

Commission to Improve Standards of Conduct

Dear Chairman Tarnas and Members of the Judiciary and Hawaiian Affairs Committee,

Thank you for the opportunity to comment on bills recommended to the House of Representatives (House) by the Commission to Improve Standards of Conduct (Commission). The origin and justification of these bills is extensively discussed in the Commission's December 1, 2022 Final Report (Report) submitted to the House pursuant to HR 9.

The bills recommended by the Commission are a package that would increase transparency and accountability in state and county government and help restore public trust in government which has been severely eroded in the past few years by highly publicized instances of corruption and misconduct in state and county government.

With that in mind, I would like to comment on all the Commission bills in this testimony and submit it for each bill for your consideration.

First, I would like to commend the House for creating the Commission. It has been an honor to carry out the mandate of the House and serve with the distinguished and learned members the House appointed to the Commission. The members of the Commission worked very hard over a period of nine months, reaching out to public officials, community leaders, experts in various fields within the Commission's mandate and held extensive public hearings in drafting the bills recommended to the House. These public hearings are summarized in the Report at 13-18 and Appendix B of the Report which contains the Commission's minutes of these public meetings. The notice of the Commission's meetings with a link to a video recording of each meeting and testimony submitted and documents considered at each meeting can be found at the House webpage's a link to the Commission under House Special Committees.

The following is the list of bills recommended by the Commission with brief summaries and citations to the relevant parts of the Commission's Report where they are discussed.

HB 705 – Requires each house of the Legislature to post a report of the legislative allowance expenditures for each member of the respective house on the Legislature's website. The purpose of this bill is to "increase transparency and ease of access to information related to expenditure of taxpayer monies." Report at 28.

HB 706 – Requires all members of the Legislature to disclose certain relationships with lobbyists or lobbying organizations in their financial disclosures. The purpose of this bill is to "increase transparency and potentially uncover conflicts or self-dealing." Report at 28.

HB 707 – Makes it a class C felony to make false, fictitious or fraudulent claims against the state or a county, or any of their department or agencies, disqualifying a person from holding elective public office for a period of 10 years upon conviction of making a false, fictitious or fraudulent claim. This bill is modeled after the federal false claims statute. Report at 21. This bill comes

with two others – HB 710 (false statement) and HB 711 (fraud) which are also modeled after federal statutes. Federal, state and county law enforcement officials testified before the Commission that state and county law enforcement need statutes as their federal counterpart have to root out corruption in state and county government rather than always relying on federal enforcement to do this job.

HB 708 – Amends the information in the statement of expenditures reports that lobbyists and other individuals are required to file with the State Ethics Commission to include the identity, by bill number, resolution number or other similar identifier, of the legislative or administrative action that was commented on, supported by or opposed by the person filing the statement. Report at 28. As with other bills in the Commission’s package, this bill would increase transparency and expose any potential conflict of interest.

HB 709 – Requires a lobbyist training course to be designed and administered by the State Ethics Commission, makes the training course mandatory for all lobbyists who are required to register and renew their registration with the State Ethics Commission. The Commission found “that more education and training can be done to ensure that lobbyists have notice of the law, understand the application of the law, and comply with legal requirements.” Report at 29.

HB 710 – Is modeled after the federal false statement statute by establishing a class C felony offense for a person who dealing with state or county government to knowingly or willfully falsifies, conceals or covers up a material fact; makes materially false, fictitious or fraudulent statement or representation; or makes or uses any false writing or document known to have materially false information; and disqualifies a person from holding public office for a period of 10 years upon conviction of making a false statement. Report at 20. As with HB 707 on false claims, federal, state and county law enforcement testified before the Commission this bill is necessary for state and county law enforcement to root out corruption and misconduct in state and county government rather than always relying on federal law enforcement to do this job.

HB 711 – Is the last of three bills recommended by the state and county law enforcement coalition and is modeled after the federal fraud criminal statute in making it a class B felony for a person to obtain financial benefit or other gain by means of false statements, misrepresentations, concealment of important information or deception, and prohibiting a person convicted of fraud from being a candidate for public office for a period of 10 years. Report at 20.

HB 712 – Would encourage public boards to maintain any electronic audio or visual recording of a board meeting as a public record on the board’s website regardless of whether written minutes of the meeting have been posted and to submit a copy of the recording to the State Archives. Report at 27. A similar bill in the last regular session of the Legislature was supported by the Commission, passed by the Legislature but vetoed by the Governor (SB 3172, SD 1, HD 2, CD 1). Report at 10. The Commission has attempted to address the concerns raised by the Governor in this bill.

HB 715 – Prohibits lobbyists from making prohibited gifts to legislators and state employees with administrative fines imposed for violations. Report at 33.

HB 716 – Requires the Office of Elections to prepare a voter information guide to educate voters on each candidate’s positions and their candidate statements and provide ballot question analyses and appropriates funds for the preparation and distribution of guides and analyses. The Commission found “Hawaii’s voter turnout is well below the national average for each election” and “registered voters may not have access to or be aware of information on the candidates or issues on the ballots.” Report at 34.

HB 717 – Prohibits under certain circumstances legislators and state employees from hiring or promoting relatives or household members and from making or participating in certain other employment-related decisions and from awarding a contract to or otherwise taking official action on a contract with a business if the legislator’s or employee’s relative or household member is an executive officer of or holds a substantial ownership interest in the business, and imposing administrative fines for violations. Report at 29.

HB 718 – Authorizes the Campaign Spending Commission to serve preliminary determinations of probable cause via first class mail instead of certified mail, establishes a presumption of receipt when mailed to the address contained in a candidate or committee organizational report. Report at 21.

HB 719 – Imposes a cap on charges for the reproduction of certain government records; waives the cost of duplication of government records provided to requestors in electronic format; imposes a cap on charges for searching for, reviewing and segregating records; provides a waiver of fees when the public interest is served by record disclosure; and appropriates funds to carry out the provisions of this act. Report at 27. A similar bill was supported by the Commission and passed by the Legislature last regular session (SB 3252, SD2, HD2, CD1) and vetoed by the Governor. Report at 10. The Commission has attempted in this bill to address concerns raised by the Governor.

HB 720 – Increases the amount of partial public financing available for all offices up for election in varied amounts with a downward adjustment of the minimum amounts of qualifying contributions for county prosecuting offices. The Commission noted “that increased amounts of partial public funding of elections proposed in this bill are intended as a floor, or a minimum level. If fiscal resources are or become available, the Commission encourages the Legislature to be bold and devote additional fiscal resources to further the purpose of this bill and to seek additional permanent funding sources for future elections. Implementation of this proposal would assist in diminishing the impact and influence resulting from Citizens United.” Report at 32.

HB 721 – Eliminates the use of campaign funds to purchase up to two tickets for an event or fundraiser held by another candidate or committee. The Commission found “that this practice is commonplace amongst legislators and gives the appearances of impropriety since the

campaign funds of the purchaser/candidate are likely contributions made to the purchaser/candidate and not to the candidate holding the event or fundraiser.” Report at 33-34.

HB 722 – Expands the reach of the requirement to file a notice of intent to hold a fundraiser or fundraiser event by removing the current \$25 threshold. The Commission stated this bill would further public transparency and improve public confidence in campaigns. Report at 33.

HB 723 – Expands application of the Sunshine Law to legislatively appointed bodies, including task forces, working groups, special committees, and select committees. This bill would also require each chamber of the legislature to hold public hearings on its rules on a biennial basis. The Commission concluded given “the strict legislative timetable and deadlines mandated under Article III of the Hawaii State Constitution” it was not practical to apply the Sunshine Law to the Legislature. This bill would “better effectuate the spirit and intent of the Sunshine Law.” Report at 26.

HB 724 – Amends the prohibition against contributions to a candidate committee or noncandidate committee by state and county contractors by including state and county grantees and owners, officers and immediate family members of a state or county contractor or state or county grantee. Report at 33.

HB 725 – Establishes the Office of Public Advocate and codifies rights of the public with respect to the conduct and operation of the Legislature and its members. This bill would also specify procedures for the investigation and reporting of alleged violations of the public’s rights. “The Commission offers this proposal as an aspirational starting point for how the public and legislators can best engage with each other in a respectful and transparent manner during the legislative process. Collectively, the 13 rights of the public embody ideals of respect, fairness, openness, and dignity in the legislative process. The rights also require that official legislative business be conducted in a transparent and honest manner and that decisions be based on the merits of the legislation.” Report at 26-27.

HB 726 – Prohibits state and county elected officials from soliciting and accepting campaign contributions during any regular or special session of the Legislature, including any legislative recess days, holidays and weekends. This bill if enacted “would reduce the negative perception of legislators soliciting or accepting contributions from individual or organizations that have an interest in matters pending before the legislature during session.” Report at 32.

HB 727 – Limits the permitted uses of campaign funds to only those purposes that are directly related to the campaign of candidates. Report at 33.

HB 728 – Provides funds to county ethic boards “in an effort to ensure that these boards have adequate resources to continue their operations and pursue their respective missions.” Report at 30.

HB 729 – Requires the Campaign Spending Commission to publish on its website the names of candidate committees and noncandidate committees who fail to properly file an organizational report. The Commission found that this bill “would improve compliance and also bring awareness of noncompliance to the public.” Report at 28.

HB 730 – Limits the amount of cash contributions a candidate, candidate committee or noncandidate committee can accept in the aggregate in each election period to \$100 with a receipt required for each contribution. Report at 33.

HB 731 – Provides that a person waives the right to a contested case hearing if that person fails to request a contested case hearing within 20 days of the Commission’s preliminary determination. It would also allow the Campaign Spending Commission to file its final order with the Circuit Court of the First District for confirmation as a civil judgment, enforceable and collectible as any other judgment issued in circuit court. Report at 21.

HB 732 – Authorizes the Campaign Spending Commission to presume that a violation of a campaign spending law has occurred if a respondent fails to explain or otherwise respond to a complaint alleging a campaign spending violation. Report at 21.

HB 733 – Increases the amount of fine for campaign spending law violations that may be assessed against a noncandidate committee making only independent expenditures and that has received at least one contribution of more than \$10,000 or spent more than \$10,000 in an election period. It authorizes the Campaign spending Commission to order that the payment of a fine assessed against a noncandidate committee, or any portion thereof, be paid from the personal funds of an officer of the noncandidate committee. Report at 34.

HB 796 – Proposes a constitutional amendment to prohibit a person from serving as a member of the Legislature for more than 16 years during that person’s lifetime. “The Commission discussed this proposal at great length and considered the testimony received and personal viewpoints of each commissioner. The Commission looked at similar provisions for guidance and debated the well-balanced pros and cons of this proposal, which was reflected in the slim 4-3 margin by which the Commission adopted the motion to adopt this proposal.” Report at 35. Despite a turnover in the House of Representative of over 50% and the Senate of more than 33% in the last decade, “people feel a proposal like this is necessary and that a limit on the duration of holding state elected office may reduce the potential for corruption and allow for the periodic infusion of fresh ideas and services to constituents.” Id.

A handwritten signature in black ink that reads "Daniel R. Foley". The signature is written in a cursive, flowing style with a large, stylized 'F' at the end.

Respectfully submitted, Judge Daniel Foley (ret.)



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2023**

ON THE FOLLOWING MEASURE:
H.B. NO. 711, RELATING TO FRAUD.

BEFORE THE:
HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS

DATE: Wednesday, February 22, 2023 **TIME:** 2:00 p.m.

LOCATION: State Capitol, Room 325

TESTIFIER(S): Anne E. Lopez, Attorney General, or
David Van Acker, Deputy Attorney General

Chair Tarnas and Members of the Committee:

The Department of the Attorney General supports this bill and provides the following comments.

The purpose of this bill is to implement recommendations of the Commission to Improve Standards of Conduct (Commission) by establishing the felony offense of fraud to mirror federal criminal fraud statutes. This bill provides state and local law enforcement with much needed tools to combat corruption, fraud, and waste. As the Commission's Final Report recognized, ". . . the State's Penal Code and enforcement agencies do not have sufficient authority to adequately investigate, charge, and sentence instances of corruption and fraud." Dec. 1, 2022, at page 19.

The proposed criminal offense is based on 18 United States Code sections 1341, 1343, 1344, and 1346 and is intended to criminalize conduct that is currently punishable at the federal level but not the state or local level. Currently, the Hawaii Revised Statutes grades theft offenses based on specific monetary thresholds. In many situations, however, it is challenging for law enforcement to determine the specific value stolen by an offender using a fraudulent scheme. As a result, there are substantial barriers in charging some known offenders with felony offenses. For instance, in *State v. Atwood*, 129 Hawai'i 414 (2013), an unlicensed contractor misrepresented his license status and entered into a home remodeling contract fraudulently. The Supreme Court of Hawaii held that the prosecution lacked probable cause to charge the defendant,

because the defendant intended to perform and did perform the contracted work despite the misrepresentation. The Court further held that the prosecution failed to provide a specific amount of property that was deprived as there was no showing that any money obtained by the defendant was not in exchange for the contracted work. This bill would enable law enforcement to prosecute fraud and avoid the *Atwood* problem altogether by not requiring the prosecution to prove a specific amount stolen. Instead, the bill establishes a class B felony offense, regardless of the amount, for engaging in conduct to falsely or fraudulently obtain money or property.

This bill will provide a mechanism to increase the public's trust and confidence in our state and local government while providing law enforcement with a tool to adequately deter and commensurately punish public corruption.

Thank you for the opportunity to testify.



STATE OF HAWAII
CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300
HONOLULU, HAWAII 96813

February 21, 2023

TO: The Honorable David A. Tarnas, Chair
House Committee on Judiciary & Hawaiian Affairs

The Honorable Gregg Takayama, Vice Chair
House Committee on Judiciary & Hawaiian Affairs

Members of the House Committee on Judiciary & Hawaiian Affairs

FROM: Tony Baldomero, Associate Director for ^{TB}
Kristin Izumi-Nitao, Executive Director
Campaign Spending Commission

SUBJECT: **Testimony on H.B. No. 711, Relating to Fraud.**

Wednesday, February 22, 2023
2:00 p.m., Conference Room 325 & Videoconference

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") supports this bill.

This bill adds a new section to Chapter 708, Hawaii Revised Statutes, to establish the criminal offense of fraud (including the deprivation of the right of honest services) as a class B felony. The bill also disqualifies a person convicted under this section from holding elective public office for a period of ten years. This new offense is modeled after federal law. The Commission supports the enhancement of criminal penalties for offenses involving public corruption. If enforced, the Commission believes that criminal penalties are the most effective remedies to deter public corruption.

The Commission requests that this Committee pass this bill.

STATE OF HAWAI‘I
OFFICE OF THE PUBLIC DEFENDER

**Testimony of the Office of the Public Defender,
State of Hawai‘i to the House Committee on Judiciary and Hawaiian Affairs**

February 22, 2023

H.B. 711: RELATING TO FRAUD

Chair David A. Tarnas, Vice Chair Gregg Takayama, and Members of the Committee:

The Office of the Public Defender (“OPD”) supports the goals of the Commission to Improve Standards to restore public trust in state government and to increase the level of transparency in its operations and accountability of individuals. The OPD also recognizes that to improve the standard of conduct within government, and to more effectively combat fraud, waste, and corruption, it is necessary to establish criminal offenses and penalties. However, the OPD has serious concerns regarding the penalty proposed in the foregoing bill. Therefore, we must oppose H.B. 711.

Fraud

This measure imposes a mandatory indeterminate term of imprisonment of ten years with a mandatory minimum term of one year. The OPD opposes any measure that denies judicial discretion in sentencing, as it removes a judge’s ability to consider a broad range of options in the disposition of a case.

Not all conduct, constituting fraud, is the same. Likewise, not all individuals that commit these offenses are the same. Certainly, conduct of a government employee claiming sick leave while not sick, is not the same as government officials of the Honolulu International Airport being involved in a bid-rigging scheme that spanned five years, and funneled repair work that needed to be done at the airport to specific contractors who overbilled the airport for their work. *See* Hawai‘i Department of Attorney General [News Release No. 2006-34](#) issued October 27, 2006. The employee claiming unauthorized sick leave should not be punished the same as the airport officials. But, as currently written, this measure would subject both to mandatory prison sentences with no opportunity for probation.

Circuit Court judges are subjected to a rigorous vetting process. A process that involves a roughly 40+ page judicial application, an investigation by the Hawai‘i

State Bar Association, an investigation by the Judicial Selection Commission, nomination by the Governor, questioning by the Senate Judiciary Committee, and confirmation by the full Senate. Judges are selected for their integrity, diligence, legal knowledge and ability to fulfill the responsibilities and duties of their position. Judges should retain the authority to treat and consider each case on an individual basis. Judges should have the discretion to weigh mitigating factors as well as aggravating factors when sentencing defendants. Circuit Court judges receive a pre-sentencing report that includes information regarding a criminal defendant's history, character, remorse, rehabilitative efforts, family support or lack thereof, and thus are in the best position to decide what the proper disposition should be for a defendant. Mandatory sentences, take away any form of sentencing discretion, and although they may have some limited deterrent effect, they also limit the opportunity for a judge to use their discretion to deliver justice in an individual case.

Thank you for the opportunity to testify on this measure.

DEPARTMENT OF THE PROSECUTING ATTORNEY
CITY AND COUNTY OF HONOLULU

ALII PLACE
1060 RICHARDS STREET • HONOLULU, HAWAII 96813
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STEVEN S. ALM
PROSECUTING ATTORNEY



THOMAS J. BRADY
FIRST DEPUTY
PROSECUTING ATTORNEY

THE HONORABLE DAVID A. TARNAS, CHAIR
HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS
Thirty-Second State Legislature
Regular Session of 2023
State of Hawai`i

February 22, 2023

RE: H.B. 711; RELATING TO FRAUD.

Chair Tarnas, Vice Chair Takayama, and members of the House Committee on Judiciary and Hawaiian Affairs, the Department of the Prosecuting Attorney of the City and County of Honolulu ("Department") submits the following testimony in **strong support** of H.B. 711.

The purpose of H.B. 711 is to establish a new criminal offense under state law, that would mirror a similar statute currently used under federal law, to prohibit any scheme or artifice to deprive another of the intangible right of honest services, or obtain money or property by means of false or fraudulent pretenses, representations or promises. In the federal legal system, this is primarily used to address public corruption, but it has also been used in limited instances to address fraud in private corporations as well.

Given the years of scandal that have shaken the public's trust in Hawaii's state and local government, the Department believes that our state laws should be amended to reflect the egregious nature of certain offenses—such as fraud—that would further betray the public's trust and/or manipulate the system to one's own benefit. Every day, thousands of dedicated government workers serve the public diligently and honorably, and their hard work and good reputation should not be marred by those who would selfishly seek their own ends.

While federal prosecutors have largely taken the lead in prosecuting recent incidents of government officials being bribed, this is largely due to the greater effectiveness and severity of federal laws on the matter. To better equip county prosecutors with the tools to prosecute this type of public corruption, the State also needs more effective laws with serious consequences. We believe H.B. 711 would help to do so in a reasonable manner.

For all of the foregoing reasons, the Department of the Prosecuting Attorney of the City and County of Honolulu **strongly supports** the passage of H.B. 711. Thank you for the opportunity to testify on this matter.

HB-711

Submitted on: 2/21/2023 9:01:39 AM

Testimony for JHA on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gary Hooser	Pono Hawaii Initiative	Support	Written Testimony Only

Comments:

Committee Chair and Members,

Please accept this testimony in strong support of HB711

HB711 - 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.

HB711 is part of a package of bills being proposed by the Commission to Improve Standards of Conduct (CISC) which was established by a unanimous vote in the State House of Representatives.

Please offer your strong support for all of the CISC recommendations on your agenda today as well.

Sincerely,

Gary Hooser

Executive Director - Pono Hawaii Initiative



Democratic Party of Hawai'i Supports H.B. No. 710

The Democratic Party of Hawai'i supports H.B. No. 711, to amend Chapter 708, Hawaii Revised Statutes, to establish a general criminal prohibition against fraud which includes disqualifications for a convicted person of holding elected public office for a period of ten years from the date of conviction.

We believe in principle with measures that are designed to improve standards of conduct relating to combatting fraud, waste, and public corruption.

We broadly support measures that are designed to improve our government by making the instruments of government more transparent and accountable. We support measures that are designed to promote public confidence in the core of our democracy.

Mahalo.

Dennis W. Jung
State Party Chair
Democratic Party of Hawai'i

Testimony in Support of HB711

Submitted for: Judiciary & Hawaiian Affairs Committee Hearing, scheduled to be heard on Wednesday, 2/22/23 at 2:00 PM.

Aloha Chair Tarnas, Vice Chair Takayama, and Members of the Committee,

My name is Greg Misakian and I strongly support HB711.

They say a picture is worth a thousand words, further below is the picture, and with just a few words I submit my testimony.

There are those who often oppose consumer protection Bills meant to help condominium owners and residents of Hawaii. The same group who often oppose these measures profit more when they are not enacted, are deferred, are improperly referred to the wrong committees, or are improperly triple referred. The game is clear and the rules are not, but the picture is 100% clear, unless you choose not to look. Hawaii needs better laws to ensure that Legislators, Attorneys, and all members of the public behave ethically and properly, and in the best interest of all.

Campaign Contributions of Yuriko Sugimura (aka Jane Sugimura), as seen at the State of Hawaii Campaign Spending Commission website:

Abercrombie, Neil	Individual	Sugimura, Yuriko J.	12/15/2009	\$1,000.00	\$1,500.00	Bendet Fidell & Sugimura AAL ALC	Attorney
Abercrombie, Neil	Individual	Sugimura, Yuriko J.	07/19/2010	\$100.00	\$1,700.00	Bendet Fidell & Sugimura AAL ALC	Attorney
Abercrombie, Neil	Individual	Sugimura, Yuriko J.	10/02/2009	\$500.00	\$500.00	Bendet Fidell & Sugimura AAL ALC	Attorney
Abercrombie, Neil	Individual	Sugimura, Yuriko J.	08/12/2010	\$100.00	\$1,800.00	Bendet Fidell & Sugimura AAL ALC	Attorney
Abercrombie, Neil	Individual	Sugimura, Yuriko J.	09/03/2010	\$500.00	\$2,400.00	Bendet Fidell & Sugimura AAL ALC	Attorney
Abercrombie, Neil	Individual	Sugimura, Yuriko J.	08/18/2010	\$100.00	\$1,900.00	Bendet Fidell & Sugimura AAL ALC	Attorney
Abercrombie, Neil	Individual	Sugimura, Yuriko J.	03/24/2010	\$100.00	\$1,600.00	Bendet Fidell & Sugimura AAL ALC	Attorney
Baker, Rosalyn	Individual	Sugimura, Yuriko J.	05/08/2017	\$150.00	\$550.00		Attorney / CPA
Baker, Rosalyn	Individual	Sugimura, Yuriko J.	05/07/2013	\$300.00	\$300.00		Attorney / CPA

Baker, Rosalyn	Individual	Sugimura, Yuriko J.	05/10/2016	\$200.00	\$400.00		Attorney / CPA
Baker, Rosalyn	Individual	Sugimura, Yuriko J.	06/23/2008	\$100.00	\$300.00		Attorney / CPA
Baker, Rosalyn	Individual	Sugimura, Yuriko J.	07/13/2011	\$200.00	\$500.00		Attorney / CPA
Baker, Rosalyn	Individual	Sugimura, Yuriko J.	05/10/2015	\$200.00	\$200.00		Attorney / CPA
Baker, Rosalyn	Individual	Sugimura, Yuriko J.	05/05/2012	\$200.00	\$700.00		Attorney / CPA
Baker, Rosalyn	Individual	Sugimura, Yuriko J.	05/02/2018	\$200.00	\$750.00		Attorney / CPA
Baker, Rosalyn	Individual	Sugimura, Yuriko J.	12/03/2019	\$500.00	\$500.00		Attorney / CPA
Baker, Rosalyn	Individual	Sugimura, Yuriko J.	05/06/2014	\$200.00	\$500.00		Attorney / CPA
Baker, Rosalyn	Individual	Sugimura, Yuriko J.	06/20/2010	\$200.00	\$300.00		Attorney / CPA
Belatti, Della	Individual	Sugimura, Yuriko J.	01/30/2019	\$200.00	\$200.00		
Belatti, Della	Individual	Sugimura, Yuriko J.	06/11/2018	\$250.00	\$250.00		
Caldwell, Kirk	Individual	Sugimura, Yuriko J.	11/24/2015	\$1,000.00	\$1,000.00	Bendet Fidell Sugimura	Attorney
Chang, Stanley	Individual	Sugimura, Yuriko	05/29/2020	\$150.00	\$150.00		
DeCoite, Lynn	Individual	Sugimura, Yuriko J.	04/25/2019	\$150.00	\$150.00		
Espero, William	Individual	SUGIMURA, Yuriko J.	10/05/2017	\$200.00	\$300.00		
Fukunaga, Carol	Individual	Sugimura, Yuriko J.	05/27/2014	\$250.00	\$250.00	Bendet Fidell Sugimura	Principal
Fukunaga, Carol	Individual	Sugimura, Yuriko J.	07/12/2011	\$200.00	\$200.00	Bendet Fidell Sugimura	Principal
Fukunaga, Carol	Individual	Sugimura, Yuriko J.	03/12/2015	\$125.00	\$125.00	Bendet Fidell Sugimura	Principal

Fukunaga, Carol	Individual	Sugimura, Yuriko J.	05/04/2012	\$200.00	\$500.00	Bendet Fidell Sugimura	Principal
Fukunaga, Carol	Individual	Sugimura, Yuriko J.	06/13/2018	\$300.00	\$1,325.00	Bendet Fidell Sugimura	Principal
Fukunaga, Carol	Individual	Sugimura, Yuriko J.	09/14/2017	\$400.00	\$525.00	Bendet Fidell Sugimura	Principal
Fukunaga, Carol	Individual	Sugimura, Yuriko J.	05/11/2009	\$200.00	\$200.00	Bendet Fidell Sugimura	Principal
Fukunaga, Carol	Individual	Sugimura, Yuriko J.	11/22/2017	\$500.00	\$1,025.00	Bendet Fidell Sugimura	Principal
Fukunaga, Carol	Individual	Sugimura, Yuriko J.	07/16/2010	\$200.00	\$400.00	Bendet Fidell Sugimura	Principal
Fukunaga, Carol	Individual	Sugimura, Yuriko J.	07/14/2011	\$100.00	\$300.00	Bendet Fidell Sugimura	Principal
Hashimoto, Troy	Individual	Sugimura, Yuriko J.	05/24/2018	\$1,000.00	\$1,000.00	Bendet Fidell Sugimura	Attorney
Hashimoto, Troy	Individual	Sugimura, Yuriko J.	11/21/2019	\$100.00	\$200.00	Bendet Fidell Sugimura	Attorney
Hashimoto, Troy	Individual	Sugimura, Yuriko J.	05/20/2022	\$1,000.00	\$2,000.00	Bendet Fidell Sugimura	Attorney
Hashimoto, Troy	Individual	Sugimura, Yuriko J.	11/02/2021	\$1,000.00	\$1,000.00	Bendet Fidell Sugimura	Attorney
Ichiyama, Linda	Individual	Sugimura, Yuriko	04/11/2018	\$100.00	\$200.00		
Ichiyama, Linda	Individual	Sugimura, Yuriko	02/24/2020	\$100.00	\$250.00		
Ichiyama, Linda	Individual	Sugimura, Yuriko	11/13/2019	\$100.00	\$150.00		
Ige, David	Individual	Sugimura, Yuriko J.	11/28/2017	\$1,000.00	\$1,000.00	Bendet, Fidell, Sugimura AAL ALC	Attorney
Ige, David	Individual	Sugimura, Yuriko J.	07/19/2018	\$100.00	\$1,100.00	Bendet, Fidell, Sugimura AAL ALC	Attorney
Ihara, Les	Individual	Sugimura, Yuriko J.	07/05/2016	\$100.00	\$200.00		
Iwase, Randall	Individual	Sugimura, Yuriko J.	01/29/2007	\$300.00	\$300.00		

Johanson, Aaron	Individual	SUGIMUR A, YURIKO J.	10/14/2015	\$300.00	\$300.00	CLAY CHAPMAN IWAMURA PULICE & NERVELL	ATTORNEY
Johanson, Aaron	Individual	SUGIMUR A, YURIKO J.	07/21/2016	\$300.00	\$600.00	CLAY CHAPMAN IWAMURA PULICE & NERVELL	ATTORNEY
Johanson, Aaron	Individual	SUGIMUR A, YURIKO J.	11/03/2021	\$1,000.00	\$1,000.00	CLAY CHAPMAN IWAMURA PULICE & NERVELL	ATTORNEY
Keith-Agaran, Gilbert	Individual	SUGIMUR A, YURIKO J.	01/08/2015	\$150.00	\$150.00		
Keith-Agaran, Gilbert	Individual	SUGIMUR A, YURIKO J.	01/15/2016	\$150.00	\$300.00		
Keohokalole, Jarrett	Individual	Sugimura, Yuriko	05/17/2018	\$200.00	\$250.00		
Keohokalole, Jarrett	Individual	Sugimura, Yuriko	03/11/2020	\$150.00	\$150.00		
Kong, Samuel	Individual	Sugimura, Yuriko J.	04/18/2018	\$100.00	\$150.00		
Kong, Samuel	Individual	Sugimura, Yuriko J.	04/24/2019	\$150.00	\$150.00		
Kong, Samuel	Individual	Sugimura, Yuriko J.	06/22/2019	\$100.00	\$250.00		
Learmont, Lei	Individual	Sugimura, Yuriko J.	05/04/2018	\$500.00	\$500.00		
Luke, Sylvia	Individual	Sugimura, Yuriko	06/23/2022	\$500.00	\$500.00		
Luke, Sylvia	Individual	Sugimura, Yuriko	04/23/2008	\$50.00	\$150.00		
Luke, Sylvia	Individual	Sugimura, Yuriko	01/11/2019	\$250.00	\$250.00		
Luke, Sylvia	Individual	Sugimura, Yuriko	04/16/2018	\$300.00	\$300.00		
Maluafiti, Alicia	Individual	Sugimura, Yuriko	06/04/2018	\$500.00	\$500.00		

McKelvey, Angus	Individual	Sugimura, Yuriko J.	11/14/2019	\$100.00	\$150.00	Bendet Fidell Sugimura, AAL, a Law Corporation	Attorney
Menor, Ron	Individual	Sugimura, Yuriko J.	05/01/2019	\$500.00	\$500.00	Clay Chapman Iwamura AAL ALC	Attorney
Menor, Ron	Individual	Sugimura, Yuriko J.	10/16/2019	\$500.00	\$1,000.00	Clay Chapman Iwamura AAL ALC	Attorney
Misalucha, Bennette	Individual	SUGIMUR A, YURIKO J.	09/11/2020	\$500.00	\$500.00		
Moriwaki, Sharon	Individual	Sugimura, Yuriko J.	09/25/2019	\$500.00	\$1,000.00	Clay Chapman Iwamura, Pulice & Nervell, AAL, ALC	Attorney
Moriwaki, Sharon	Individual	Sugimura, Yuriko J.	02/17/2018	\$232.46	\$232.46	Clay Chapman Iwamura, Pulice & Nervell, AAL, ALC	Attorney
Moriwaki, Sharon	Individual	Sugimura, Yuriko J.	05/16/2018	\$500.00	\$732.46	Clay Chapman Iwamura, Pulice & Nervell, AAL, ALC	Attorney
Moriwaki, Sharon	Individual	Sugimura, Yuriko J.	03/14/2019	\$500.00	\$500.00	Clay Chapman Iwamura, Pulice & Nervell, AAL, ALC	Attorney
Moriwaki, Sharon	Individual	Sugimura, Yuriko J.	06/14/2018	\$100.00	\$832.46	Clay Chapman Iwamura, Pulice & Nervell, AAL, ALC	Attorney
Moriwaki, Sharon	Individual	Sugimura, Yuriko J.	10/17/2018	\$500.00	\$1,332.46	Clay Chapman Iwamura, Pulice & Nervell, AAL, ALC	Attorney
Moriwaki, Sharon	Individual	Sugimura, Yuriko J.	12/12/2020	\$250.00	\$1,250.00	Clay Chapman Iwamura, Pulice & Nervell, AAL, ALC	Attorney
Moriwaki, Sharon	Individual	Sugimura, Yuriko J.	12/06/2021	\$2,750.00	\$4,000.00	Clay Chapman Iwamura, Pulice & Nervell, AAL, ALC	Attorney
Nishimoto, Scott	Individual	Sugimura, Yuriko J.	01/31/2019	\$250.00	\$250.00		
Nishimoto, Scott	Individual	Sugimura, Yuriko J.	03/04/2019	\$100.00	\$350.00		

Ohno, Takashi	Individual	Sugimura, Yuriko	01/30/2020	\$250.00	\$350.00		
Ohno, Takashi	Individual	Sugimura, Yuriko	01/16/2018	\$150.00	\$200.00		
Oshiro, Blake	Individual	Sugimura, Yuriko	07/27/2010	\$250.00	\$350.00		
Rhoads, Karl	Individual	Sugimura, Yuriko J.	07/12/2021	\$500.00	\$500.00		
Rhoads, Karl	Individual	Sugimura, Yuriko J.	10/03/2019	\$500.00	\$700.00		
Rhoads, Karl	Individual	Sugimura, Yuriko J.	01/11/2016	\$175.00	\$275.00		
Rhoads, Karl	Individual	Sugimura, Yuriko J.	01/04/2019	\$200.00	\$200.00		
Rhoads, Karl	Individual	Sugimura, Yuriko J.	05/08/2012	\$125.00	\$125.00		
Saiki, Scott	Individual	Sugimura, Yuriko J.	05/13/2019	\$500.00	\$500.00	Clay Chapman Iwamura Pulice & Nervel	Attorney
Saiki, Scott	Individual	Sugimura, Yuriko J.	06/21/2022	\$1,000.00	\$1,000.00	Clay Chapman Iwamura Pulice & Nervel	Attorney
Sakamoto, Norman	Individual	Sugimura, Yuriko	05/27/2009	\$150.00	\$150.00		
Say, Calvin	Individual	Sugimura, Yuriko J.	04/29/2019	\$150.00	\$150.00		
Schatz, Brian	Individual	Sugimura, Yuriko J.	04/09/2010	\$50.00	\$450.00		
Schatz, Brian	Individual	Sugimura, Yuriko J.	12/18/2009	\$400.00	\$400.00		
Sugimura, Yuki	Immediate Family	Sugimura, Yuriko	06/04/2022	\$2,000.00	\$2,000.00	Bendet Findell A Law Corporation	Attorney
Sugimura, Yuki	Immediate Family	Sugimura, Yuriko	12/06/2017	\$500.00	\$500.00	Bendet Findell A Law Corporation	Attorney
Sugimura, Yuki	Immediate Family	Sugimura, Yuriko	03/26/2020	\$1,000.00	\$1,000.00	Bendet Findell A Law Corporation	Attorney

Sugimura, Yuki	Immediate Family	Sugimura, Yuriko	08/12/2015	\$1,000.00	\$1,000.00	Bendet Fidell A Law Corporation	Attorney
Takayama, Gregg	Individual	Sugimura, Yuriko	02/19/2020	\$100.00	\$350.00	Bendet Fidell	Attorney
Takayama, Gregg	Individual	Sugimura, Yuriko	05/10/2022	\$200.00	\$400.00	Bendet Fidell	Attorney
Takayama, Gregg	Individual	Sugimura, Yuriko	11/13/2019	\$100.00	\$250.00	Bendet Fidell	Attorney
Takayama, Gregg	Individual	Sugimura, Yuriko	03/06/2019	\$50.00	\$150.00	Bendet Fidell	Attorney
Takayama, Gregg	Individual	Sugimura, Yuriko	04/11/2018	\$100.00	\$150.00	Bendet Fidell	Attorney
Takayama, Gregg	Individual	Sugimura, Yuriko	05/10/2022	\$200.00	\$200.00	Bendet Fidell	Attorney
Takenouchi, Jenna	Individual	Sugimura, Yuriko	05/11/2022	\$200.00	\$200.00		
Takumi, Roy	Individual	Sugimura, Yuriko	01/11/2018	\$200.00	\$200.00	Clay Chapman Pulice & Nervell	Attorney
Takumi, Roy	Individual	Sugimura, Yuriko	04/29/2022	\$1,000.00	\$1,500.00	Clay Chapman Pulice & Nervell	Attorney
Takumi, Roy	Individual	Sugimura, Yuriko	05/04/2021	\$500.00	\$500.00	Clay Chapman Pulice & Nervell	Attorney
Takumi, Roy	Individual	Sugimura, Yuriko	04/16/2019	\$500.00	\$500.00	Clay Chapman Pulice & Nervell	Attorney
Tam, Adrian	Individual	Sugimura, Yuriko	09/26/2020	\$500.00	\$500.00	Clay Chapman Iwamura Pulice & Nervell	Attorney
Tokuda, Jill	Individual	Sugimura, Yuriko	06/08/2018	\$250.00	\$1,550.00	Bendet Fidell Sugimura. AAL. ALC	Attorney
Tokuda, Jill	Individual	Sugimura, Yuriko	06/27/2018	\$100.00	\$1,650.00	Bendet Fidell Sugimura. AAL. ALC	Attorney
Tokuda, Jill	Individual	Sugimura, Yuriko	11/14/2017	\$500.00	\$600.00	Bendet Fidell Sugimura. AAL. ALC	Attorney
Tokuda, Jill	Individual	Sugimura, Yuriko	03/29/2018	\$500.00	\$1,100.00	Bendet Fidell Sugimura. AAL. ALC	Attorney
Tokuda, Jill	Individual	Sugimura, Yuriko	05/03/2018	\$200.00	\$1,300.00	Bendet Fidell Sugimura. AAL. ALC	Attorney

Tokuda, Jill	Individual	Sugimura, Yuriko J.	12/15/2021	\$500.00	\$500.00	Clay Chapman	Attorney
Weyer, Matt	Individual	Sugimura, Yuriko	07/20/2022	\$500.00	\$500.00	Clay Chapman Iwamura Pulice & Nervell	Attorney

HB-711

Submitted on: 2/20/2023 10:22:57 AM

Testimony for JHA on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
lynne matusow	Individual	Support	Written Testimony Only

Comments:

very important bill. need to get across the message that crime does not pay.

HB-711

Submitted on: 2/18/2023 11:20:42 AM

Testimony for JHA on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dara Carlin, M.A.	Individual	Support	Written Testimony Only

Comments:

Stand in Strong Support

HB-711

Submitted on: 2/20/2023 11:09:31 PM

Testimony for JHA on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kim Coco Iwamoto	Individual	Comments	Written Testimony Only

Comments:

I am offering comments only on HB711, which establishes the offense of fraud as a class B felony and disqualifies a person from holding elective public office for a period of ten years upon conviction of fraud.

The introduction of this bill cites "the commission to improve standards of conduct of public officers and employees" and its missive to ensure there are "clear standards, enforcement, and penalties and provide recommendations to increase awareness of, compliance with, and deterrent effects of the code of ethics, lobbying laws, campaign finance laws, and other relevant laws and rules," that public officers and employees should comply with.

Although the purpose of HB711 is "to establish a general fraud statute which is intended to cover schemes to obtain financial or other gain by means of false statements, misrepresentations, concealment of important information, or deception," it fails to include "concealment of important information" in the actual proposed statutory language.

It is not clear whether "concealment of important information" would apply to legislators who also work as private practice attorneys, who are hired by persons or companies for their legal services, which may include legislative lawyering. Would attorney-client privilege, held by the clients, trump any duty to disclose the financial conflicts of interests that may arise for the legislators? Or could the legislators' protection of their clients' confidentiality be considered "concealment of important information".

Rep. Cullen and Sen. English were arguably convicted of "status offenses"; had they both benefited from the status of being licensed active attorneys, they could have legally accepted envelopes of cash as prepaid legal retainers, they could have provided the same services to the business man hiring them for their legislative lawyering expertise. They could both still be in elected office instead of in prison - if only they were private practice attorneys.

There should be explicit language added to HB711 clarifying that elected officials working as active status attorneys in private practice, or who have a financial interest in a law firm, that represents clients that are impacted by the outcome of legislation, they must require their law practice clients to waive their attorney-client privilege and disclose their interests in any bill before the legislature, otherwise concealment of this important information will be construed to, "deprive another of the intangible right of honest services."

At its most recent state convention, the Democratic Party of Hawaii addressed this grave concern when it adopted "Resolution 2022-40.a Urging Hawaii Lawmakers to Address Corruption at the Legislature," which states in relevant part:

Resolved, That the Democratic Party of Hawaii urges Hawaii State lawmakers to take the following immediate actions: adopt House and Senate rules that 1) restrict state legislators or their representatives from soliciting or accepting campaign contributions during the legislative session, 2) require legislators to comply with all State Sunshine and Ethics laws while working to amend the relevant statutes and codify this compliance, **3) adopt House and Senate Rules that restrict legislators from holding any leadership position if they were, within the preceding six months, a) hired as private-practice attorneys, or b) were profit-sharing law practice partners bound by attorney-client privilege from disclosing clients' names or businesses,** 4) grant any bill sponsored by a majority of the members in the originating chamber at least one committee hearing, and, 5) prevent a bill from being deferred indefinitely without a recorded vote by committee members;" (emphasis added.)

HB-711

Submitted on: 2/21/2023 7:45:09 AM

Testimony for JHA on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Hunter Heavilin	Individual	Support	Written Testimony Only

Comments:

I am writing in support of HB711, which would establish the offense of fraud as a class B felony and disqualify individuals convicted of fraud from holding elective public office for ten years. Fraud is a often a crime of deception and it is imperative that we preserve public trust in government institutions by ensuring citizen confidence in the actions of our representatives.

By disqualifying convicted individuals from holding elective public office for a period of ten years, this legislation ensures that those who have demonstrated a disregard for the law and public trust are not able to gain further power they may abuse. Ultimately, the passage of HB711 will help protect the integrity of our government institutions and the trust of our citizens in the political process.

HB-711

Submitted on: 2/21/2023 8:40:10 AM

Testimony for JHA on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

Support

TO: Members of the Committee on Judiciary & Hawaiian Affairs

FROM: Natalie Iwasa, CPA, CFE
808-395-3233

HEARING: 2 p.m. Wednesday, February 22, 2023

SUBJECT: HB 711, Related to Fraud - **AMENDMENT REQUESTED**

Aloha Chair Tarnas and Committee Members,

Thank you for allowing the opportunity to provide testimony on HB 711, which would establish fraud as a class B felony and disqualify a person from holding elective public office for 10 years upon conviction of fraud.

There are certain positions in society that the public should be able to count on to have higher standards. Such positions, for example, include law enforcement and public office.

If someone has been found guilty of fraud, that person should not be allowed to hold elective office.

Please therefore amend HB 711 as follows:

“(d) A person who is convicted under this section, or for fraud under section 708—, shall be disqualified from holding elective public office ~~for a period of ten years from the date of conviction.~~”