



HAWAI'I STATE ETHICS COMMISSION

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

Committee: House Committee on Judiciary and Hawaiian Affairs
Bill Number: H.B. 2069, H.D. 1
Hearing Date/Time: February 24, 2022, 2:00 p.m.
Re: Testimony of the Hawai'i State Ethics Commission **SUPPORTING**
H.B. 2069, H.D. 1, Relating to Gifts

Aloha Chair Nakashima, Vice Chair Matayoshi, and Committee Members:

The Hawai'i State Ethics Commission ("Commission") supports H.B. 2069, H.D. 1, which establishes standards on how to record, maintain, and transfer protocol gifts given to the State. The Commission believes this measure creates needed clarity on how to administratively handle protocol gifts given to the State.

The Commission further notes there some interplay with protocol gifts given to the State versus nominal gifts given to an employee or legislator.¹ As this measure moves through the legislator, the Commission may work with other interested stakeholders to draft a proposed amendment that draws a greater distinction between gifts given to the state versus an individual.

Thank you for your continuing support of the Ethics Commission's work and for considering its testimony on H.B. 2069

Very truly yours,

/S/ Robert D. Harris
Robert D. Harris
Executive Director and General Counsel

¹ "A gift provided by any other state, a political subdivision of any other state, or the United States, provided that the gift serves a bona fide state purpose and that tangible and durable items of more than nominal value, such as artwork or jewelry, shall belong to the State rather than the individual recipient . . ." Haw. Admin R. 21-7-3(6).

DAVID Y. IGE
GOVERNOR



CURT T. OTAGURO
COMPTROLLER
AUDREY HIDANO
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY
OF
CURT T. OTAGURO, STATE COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE

COMMITTEE ON
JUDICIARY AND HAWAIIAN AFFAIRS

FEB 24, 2022, 2:00 P.M.
VIDEOCONFERENCE, STATE CAPITOL

H.B. 2069, H.D. 1

RELATING TO GIFTS

Chair Nakashima, Vice Chair Matayoshi, and Members of the Committee, thank you for the opportunity to testify on H.B. 2069, H.D. 1.

The Department of Accounting and General Services (DAGS) strongly supports this bill and offers the following comments:

1. Gifts received from visiting dignitaries have political, cultural, and historic value that may not be reflected in their monetary worth. A paper certificate, while being 'valued' at a few dollars, has immense value as a representation of the relationship that has been forged between the gifting party and the State. As such, it needs to be tracked, protected, and preserved so that the next time a delegation from the same group visits, these former protocol gifts can be prominently displayed to illustrate the long and storied history between the visitors and the State.

2. It is important to stress that protocol gifts have a very narrow definition and are very infrequently received. This bill should not prove to be an onerous, time-consuming process as it only applies to non-perishable gifts of any value received by representatives of Federal or State Agencies, foreign governments, non-profits, or social organizations.
3. Currently, tracking of such protocol gifts is lacking with little to no traceability. When the original recipients of the protocol gifts separate from State service, without a clearly defined and maintained list of protocol gifts received, an irretrievable loss of the protocol gifts can occur, thereby negatively affecting the State's ability to showcase the history of interaction between the State and original gifting party.
4. There has recently been much negative press about the tracking of protocol gifts at the Federal level, with articles and photos of Executive Branch staff at the highest levels taking home protocol gifts received during the last change of administration -- and these same gifts being retrieved from personal homes or subsequently being listed as 'missing'. The interest at a national level in this issue illustrates the importance of ensuring these important gifts stay accessible to the People.
5. Important protocol gifts received by any State employee, regardless of branch or rank, from officials, Federal officers, State officials from other states, or other representatives of organizations should be treated as a valued asset of the State, available for continued public inspection, and available for display in the future when individuals from the gifting party return to visit Hawaii.
6. As the Keepers of Public Memory, the State Archives is well suited to track, preserve and make these protocol gifts available as needed for either public viewing or for State use when receiving returning delegations.

Thank you for the opportunity to submit testimony on this matter

Statement Before The
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Thursday, February 24, 2022

2:00 PM

Via Video Conference and Conference Room 325

in consideration of

HB 2069, HD1**RELATING TO GIFTS.**

Chair NAKASHIMA, Vice Chair MATAYOSHI, and Members of the House Judiciary & Hawaiian Affairs Committee

Common Cause Hawaii supports HB 2069, HD1, which defines the reporting and transfer requirements for certain gifts received by members of the legislature or employees of the State.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization focused on upholding the core values of our representative democracy through advocating for a government that is ethical, transparent, and accountable to the people of Hawaii and not special interests.

Common Cause Hawaii understands that, from time to time, foreign officials, federal officers, or state officials from other states present legislators and other state employees with protocol gifts often meant to symbolize goodwill or strengthen international or national friendships. We support and appreciate that HB 2069, HD1, at page 2, lines 18-20, and page 3, lines 1-2, requires protocol gifts to be transferred to the state archives within thirty days of receipt.

A protocol gift, given in an official capacity, should be retained by state archives to be properly enjoyed by everyone in Hawaii, and should not be kept by any individual, which may give the appearance of having a corruptive influence. Hawaii needs strong and uncompromising ethics measures to start the long road to restoring trust in our government.

Thank you for the opportunity to testify in support of HB 2069, HD1. If you have any questions, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii