

JAN 25 2023

A BILL FOR AN ACT

RELATING TO FRAUD.

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

1 SECTION 1. The legislature finds that the strength and
2 stability of the State's democratic government rely upon the
3 public's trust in government institutions, including the
4 expectation that officers act ethically with prudence,
5 integrity, and sound judgement. Therefore, an essential goal of
6 the commission to improve standard of conduct was to provide
7 recommendations that would help restore public trust in state
8 government and increase the level of transparency in its
9 operations and accountability of individuals.

10 The legislature further finds that state courts and counsel
11 should look to federal caselaw and precedent for direction.

12 Federal general fraud statutes include the following:

- 13 (1) Title 18 United States Code section 1341 (mail fraud);
14 (2) Title 18 United States Code section 1343 (wire fraud);
15 (3) Title 18 United States Code section 1346 (definition
16 of "scheme or artifice to defraud"); and
17 (4) Title 18 United States Code section 1344 (bank fraud).



1 Accordingly, the purpose of this Act is to:

2 (1) Establish a general fraud statute that is intended to
3 cover schemes to obtain financial or other gain by
4 means of false statements, misrepresentations,
5 concealment of important information, or deception;
6 and

7 (2) Disqualify a person from holding elected public office
8 for a period of ten years upon conviction of fraud.

9 SECTION 2. Chapter 708, Hawaii Revised Statutes, is
10 amended by adding a new section to be appropriately designated
11 and to read as follows:

12 "§708- Fraud. (1) A person commits the offense of
13 fraud if, with the intent to defraud, the person executes or
14 attempts to execute any scheme or artifice to defraud or to
15 obtain money or property by means of false or fraudulent
16 pretenses, representations, or promises.

17 (2) Application of this section shall be based on:

18 (A) Title 18 United States Code section 1341;

19 (B) Title 18 United States Code section 1343;

20 (C) Title 18 United States Code section 1346; and

21 (D) Title 18 United States Code section 1344,



1 and any relevant federal case law and precedent.

2 (3) Fraud is a class B felony and a person convicted under
3 this section shall be sentenced to a mandatory minimum term of
4 imprisonment of one year, without the possibility of probation.

5 (4) For the purposes of this section "scheme or artifice
6 to defraud" includes a scheme or artifice to deprive another of
7 the intangible right of honest services."

8 SECTION 3. Section 11-412, Hawaii Revised Statutes, is
9 amended by amending subsection (d) to read as follows:

10 "(d) A person who is convicted under this section, or for
11 fraud under section 708- , shall be disqualified from holding
12 elective public office for a period of ten years from the date
13 of conviction."

14 SECTION 4. This Act does not affect rights and duties that
15 matured, penalties that were incurred, and proceedings that were
16 begun before its effective date.

17 SECTION 5. New statutory material is underscored.

18 SECTION 6. This Act shall take effect upon its approval.

19

INTRODUCED BY: _____

Karl Rhoad



S.B. NO. 1544

Report Title:

Fraud; Class B Felony; Establishment; Disqualification; Elective Public Office; Conviction

Description:

Establishes the offense of fraud as a class B felony.
Disqualifies a person from holding elective public office for a period of ten years upon conviction of fraud.

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

