



HAWAI‘I STATE ETHICS COMMISSION

State of Hawai‘i · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawai‘i 96813

Committee: Committee on Judiciary
Bill Number: H.B. 2125, H.D. 2
Hearing Date/Time: June 23, 2020, 10:00 a.m.
Re: Testimony of the Hawai‘i State Ethics Commission **SUPPORTING**
H.B. 2125, H.D. 2, Relating to the State Ethics Code

Dear Chair Rhoads, Vice Chair Keohokalole, and Committee Members:

The Hawai‘i State Ethics Commission (“Commission”) supports H.B. 2125, H.D. 2, which makes several modest changes to the financial disclosure statute, Hawai‘i Revised Statutes (“HRS”) § 84-17; this measure also removes language exempting members of the Hawai‘i Correctional System Oversight Commission from the requirements of the financial disclosure statute.

As this Committee is likely aware, the Commission recently launched an electronic filing system for financial disclosures; given the capabilities of this new system, the Commission believes that the existing statutory language regarding “long form” disclosures and “short form” disclosures is no longer necessary. Accordingly, Section 1 of this measure makes several small changes to the financial disclosure statute so that the statutory language tracks the capabilities of the Commission’s electronic filing system.

Section 1 also makes a substantive change to the reporting requirements: while filers are already required to report any clients personally represented before agencies, Section 1 would now require filers to report any clients assisted or represented before state agencies. This change will help to provide consistency in the Ethics Code, so that the language of the financial disclosure statute will mirror that of the Conflicts of Interests law, HRS § 84-14.

Section 2 addresses the applicability of the Ethics Code to the newly created Hawai‘i Correctional System Oversight Commission (“HCSOC”) in HRS chapter 353L. The Commission respectfully submits that – because the HCSOC is not a purely advisory board, and therefore has “significant discretionary or fiscal powers as provided by law” – exempting members of the HCSOC from the filing requirements of HRS § 84-17 violates article XIV of the Hawai‘i Constitution. See Haw. Const., art. XIV (“Other public officials having significant discretionary or fiscal powers as provided by law shall make confidential financial disclosures.” (emphasis added)). As such, the Commission recommends that the Legislature amend HRS § 353L-1 as indicated, after which the HCSOC members will file confidential financial disclosure statements with the Commission.

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Testimony in SUPPORT of H.B. 2125, H.D. 2
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Thank you for your continuing support of the Commission's work and for considering the Commission's testimony on H.B. 2125, H.D. 2.

Very truly yours,

Daniel Gluck
Executive Director and General Counsel

Statement Before The
SENATE COMMITTEE ON JUDICIARY
Tuesday, June 23, 2020
10:00 AM
State Capitol, Conference Room 016

in consideration of
HB 2125, HD2
RELATING TO THE STATE ETHICS CODE.

Chair RHOADS, Vice Chair KEOHOKALOLE, and Members of the Senate Judiciary Committee

Common Cause Hawaii supports HB 2125, HD2 which makes various amendments to the State Ethics Code and repeals exemption from certain financial disclosure requirements granted to members of the Hawaii Correctional System Oversight Commission.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening democracy. Common Cause Hawaii works to restore faith in our government and our democracy that has been shattered in the last few years through ethics, accountability, and transparency reforms. These reforms are probably the most important tools to restoring the people's trust in their elected leaders and government – to show people that their government is acting for the people's interest versus serving their own interests.

It is vitally important that candidates for state elective offices and legislators disclose the names of clients assisted or represented before state agencies. Transparency of elected officials and candidates allows voters to make informed decisions about their elected representatives and those running for public office. The public should know who or what is being assisted by our elected representatives and candidates and how much is being paid to them.

Additionally, there does not appear to be a rational basis to have the Hawaii Correctional System Oversight Commission members be exempt from financial disclosure requirements.

Thank you for the opportunity to testify in support of HB 2125, HD2 and Common Cause Hawaii respectfully urges the Committee members to pass HB 2125, HD2 out of your Committee. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii

HB-2125-HD-2

Submitted on: 6/20/2020 2:52:42 PM

Testimony for JDC on 6/23/2020 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Edward B Hanel Jr	Individual	Support	No

Comments:

Concur with Common Cause Hawaii comments. Transparency of elected officials and candidates is a basic ethical requirement for open and fair politics. Financial disclosure gives voters the means to make informed decisions about those elected or running for office. It should be obvious that financial disclosure is a powerful self-governing force against creating conflicts of interest in the first place. Moreover, exceptions to disclosure requirements must justify the need for an exception. The proposed exception for the Hawaii Correctional System Oversight Commission fails to do so. HB2125 HD2 needs to be revised to provide justification or delete the proposed exception.

HB-2125-HD-2

Submitted on: 6/20/2020 5:48:32 PM

Testimony for JDC on 6/23/2020 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Karl Rhoads, Vice Chair Jarrett Keohokalole and the Committee on Judiciary,

I am writing in support of HB2125.

- It is vitally important that candidates for state elective offices and legislators disclose the names of clients assisted or represented before state agencies. Transparency of elected officials and candidates allows voters to make informed decisions about their elected representatives and those running for public office. The public should know who or what is being assisted by our elected representatives and candidates and how much is being paid to them.
- Additionally, there does not appear to be a rational basis to have the Hawaii Correctional System Oversight Commission members be exempt from financial disclosure requirements.

We need a strong code of ethics for candidates running for office and elected officials so that the public can ultimate trust these leaders and hold them accountable.

Please support these amendments to the State Ethics Code.

Respectfully yours,

Caroline Kunitake

HB-2125-HD-2

Submitted on: 6/22/2020 4:57:45 AM

Testimony for JDC on 6/23/2020 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
David Anderson	Individual	Support	No

Comments:

- It is vitally important that candidates for state elective offices and legislators disclose the names of clients assisted or represented before state agencies. Transparency of elected officials and candidates allows voters to make informed decisions about their elected representatives and those running for public office. The public should know who or what is being assisted by our elected representatives and candidates and how much is being paid to them.
- Additionally, there does not appear to be a rational basis to have the Hawaii Correctional System Oversight Commission members be exempt from financial disclosure requirements.

HB-2125-HD-2

Submitted on: 6/22/2020 9:57:40 AM

Testimony for JDC on 6/23/2020 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Donna Ambrose	Individual	Support	No

Comments:

In order to make informed choices about our elected representatives, we must know who a candidate has helped or represented in dealings with state agencies. How can one argue against such transparency? All candidates, appointed or elected, should be subjected to disclosure requirements. I urge you to pass this bill. Thank you.

HB-2125-HD-2

Submitted on: 6/22/2020 6:36:47 PM

Testimony for JDC on 6/23/2020 10:00:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing
Rainbow	Testifying for Rainbow Family 808	Support	No

Comments:

Rainbow Family 808 Strongly Supports HB2125 HD2 in order that we work diligently for Law Enforcement Reform.

Hawai`i needs new policies that opens the doors for transparency within the Law Enforcement community. I believe that Hawai`i has a majority of good, ethical Law Enforcement providers and that we have to support them by making all of their co-workers responsible to the Code of Ethics that promotes trust from the community at large.

The strongest evidence that HB2125 HD2IS needs rto be passed is the Hawai`i Crime Spree with the former Honolulu Police Chief, his wife, a prosecutor for Honolulu County, along with a drug ring involving the Hawai`i County doctor. Transparency and an Ethical Code is of utmost importance.

It is advantageous for HB2125 HD2 to lead the path to addressing Law Enforcement Reform to prevent unscrupulous members to erode our trust in our Law Enforcement environment.

Mahalo,

Carolyn Martinez Golojuch, MSW