



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Government Operations
February 15, 2022 at 3:10 p.m.

By
David Lassner, President
University of Hawai'i

SB 2123 – RELATING TO STATE BOARDS AND COMMISSIONS

Chair Moriwaki, Vice Chair Dela Cruz, and members of the committee:

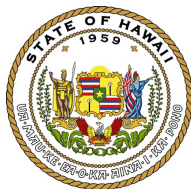
The University of Hawai'i (UH) supports SB 2123, which would redact certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions.

UH strongly opposed legislation in 2014 that made the financial filings of Board of Regents (BOR) members publicly available. For decades prior, Regents had been submitting financial disclosures for the Ethics Commission to monitor and address conflicts of interest.

Four sitting Regents resigned when the Legislature changed the conditions of their public service. They had provided their financial disclosures for Ethics Commission review but were not willing to have their privacy and that of their families compromised.

In the years since, we have seen declining numbers of applications from individuals willing and interested to serve as Regents. While there are multiple factors, we know that for some potential applicants the requirement of submitting financial disclosures for public review is enough to discourage them from considering service as a Regent.

We support SB 2123 in the hopes that it will be a first step forward in increasing the number of candidates for the BOR and all other state boards and commissions.



HAWAII STATE ETHICS COMMISSION

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

Committee: Senate Committee on Government Operations
Bill Number: S.B. 2123
Hearing Date/Time: February 15, 2022 3:10 p.m.
Re: Testimony of the Hawaii State Ethics Commission **OPPOSING**
S.B. 2123, Relating to State Boards and Commissions

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and Committee Members:

Thank you for the opportunity to testify on S.B. 2123, which would make confidential certain financial information filed by members of high-profile boards and commissions. The Hawai‘i State Ethics Commission respectfully *opposes* this measure.

As background, only members to eighteen high-profile boards and commissions, such as the Board of Land and Natural Resources, Hawai‘i Community Development Authority, and the Board of Regents of the University of Hawai‘i, are required to file public financial disclosures. Individuals submitting a filing disclosure do not submit specific dollar values, but rather report value ranges.¹

The Commission supports legislation promoting openness and transparency in government, and respectfully submits this bill moves in the wrong direction. For members of very high-profile boards and commissions, the public would see that an individual received income, held a financial interest in a business entity, or owed money to a creditor, but would have no way of knowing if the value at stake was \$5,000 or \$5,000,000. Reducing transparency in this manner weakens public confidence in the actions of these individuals and their respective boards and commissions, which is contrary to the purpose of the state ethics laws.

Moreover, without knowing the amount of a Board or Commission member’s financial interest, a public stakeholder could not reasonably evaluate the potential of a conflict of interest. Haw. Rev. Stat. § 84-14 defines a conflict of interest where official action is taken “directly affecting . . . [a] business or other undertaking in which the employee has a *substantial financial interest* . . .” (Emphasis added). If this measure were to pass, publicly evaluating whether a board member had a “substantial financial interest” could be arduous or impossible.

The Commission recognizes the importance of recruiting and maintaining highly qualified board and commission members. On balance, however, the Commission believes that individuals serving on *high-profile* boards and commissions ought to file publicly available

¹ Reporting ranges are (1) \$1,000 but less than \$10,000; (2) \$10,000 but less than \$25,000; (3) \$50,000 but less than \$100,000; (4) 100,000 but less than \$150,000; (5) \$150 but less than \$250,000; (6) \$500,000 but less than \$750,000; (7) \$750,000 but less than \$1 million; and (8) more than \$1 million.

financial disclosure statements. This helps ensure confidence that high-profile boards and commission are acting in the best interest of the State of Hawai'i.

On a more administrative note, the Commission's electronic filing system for financial disclosures would need re-programming to accommodate the changes contemplated by this bill. Our estimated cost for this type of re-programming, using our existing outside vendor, would be approximately \$10,000. Further, it would take approximately three months to program these changes.

If this bill were to be moved forward, the Commission recommends adding an appropriation and making the bill effective for financial disclosures starting on January 1, 2023.

Once again, mahalo for the opportunity to testify.

Very truly yours,

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



UNIVERSITY
OF HAWAII
ALUMNI
ASSOCIATION
UHALUMNI.ORG

OFFICERS

Brandon Kurisu '99
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Ken Hayashida '83

Wesley Kimura '82

Ian Kitajima '85, '89

Diane Kodama '91

John Morton, PhD '97

Lauren Nahme '90

Dean Nakasone '79

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Shannon Tangonan Putnam '92

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Arnold Kishi '71, '81
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Past President

Tim Dolan

David Lassner, PhD '98

David Matlin '97

John Komeiji '75

contact@UHalumni.org
2440 Campus Road, Unit 307
Honolulu, HI 96822-2234
808-956-2586/1-877-UH-ALUMS

February 15, 2022

**Written Testimony Submitted to the
Senate Committee on Government Operations
Tuesday, February 15, 2022, 3:10 p.m.**

SB 2123 RELATING TO STATE BOARDS & COMMISSIONS

Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee;

The University of Hawaii Alumni Association strongly **supports SB2123**, which requires the redaction of certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions.

As UHAA board members, we understand the commitment it takes to volunteer and provide services in hopes of advancing the collective good of an institution or agency for the community-at-large. Seeking leaders in the community to nominate to a state board and/or commission is often met with hesitation because of the requirement to disclose one's financial information. Removing this requirement would increase the size and quality of the pool of candidates for these state boards and commissions.

Based on data published on boards.hawaii.gov, through June 2022, there are currently 389 vacancies across 176 state boards, commissions, and agencies. For many Hawaii residents, the risk of exposing your personal financial information to the public is not worth the time and energy required to serve on these Boards and Commissions. This has resulted in less community engagement in government and less qualified candidates sitting on these Boards and Commissions.

By removing irrelevant personal information from public disclosure – information that is not relevant to assessing any conflict of a board member - we believe that the state will attract the right individuals who are willing to serve our state on a Board or Commission by giving of their time, skills and wisdom. In its role, the State Ethics Commission would still serve as a watchdog to ensure there are no conflicts of interest.

We respectfully ask for passage of SB2123 and thank you for the opportunity to offer testimony.

Brandon Kurisu '99
President

The University of Hawai'i Alumni Association (UHAA) represents more than 300,000 alumni who have graduated from the 10 University of Hawai'i system campuses and community-based learning centers across the Hawaiian Islands.



2/11/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair

Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express HPM Building Supply's support of SB2123 relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

HPM is proud to be over 100 years old and we have a long tradition in Hawai'i of serving our community. Today we are 100% employee-owned, and have over 450 owner-employees across all 4 major islands. Our guiding philosophy is to help Hawai'i build better and live better by enhancing homes, improving lives, and transforming communities. As such, with the community's best interest at heart, we feel compelled to show our support for items that will make a positive difference in Hawaii.

During this critical time of uncertainty in Hawai'i, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published through June 2021, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view. Ultimately, sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

We respectfully ask for your support of SB2123. It is essential that our Boards and Commissions that have so much influence over Hawaii are filled with qualified candidates and strong leaders. Mahalo for the opportunity to submit testimony.

Sincerely,

Jason Fujimoto, President & CEO





HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-First Legislature, State of Hawaii
The Senate
Committee on Government Operations

Testimony by
Hawaii Government Employees Association

February 15, 2022

S.B. 2123 – RELATING TO STATE BOARDS AND COMMISSIONS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the intent of S.B. 2123 which amends the public financial disclosure requirements for non-paid volunteer members of state boards and commissions.

First and foremost, the amendments proposed in this measure do not eliminate financial disclosure requirements, rather this measure redacts the specific dollar amounts from public view and maintains conflict of interest review. There are more than 170 different boards and commissions that were created to encourage citizens to directly participate in shaping government policy, however, as of June 2021, there are several hundred vacancies reported across the state. We must take steps to increase the pool of qualified candidates willing to voluntarily serve on boards and commissions and amending – but not eliminating – the financial disclosure is one important step that could help.

Thank you for the opportunity to submit testimony in support of S.B. 2123.

Respectfully submitted,

Randy Perreira
Executive Director

2/13/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair

Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express my support of SB2123, relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

Many of my colleagues and fellow professionals would consider sitting on state boards and commissions but need to also protect the privacy of our family and selves. In my industry, privacy is a critical consideration, which must be balanced with the desire to serve the community.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published through June 2021, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view. Ultimately, sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,

Lisa A.M. Miller

Lisa A.M. Miller Consulting, LLC

2/11/2022

SENATE COMMITTEE ON JUDICIARY

Senator Karl Rhoads, Chair

Senator Jarrett Keohokalole, Vice Chair

RE: Testimony in Support of SB123

Aloha Chair Rhoads, Vice Chair Keohokalole, and members of the Committee,

Thank you for the opportunity to express Title Guaranty's support of SB123, relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

I am in full support of this legislation. This bill will encourage Hawaii residents to volunteer their time to give back to our community by sitting on State Boards and Commissions. Hawaii has talented individuals who are willing to assist and add value but are not willing to do so if this commitment puts the risk on themselves or their families.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published through June 2021, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. The ethics commission will continue to receive all the disclosure and financial information they currently receive. This bill only seeks to redact certain financial information from public view.

We respectfully ask for your support of SB123. Mahalo for the opportunity to submit testimony.

Sincerely,



Michael B. Pietsch

President

Title Guaranty of Hawaii

2/14/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Y. Moriwaki, Chair

Senator Donovan M. Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express Watumull Properties Corp.'s support of SB2123, relating to State Boards and Commissions. This bill which will just require the dollar amounts on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

The problem with making volunteer members information public is the possibility of identity theft and fraud. Volunteers won't want to volunteer to be on the board, even though they would be qualified, because of the fear of their information becoming public information. I personally had a case of identity theft when the 2020 pandemic hit. Someone used my name and information to try to commit unemployment fraud. It took time out of my busy schedule and was difficult to try to get it resolved after the incident. This information should not be made public if it is not relevant.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published on boards.hawaii.gov, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact the dollar amounts from public view, which is what people are most sensitive about. Ultimately, the sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

When this disclosure bill was originally passed, if you recall there was a mass resignation from the UH Board of Regents. The persons who left the Board were some of the most highly qualified and the University system suffered as a result.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,

A handwritten signature in black ink, appearing to read "Jaidev Watumull". The signature is fluid and cursive, with the first name "Jaidev" written in a larger, more prominent script than the last name "Watumull".

Jaidev Watumull

President

Watumull Properties Corp.



The Committee on Government Operations
Tuesday, February 15, 2022
Via Videoconference
3:10 pm

RE: **SB 2123 Relating to State Boards and Commissions**

Attention: Chair Sharon Moriwaki, Vice Chair Donovan Dela Cruz and Members of the
Committee

The University of Hawaii Professional Assembly (UHPA) appreciates the opportunity to testify in **strong support of SB 2123** Relating to State Boards and Commissions.

As a community, we have witnessed the difficulty to attract and retain broad community member participation on state boards and commissions. This bill seeks to address this issue by amending the public financial disclosure requirements for non-paid volunteer members of state boards and commissions to fill vacant seats, attract qualified candidates and encourage public service, while still maintaining and recognizing the importance of relevant transparency.

UHPA works directly with the University of Hawai'i Board of Regents and will direct our comments to the importance of recruiting qualified candidates for academia. Currently, the State Constitution (Article X, Section 6) directs the "candidate advisory council" to provide the governor with a list of qualified candidates derived from "pools of qualified candidates." The unfortunate situation of late is that there is barely a pool let alone "pools" of candidates.

We have observed the steady decline in the number of qualified candidates and believe this bill will substantially re-engage qualified candidates.

UHPA strongly supports the passage of SB2123.

Mahalo,

Christian L. Fern
Executive Director
University of Hawaii Professional Assembly

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair

Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express my support of SB2123, relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

As a community leader, I have invested my personal efforts from time to time supporting non-profit organizations similar to State Boards and Commissions. I expect I will do more of this volunteer work in the future.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published through June 2021, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view. Ultimately, sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

We respectfully ask for your support of SB2123. Thank you for the opportunity to submit testimony.

Mahalo & Aloha,

Ed Sultan

Chairman, CEO

Na Hoku, Inc.

HAWAI'I EXECUTIVE collaborative

2/15/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Y. Moriwaki, Chair

Senator Donovan M. Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express Hawai'i Executive Collaborative's (HEC) support of SB2123, relating to State Boards and Commissions. This bill which will just require the dollar amounts on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

HEC is a non-profit organization that serves as a backbone to support CEOs and top decision makers who are committed to working collectively to help create a stronger state. During this critical time of uncertainty in Hawai'i, we believe that finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Many HEC members who are most qualified to serve on these boards and commissions often are not willing to pursue a seat because of the public requirement of financial disclosures.

Based on data published on boards.hawaii.gov, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact the dollar amounts from public view, which is what people are most sensitive about. Ultimately, the sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,



Lynelle Marble

Executive Director

Hawai'i Executive Collaborative

Association of Emeritus Regents

James H.Q. Lee, Chair
Andres Albano, Jr. Vice-Chair
J. F. Blanco, Secretary-Treasurer

LEGISLATIVE TESTIMONY IN SUPPORT OF SB 2123 RELATING TO STATE BOARDS AND COMMISSIONS

HEARING DATE:

3:10 PM, Tuesday, February 15, 2022
via Videoconference

Submitted by:

ASSOCIATION OF EMERITUS REGENTS
UNIVERSITY OF HAWAII

Senator Sharon Y. Moriwaki, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Committee on Government Operations (GVO)
The Senate
Hawaii State Legislature
Thirty-First Legislature, Regular Session of 2022

Senator Sharon Y. Moriwaki, Chair, Senator Donovan M. Dela Cruz, Vice Chair, and members of the Committee:

This testimony is being submitted by the Association of Emeritus Regents of the University of Hawaii (AER). The University's Board of Regents (BOR) established the AER on January 13, 1995. Our members include all former University Regents appointed by Governors Ariyoshi, Waihee, Cayetano, Lingle, and Ige.

AER supports SB 2123, which amends the existing financial disclosure statement by redaction of the financial amounts. The passage of SB 2123 will encourage more qualified community-minded citizens to apply for positions on State boards, including the University of Hawaii Board of Regents, without making public the amounts of their financial investments and net worth.

The purpose of submitting the financial disclosure statement is to have board members with interest in matters in which they have a financial interest be disclosed. Such disclosure would require them to do the right thing, which is to abstain from participation in the discussion and the vote in matters in which they have a financial interest. The financial amount is inconsequential. It does not matter whether the board member has a \$1 investment or a \$1 million investment. In either case, the board member should abstain from participating in any discussion or vote on the matter in which the board member has a financial interest. The amount of their investment is irrelevant. Any investment will create an inappropriate appearance of impropriety.

AER asks that the Committee pass SB 2123.



February 14, 2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair

Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee

Thank you for the opportunity to express Hawaiian Host Group's support of SB2123 relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

There are many state level boards that affect the future of Hawaiian Host Group related to agriculture, tourism, transportation, land use and our university system that need to have the best industry leaders Hawaii has on them. However, many experienced and well-respected leaders simply will not commit to helping due to the required disclosures in Hawaii.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published through June 2021, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Aloha,

Ed Schultz
President & CEO



Hawaii Foodservice Alliance LLC, 2720 Waiwai Loop, Honolulu, HI 96819
Tel: 808.839.2004 ~ Fax: 808.839.2033 ~ HFA@HFAHawaii.com

February 14, 2022

TO: SENATE COMMITTEE ON GOVERNMENT OPERATIONS
Senator Sharon Moriwaki, Chair
Senator Donovan Dela Cruz, Vice Chair

FROM: Chad Buck
CEO
Hawaii Foodservice Alliance LLC

RE: **Support for SB 2123** relating to State Boards and Commissions

RE: **Testimony in Support of SB2123**

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express my support of SB2123.

Based on data published through June 2021, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

Should this bill pass, I feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view.

Thank you for allowing me to testify in support of SB2123.

A handwritten signature in black ink, appearing to be 'Chad Buck', written in a cursive style.

Chad Buck
Hawaii Foodservice Alliance LLC

February 14, 2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS
Senator Sharon Y. Moriwaki, Chair
Senator Donovan M. Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express Central Pacific Bank's support of SB2123, relating to State Boards and Commissions. This bill which will just require the dollar amounts on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

As the Executive Chairman of Central Pacific Bank, I am responsible for over 900 employees, their families and 10's of thousands of our customers. It is critical that boards and commissions important to keep and further enhance our collective lifestyle are comprised of the very best talents in our community.

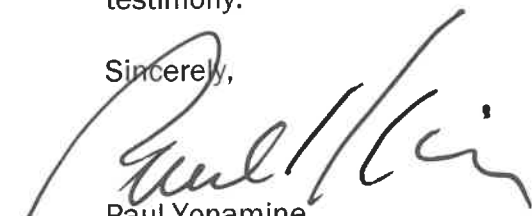
During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published on boards.hawaii.gov, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact the dollar amounts from public view, which is what people are most sensitive about. Ultimately, the sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,



Paul Yonamine
Executive Chairman



Testimony Before the Senate Committee on Government Operations

By David Bissell
President and Chief Executive Officer
Kaua'i Island Utility Cooperative
4463 Pahe'e Street, Suite 1, Lihu'e, Hawai'i, 96766-2000

Tuesday, February 15, 2022; 3:10 pm
Via Videoconference

Senate Bill No. 2123 - RELATING TO BOARDS AND COMMISSIONS

To the Honorable Senator Sharon Y. Moriwaki, Chair, Senator Donovan M. Dela Cruz, Vice Chair, and Members of the Committee:

Kaua'i Island Utility Cooperative (KIUC) is a not-for-profit utility providing electrical service to more than 34,000 commercial and residential members.

KIUC supports SB 2123.

Finding qualified candidates who are willing to volunteer their service is essential to the health of our community; yet many highly qualified individuals are reluctant to serve because of the requirement that financial disclosures are public. Based on data published on boards.hawaii.gov, the state currently has 389 vacancies. KIUC frequently appears before various boards and commissions and it becomes challenging for these bodies to make decisions when seats remain open for extended periods.

It is understandable that community members value their privacy and do not wish to have their personal financial data shared with the public. This bill does not eliminate the requirement of financial disclosure or prevent the verification of potential conflicts of interest. This bill only seeks to redact the dollar amounts from public view. Sources of income and business affiliations are still available.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase and that many long-standing vacancies will be more easily filled.

We respectfully ask for your support of SB2123.

Mahalo for the opportunity to submit testimony.

February 14, 2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair

Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Chair Moriwaki, Vice Chair Dela Cruz, and Members of the Committee:

The Bill of Rights in Hawaii's Constitution protects its citizens' right to privacy. Article I, Section 6 states: "The right of the people to privacy is recognized and shall not be infringed without the showing of a compelling state interest."

Personal financial information is among the most private aspects of a person's life. It is no surprise that requiring public disclosure of such information by a non-paid volunteer serving on a board or commission, as well as that of his or her spouse and dependents, would give a person cause for concern. In this era of vulnerability of personal data, making such information easily accessible online by anyone from anywhere in the world would readily make a person think twice on whether the risk of such exposure is a price worth paying for public service.

That has already proven to be the case with several resignations from various boards and commissions when the law was changed requiring public disclosure. It has continued to be a deterrent to potential candidates for service when they realize the sacrifice of personal privacy they are expected to make in connection with such service.

While some defenders of the current law assert that it hasn't impaired the ability to fill vacancies, such facile logic ignores the reality that not just the pool of qualified candidates has shrunk, but also its diversity. Should the law disqualify citizen participation from individuals who value their constitutional right to privacy?

Moreover, where is the balance of achieving public policy objectives? Individuals who serve without compensation on state boards and commissions do so out of a sense of public service and civic engagement. Rather than discourage it, public policy should encourage it. All volunteer members of boards and commissions are required to annually file financial disclosure statements with the State Ethics Commission. That requirement alone helps ensure that such service is undertaken with integrity and without conflict of interests.

Unfortunately, making the financial information contained therein subject to open scrutiny is at odds with the citizen's right to privacy and the goal of encouraging public participation in civic affairs. It is an overreach that should be fixed.

There is no compelling state interest served by open disclosure of the personal finances of a citizen volunteer along with the members of his or her household. The chilling effect the current law has on citizen participation should be remedied by the amendments proposed in this bill. I encourage you to support passage of SB2123.

Sincerely,

A handwritten signature in black ink, appearing to read "Colbert Matsumoto". The signature is fluid and cursive, with a large initial "C" and a long, sweeping underline.

Colbert Matsumoto
Chairman
Island Holdings, Inc.



SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Tuesday, February 15, 2022, 3:10 pm, Videoconference

SB 2123

Relating to State Boards and Commissions

TESTIMONY

Douglas Meller, Legislative Committee, League of Women Voters of Hawaii

Chair Moriwaki and Committee Members:

The League of Women Voters of Hawaii opposes SB 2123.

The League believes that public financial disclosure statements SHOULD be required for uncompensated members of state boards which can authorize private use of public property or spend public funds for private benefit. Because public financial disclosure statements deter potential financial conflicts of interest, we oppose redaction of information required under either §84-17(f) or §84-17(g), Hawaii Revised Statutes.

Thank you for the opportunity to submit testimony.

THE CIVIL BEAT
LAW CENTER FOR THE PUBLIC INTEREST

700 Bishop Street, Suite 1701
Honolulu, HI 96813

Office: (808) 531-4000
Fax: (808) 380-3580
info@civilbeatlawcenter.org

Senate Committee on Government Operations
Honorable Sharon Y. Moriwaki, Chair
Honorable Donovan M. Dela Cruz, Vice Chair

RE: Testimony Opposing S.B. 2123, Relating to State Boards and Commissions
Hearing: February 15, 2022 at 3:10 p.m.

Dear Chair and Members of the Committee:

My name is Brian Black. I am the Executive Director of the Civil Beat Law Center for the Public Interest, a nonprofit organization whose primary mission concerns solutions that promote government transparency. Thank you for the opportunity to submit testimony **opposing** S.B. 2123.

S.B. 2123 starts from the false premise that qualified individuals are not seeking appointment to seventeen of the most influential boards and commissions in the State of Hawai`i because their financial disclosure statements to the State Ethics Commission would be publicly posted. None of the seventeen relevant boards have more than one vacancy currently.

In contrast, other State boards and commissions – whose members' financial disclosure statements **are not** publicly posted – have multiple long-standing vacancies. There are plenty of qualified individuals in the State of Hawai`i who are not deterred by a requirement to publicly identify their conflicts of interest.

If an individual is not willing to be transparent with the people of Hawai`i concerning the extent to which they have a conflict of interest, that person may not be the best person to **represent the people of Hawai`i** on a civilian oversight board. That principle holds especially true for these seventeen boards and commissions with critical functions concerning land use, energy, housing, and education and whose actions directly or indirectly impact nearly everyone in our community.

Thank you again for the opportunity to testify in opposition to S.B. 2123.



AMERICANS FOR DEMOCRATIC ACTION

OFFICERS

John Bickel, President
Alan Burdick, Vice President
Dave Nagajji, Treasurer
Doug Pyle, Secretary

DIRECTORS

Melodie Aduja
Keola Akana
Juliet Begley
Stephanie Fitzpatrick
Jan Lubin
John Miller
Jenny Nomura
Stephen O'Harrow

MAILING ADDRESS

P.O. Box 23404
Honolulu
Hawaii 96823

February 11, 2022

TO: Chair Moriwaki and Members of GVO Committee

RE: SB 2123 RELATING TO STATE BOARDS AND COMMISSIONS.

Opposition for hearing on February 15

Americans for Democratic Action is an organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

We oppose this bill as it would remove the requirement that financial disclosures be made public for non-paid volunteer members on state boards and commissions. The purpose of having public, unredacted financial disclosures is to reveal any conflicts of interest and create accountability and transparency for board member actions. Redaction of financial disclosure information serves no good government purpose, especially when many non-paid volunteer boards hold tremendous power in Hawaii. Therefore this bill would reduce ethics, accountability, and transparency in the state.

Thank you for your consideration.

Sincerely,

John Bickel, President

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Tuesday, February 15, 2022

3:10 PM

Via Video Conference

in consideration of

SB 2123**RELATING TO STATE BOARDS AND COMMISSIONS.**

Chair MORIWAKI, Vice Chair DELA CRUZ, and Members of the Senate Government Operations Committee

Common Cause Hawaii opposes SB 2123, which requires certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening our representative democracy through ethics, accountability, and transparency reforms.

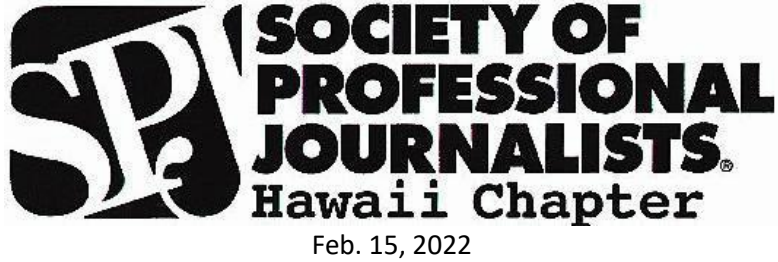
SB 2123 would remove the requirement that financial disclosures be made public for non-paid volunteer members on state boards and commissions. Certain information on the financial disclosure statements would therefore be redacted for non-paid volunteer members on state boards and commissions.

Common Cause Hawaii objects to SB 2123 as it would reduce ethics, accountability, and transparency in the state. The purpose of having public, unredacted financial disclosures is to reveal any conflicts of interest and create accountability and transparency for board member actions. Redaction of financial disclosure information serves no good government purpose, especially when many non-paid volunteer boards hold tremendous power in Hawaii.

Thank you for the opportunity to testify in opposition to SB 2123, and Common Cause Hawaii respectfully asks you to defer SB 2123. If you have questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii



Sen. Sharon Y. Moriwaki
Senate Committee on Government Operations
State Capitol
Honolulu, HI 96813

Re SB 2123

Chair Moriwaki and Committee Members:

We ask that you shelve this bill.

There is no evidence presented that publicly filed reports of ethics disclosures are a problem for people willing to sit on state boards and commissions.

Confidence in government stems from openness of people willing to have their finances open in ethics reports.

Thank you for your time and attention,

Stirling Morita
President
Hawaii Chapter of the Society of Professional Journalists

SB-2123

Submitted on: 2/11/2022 6:32:35 PM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Eric Wright	Individual	Support	No

Comments:

I support this legislation which will encourage more leaders to volunteer for public service.

SB-2123

Submitted on: 2/12/2022 11:28:05 AM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
duane kurisu	Individual	Support	No

Comments:

Please accept this memorandum as my expression of full support for SB2123.

We are at a crossroad where we need to make bold decisions and take decisive action in order for us to create the pathway for the manifestation of the bigness of Hawaii that we see in our heads and feel in our hearts.

For that we need depth and breadth in our leadership. For that we need bigness in the people who serve on our boards and commissions.

Bill 2123 helps clear the way for the best and brightest to help fulfill that current void in our leadership.

Respectfully,

Duane Kurisu

2/11/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair

Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express my support of SB2123, relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published through June 2021, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view. Ultimately, sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,

A handwritten signature in black ink that reads "Sean M. Nakamura". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Sean M. Nakamura
Corporate Controller & Treasurer
Island Holdings, Inc.

SB-2123

Submitted on: 2/13/2022 12:18:58 AM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Stephen Ueda	Individual	Support	No

Comments:

I Support SB 2123. Please pass this bill.

2/11/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair

Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

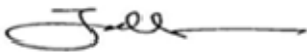
Thank you for the opportunity to express Jason Haruki's support of SB2123, relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published through June 2021, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view. Ultimately, sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,



Jason H. Haruki
Senior Vice President
First Hawaiian Bank

SB-2123

Submitted on: 2/14/2022 9:08:52 AM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Jared Watumull	Individual	Support	No

Comments:

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express my support of SB2123, relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

Nothing in this bill hides a persons conflicts and allows people to serve and still maintain some personal privacy in their life if they choose too.

Thank you

SB-2123

Submitted on: 2/14/2022 10:09:30 AM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Emily Porter	Individual	Support	No

Comments:

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Y. Moriwaki, Chair

Senator Donovan M. Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express my personal support of SB2123, relating to State Boards and Commissions, which will require the redaction of the dollar amounts on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact the dollar amounts from public view, which is what people are most sensitive about. Ultimately, the sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

This seems like a reasonable compromise – and could help more qualified candidates be willing to serve. Currently, community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published on boards.hawaii.gov, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality.

I respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,

Emily Porter

COO, MacNaughton

2/14/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair

Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express my support of SB2123 relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published through June 2021, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

I currently serve on two non-profit boards and on the board of a publicly traded company federally regulated by the Securities and Exchange Commission (SEC). While the SEC disclosure requirements are rigorous, I do not believe they are as stringent as the ones currently in place for unpaid, volunteer positions with the State of Hawaii boards and commissions. Further, it is also my understanding that these volunteer disclosure requirements are the same disclosures required by state legislators such as yourselves.

This is not reasonable as those that serve on these boards are not elected positions with the power to legislate.

Should this bill pass, I feel the pool of candidates for these state boards and commissions will increase in size and quality. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view. Ultimately, sources of income and business affiliations are more valuable in uncovering potential conflicts than the specific dollar amounts.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Feldman", with a long horizontal flourish extending to the right.

Josh Feldman
President & CEO
Tori Richard, Ltd.

2/15/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Y. Moriwaki, Chair

Senator Donovan M. Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express Rob Nelson's support of SB2123, relating to State Boards and Commissions. This bill which will just require the dollar amounts on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published on boards.hawaii.gov, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact the dollar amounts from public view, which is what people are most sensitive about. Ultimately, the sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,

Rob Nelson
President & COO
Finance Factors

SB-2123

Submitted on: 2/14/2022 2:04:46 PM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Ken Hayashida	Individual	Support	No

Comments:

2/15/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Y. Moriwaki, Chair

Senator Donovan M. Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express my support of SB2123, relating to State Boards and Commissions. This bill which will just require the dollar amounts on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published on boards.hawaii.gov, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact the dollar amounts from public view, which is what people

are most sensitive about. Ultimately, the sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

Should this bill pass, we feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,

Ken Hayashida

President

KAI Hawaii, Inc.

2/12/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair

Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in **Support** of SB2123

Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express my views in support of SB2123, relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

The purpose of financial disclosure is not transparency per se, but to identify potential conflicts of interest, and thereby to diminish the risk of corruption.

This essential check on corruption is surely best performed by the Hawaii State Ethics Commission, who alone have the experience and resource to advise the Legislature and Governor about the ability of potential candidates to serve on unpaid boards and commissions without the risk of misaligned interests. The general public lacks both the expertise and the necessary context to judge conflicts of interest ex ante, much less to monitor them on an ongoing basis. It should not be relied upon to do so.

There is no discernable benefit to the disclosure of private financial information beyond the expert body represented by the EC unless the Legislature or Governor have in fact lost confidence in the ability of the EC to perform its duties. If concerns about the EC itself exist, then action should certainly be taken to beef up the resources of that body. The general public is neither a viable nor a reliable backup.

Some in favor of current disclosure requirements have pointed to the fact that there are not, at present, numerous open seats on many of the bodies in question. I think this argument misses the point entirely. Many of the boards and commissions in question oversee highly complex aspects of Hawaii's infrastructure. The Governor and Legislature are obliged to fill empty positions with the best candidates possible. In order to do that, they must attempt to attract the largest pool of highly qualified candidates. Doing so is vital for the successful stewardship of Hawaii's resources. Anyone who has been involved in a search process for board or commission candidates knows just how difficult it is to attract highly qualified candidates to serve in these essential, yet unpaid and often thankless roles. I would suggest that Hawaii's current financial disclosure rules have a far greater impact on the quality of the individuals willing to serve than they do on the quantity of individuals willing to serve.

SB2123 by no means eliminates full financial transparency, it simply restricts that sensitive personal information to the body best qualified to use it in the manner originally intended. SB2123 offers the Legislature the opportunity to broaden and deepen the pool of highly qualified candidates willing to serve in the unpaid roles without increasing the risk of corruption.

I respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,

Bill Reeves

SB-2123

Submitted on: 2/12/2022 12:01:02 PM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
lynne matusow	Individual	Oppose	No

Comments:

Most people appointed to boards ad commissions, especially the high power boards and commissions, are well connected. Real people are ignored. Why is that? Are they pushing special interests? With the recent corruption scandal tainting the legislature and who knows who else, more transparency is required, not less. If these well connected individuals do not want to reveal their finances, then they should not serve. No excuses. There are plenty of well qualified persons in the state who will not object to revealing their interests. Give them the chance.

This bill reduces ethics, transparency, and accountability.

Please defer this "by request" bill. Also, the requester(s) should be revealed in the all bills.

SB-2123

Submitted on: 2/13/2022 11:53:10 AM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Michele Mitsumori	Individual	Oppose	No

Comments:

Recent events continue to reinforce the need for effective transparency, financial and otherwise, and that often only public disclosure can bring about needed change and accountability. SB 2123 would remove the requirement that financial disclosures be made public for non-paid volunteer members on state boards and commissions. This would result in the redaction of certain information on the financial disclosure statements for these individuals.

The purpose of having public, unredacted financial disclosures is to reveal any conflicts of interest and to create accountability and transparency for board member actions. Many non-paid volunteer boards hold tremendous power in Hawaii. While the reason for this measure is to attract qualified applicants, Brian Black, executive director of the Civil Beat Law Center for the public, noted that "none of the 17 relevant boards have more than one vacancy currently. In contrast, other state boards and commissions -- whose members' financial disclosure statements are not publicly posted -- have multiple long-standing vacancies."

There is already a significant lack of confidence in our governing institutions. SB 2123, far from encouraging more attractive non-paid volunteer applicants to boards, would instead only contribute to raising doubts about the sincerity and integrity of those serving.

SB-2123

Submitted on: 2/12/2022 3:53:25 PM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Donna Ambrose	Individual	Oppose	No

Comments:

I oppose SB2123 because limiting financial disclosure details from state board and commission candidates will reduce accountability and transparency. If this bill passes, it will make it harder to assess clear and potential conflicts of interest by those seeking or being tapped for board/commission participation. Recent events point to providing Hawaii'i's residents more, not less, visibililty on candidates' backgrounds. Mahalo.

SB-2123

Submitted on: 2/13/2022 5:48:16 AM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
David Anderson	Individual	Oppose	No

Comments:

SB 2123 would remove the requirement that financial disclosures be made public for non-paid volunteer members on state boards and commissions.

Certain information on the financial disclosure statements would therefore be redacted.

I oppose SB 2123 because it would reduce ethics, accountability, and transparency in the state.

The purpose of having public, unredacted financial disclosures is to reveal any conflicts of interest and create accountability and transparency for board member actions. Redaction of financial disclosure information serves no good government purpose, especially when many non-paid volunteer boards hold tremendous power in Hawaii.

The Civil Beat editorial board also opposes SB 2123 as eliminating financial disclosures “would only raise doubts about the sincerity and interests of the candidates to serve on more than a dozen state boards, commissions and agencies.”

SB-2123

Submitted on: 2/14/2022 12:30:38 PM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Barbara Best	Individual	Oppose	No

Comments:

This bill would reduce accountability, transparency and possibly ethisc, never good for a democracy.

SB-2123

Submitted on: 2/14/2022 7:17:17 AM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Nanea Lo	Individual	Oppose	No

Comments:

Hello,

My name is Nanea Lo. I come from Papakōlea, O‘ahu. I'm a Kanaka Maoli born and raised in the Hawaiian Kingdom. I'm writing to oppose SB2123.

me ke aloha ‘āina,

Nanea Lo

2/14/2022

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair
Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express Mana Up's support of SB2123, relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

Mana Up is an accelerator and venture fund for Hawai'i-based products growing to markets globally, with the mission to increase economic opportunity and jobs for the people of Hawai'i. Since launching Mana Up in 2018, we have helped 63 local companies graduate from our six-month accelerator program that provides opportunities to expand and helps solve business challenges.

We support this bill to improve privacy protections for non-paid volunteer members of State Boards and Commissions by redacting certain financial information from being public record. There are hundreds of vacancies on state boards & commissions and we support strengthening governance on these boards and commissions to help with critical public services. We are in support of this bill because we would like to see state boards help fill these vacancies with qualified and talented local individuals who can evaluate decisions that will help our business community thrive.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Many qualified candidates do not wish to have their personal financial data shared with the public.

We also believe in conflict of interest protections, but do not believe that this bill eliminates protection. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view to enhance increasing privacy protections in the context of more and more fraud and cyber security issues.

In the spirit of filling more boards and commissions, we also are in support of additional strategies that may enhance recruiting qualified candidates to apply and serve in these positions.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,



Meli James
Cofounder, Mana Up

2/14/2022

LATE

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Senator Sharon Moriwaki, Chair

Senator Donovan Dela Cruz, Vice Chair

RE: Testimony in Support of SB2123

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee,

Thank you for the opportunity to express HVCA's support of SB2123, relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

The Hawaii Venture Capital Association (HVCA) is a local nonprofit that stands as a nexus for entrepreneurs, capital foundation, and networking opportunities in Hawaii. Our organization helps to foster entrepreneurship through education and exposure to key members in our business community in order to support our islands' emerging entrepreneurs, all while sustaining a vibrant and successful business community.

HVCA strongly supports this bill to improve privacy protections for non-paid volunteer members of State Boards and Commissions by redacting certain financial information from being public record. There are hundreds of vacancies on state boards & commissions and we support strengthening governance on these boards and commissions to help with critical public services. We are in support of this bill because we would like to see state boards help fill these vacancies with qualified and talented local individuals who can evaluate decisions that will help our business community thrive.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Many qualified candidates do not wish to have their personal financial data shared with the public.

P.O. Box 4677

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We also believe in conflict of interest protections, but do not believe that this bill eliminates protection. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view to enhance increasing privacy protections in the context of more and more fraud and cyber security issues.

In the spirit of filling more boards and commissions, we also are in support of additional strategies that may enhance recruiting qualified candidates to apply and serve in these positions.

We respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,



Meli James
President, HVCA

LATE

SB-2123

Submitted on: 2/14/2022 3:15:47 PM
Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
John Kim	Testifying for 31 aikalima	Support	No

Comments:

We operate 9 Baskin-Robbins stores in the state of Hawaii, as a wholly owned subsidiary of B-R 31 Ice Cream Co. in Japan. We believe in supporting the communities in which we operate, and the opportunities to support the state of Hawaii and particularly the county and city of Honolulu in particular are of great interest to us. The requirement for financial disclosures limits the pool of qualified individuals who could serve in these volunteer roles and should be removed, or at minimum, reduced in what's required, especially in public disclosures. It creates a potential privacy and personal security risk, especially with the rise of cybercrime around us. Removing these barriers to interest in serving the community will help improve the impact that these volunteer roles can have through more qualified and experienced individuals willing and interested to serve.

DARRYL P. WONG

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February 14, 2022

LATE

Honorable Senator Sharon Y. Moriwaki, Chair
Honorable Senator Donovan M. Dela Cruz, Vice Chair
Senate Committee Members on Government Operations

**RE: TESTIMONY IN SUPPORT OF SENATE BILL SB2123 - RELATING TO STATE
BOARDS AND COMMISSIONS - HEARING SCHEDULED FOR TUESDAY,
02/15/2022, AT 3:10 PM, VIA VIDEOCONFERENCE**

Dear Honorable Chair Sharon Moriwaki, Honorable Vice Chair Donovan Dela Cruz, and Members of the Senate Committee on Government Operations:

Thank you for the opportunity to express my support of SB2123, relating to State Boards and Commissions, which will require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards and commissions to be redacted.

My name is Darryl Wong and as a business owner in Hawaii for over 25 years and a Board member of several not-for-profit corporations in Hawaii, it is vital that the State start filling vacancy positions on State board and commissions with qualified volunteers. I strongly feel this can be accomplished by passage of Senate Bill SB2123. The requirement of certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of State boards and commissions must be redacted. Hawaii's current disclosure requirements are among the most aggressive in the country and I am aware of no other state in the country that requires such precision-to-the dollar amount disclosures to be eligible for a volunteer position.

During this critical time of uncertainty in Hawaii, finding qualified candidates who are willing to volunteer their service is essential to the health of our community. Community members who are most qualified to serve are often not willing to pursue a seat on these boards and commissions because of the requirement that financial disclosures are public. Based on data published

through June 2021, the state currently has 389 vacancies and the pool of qualified individuals that are willing to serve has reduced and continues to experience reductions. Understandably, community members value their privacy and do not wish to have their personal financial data shared with the public.

Should this bill pass, I feel strongly that the pool of candidates for these state boards and commissions will increase in size and quality. This bill does not eliminate the requirement of financial disclosure or checking of conflicts of interest. This bill only seeks to redact certain financial information from public view. Ultimately, sources of income and business affiliations are more valuable in uncovering potential conflicts than dollar values by themselves.

I respectfully ask for your support of SB2123. Mahalo for the opportunity to submit testimony.

Sincerely,

A handwritten signature in black ink that reads "Darryl P. Wong". The signature is written in a cursive, flowing style.

Darryl P. Wong

LATE

SB-2123

Submitted on: 2/14/2022 5:16:56 PM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Ramona Hussey	Individual	Oppose	No

Comments:

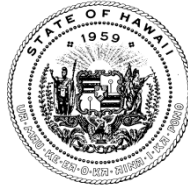
Aloha Senators,

I hope you will quickly vote against SB2123 which would remove the financial requirement for those serving on Boards & Commissions. In the interest of transparency for our government, anyone who wishes to serve the public should be willing to disclose their financial interest which may affect their public duties. As we've just seen with Legislators who are willing to trade their votes for money, allowing other public servants to do the same would be a disaster. Vote NO on SB2123.

Thank you,

Ramona Hussey

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
ROSS M. HIGASHI
EDUARDO P. MANGLALLAN
PATRICK H. MCCAIN
EDWIN H. SNIFFEN

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 15, 2022
3:10 P.M.
State Capitol, Teleconference

LATE

S.B. 2123
RELATING TO BOARDS AND COMMISSIONS

Senate Committee on Government Operations

The Department of Transportation (DOT) **supports** S.B. 2123, which requires certain information on the financial disclosure statements deemed to be public records for non—paid volunteer members of state boards and commissions to be redacted.

The DOT supports this measure as we believe it will encourage more members of the community to apply for boards and commissions, as it will eliminate concerns about their financial disclosure statements becoming public.

Thank you for the opportunity to provide testimony.

LATE

SB-2123

Submitted on: 2/15/2022 11:38:31 AM

Testimony for GVO on 2/15/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
James Logue	Individual	Oppose	No

Comments:

Anyone serving the public needs to be transparent and accountable. This bill strips that away. Please consider transparency over secrecy. Our government is corrupt enough as it is.