NO. 1185

September 15, 2020

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirtieth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirtieth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

Re: HB0361 HD1 SD2

Pursuant to Section 16 of Article III of the State Constitution, HB0361 HD1 SD2, entitled "A BILL FOR AN ACT RELATING TO EMOLUMENTS." became law as Act 075 (20), Session Laws of Hawaii 2020, on September 15, 2020.

While I commend the legislature for their commitment to transparency and good governance with this bill, the constitution already prohibits the Governor from said employment and emoluments. Furthermore, county residents should determine the limitations on their mayors not the state.

For the foregoing reasons, I allowed HB0361 HD1 SD2 to become law without my signature.

Sincerely,

DAVID Y. IGE
Governor, State of Hawaii

A BILL FOR AN ACT

RELATING TO EMOLUMENTS.

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

1 SECTION 1. The offices of the governor and county mayors
2 are five of the most important public offices in the State. It
3 is essential that the holders of those offices:

4 (1) Devote their full time, attention, and energy to
5 serving the people of Hawaii to the best of their
6 abilities; and

7 (2) Avoid even the appearance of a potential conflict of
8 interest.

9 Part of this commitment to fulfilling their duties and
10 maintaining public integrity involves not holding other
11 employment or receiving other emoluments while serving as the
12 governor or a county mayor. The legislature finds that this
13 matter is one of statewide concern and interest and is therefore
14 a permissible area of control reserved for the legislature.

15 SECTION 2. Chapter 78, Hawaii Revised Statutes, is amended
16 by adding a new section to be appropriately designated and to
17 read as follows:



1 "§78- County mayors; outside employment and emoluments
2 prohibited. (a) Beginning November 1, 2022, as of the sixty-
3 first calendar day after election or appointment to office, it
4 shall be unlawful for each county mayor, while holding that
5 office, to maintain any other employment, maintain a controlling
6 interest in a business, or receive any emolument.

7 (b) Where a mayor has a controlling interest in a
8 business, in order to comply with this section, the mayor may
9 transfer the interest to a blind trust within sixty-one days of
10 election or appointment.

11 (c) As used in this section:

12 "Blind trust" means a trust agreement where neither the
13 trustor nor the beneficiaries have any control or influence
14 over, or knowledge of, the assets in the trust, and which
15 complies with the definition of "qualified blind trust" in the
16 Ethics in Government Act of 1978, 5 U.S.C. App. 4 section 101 et
17 seq., as amended.

18 "Emolument" means any salary, fee, payment, wage, earning,
19 allowance, stipend, honorarium, or reward; provided that
20 "emolument" does not include the salary or benefits for service
21 as a county mayor or any pension income; retirement income;



1 social security payment; non-controlling ownership of stocks,
2 mutual funds, or real estate; rental income; or other form of
3 passive income."

4 SECTION 3. Chapter 84, Hawaii Revised Statutes, is amended
5 by adding a new section to be appropriately designated and to
6 read as follows:

7 "§84- Governor; outside employment and emoluments
8 prohibited. (a) Beginning November 1, 2022, as of the sixty-
9 first calendar day after election or appointment to office, it
10 shall be unlawful for the governor, while holding that office,
11 to maintain any other employment, maintain a controlling
12 interest in a business, or receive any emolument.

13 (b) Where a governor has a controlling interest in a
14 business, in order to comply with this section, the governor may
15 transfer the interest to a blind trust within sixty-one days of
16 election or appointment.

17 (c) As used in this section:

18 "Blind trust" means a trust agreement where neither the
19 trustor nor the beneficiaries have any control or influence
20 over, or knowledge of, the assets in the trust, and which
21 complies with the definition of "qualified blind trust" in the



1 Ethics in Government Act of 1978, 5 U.S.C. App. 4 section 101 et
2 seq., as amended.

3 "Emolument" means any salary, fee, payment, wage, earning,
4 allowance, stipend, honorarium, or reward; provided that
5 "emolument" does not include the salary or benefits for service
6 as the governor or any pension income; retirement income; social
7 security payment; non-controlling ownership of stocks, mutual
8 funds, or real estate; rental income; or other form of passive
9 income."

10 SECTION 4. Any mayor in office on November 1, 2022, shall
11 comply with section 2 of this Act within sixty-one days.

12 SECTION 5. This Act does not affect rights and duties that
13 matured, penalties that were incurred, and proceedings that were
14 begun before its effective date.

15 SECTION 6. New statutory material is underscored.

16 SECTION 7. This Act shall take effect on July 1, 2020.

APPROVED this day of , 2020

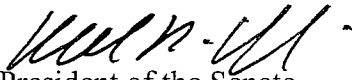
GOVERNOR OF THE STATE OF HAWAII

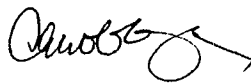


THE SENATE OF THE STATE OF HAWAI'I

Date: March 5, 2020
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Third Reading in the Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2020.


President of the Senate

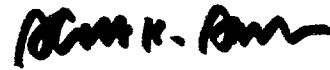

Clerk of the Senate

HB No. 361, HD 1, SD 2

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: July 2, 2020
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2020.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives