ACT 119

H.B. NO. 170

A Bill for an Act Relating to Ethics.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to increase clarity and consistency in the administration and enforcement of the State's ethics laws and to promote integrity in state government by:

- (1) Clarifying the fair treatment laws and conflict of interest laws with respect to legislators and task force members; and
- (2) Requiring the state ethics commission to adopt rules regarding the fair treatment laws and the public disclosures required of task force members.

SECTION 2. Section 84-13, Hawaii Revised Statutes, is amended to read as follows:

(§84-13 Fair treatment. (a) No legislator or employee shall use or attempt to use the legislator's or employee's official position to secure or grant unwarranted privileges, exemptions, advantages, contracts, or treatment, for oneself or others; including but not limited to the following:

- Seeking other employment or contract for services for oneself by the use or attempted use of the legislator's or employee's office or position[-];
- (2) Accepting, receiving, or soliciting compensation or other consideration for the performance of the legislator's or employee's official duties or responsibilities except as provided by law[-]:
- (3) Using state time, equipment or other facilities for private business purposes[-]: or
- (4) Soliciting, selling, or otherwise engaging in a substantial financial transaction with a subordinate or a person or business whom the legislator or employee inspects or supervises in the legislator's or employee's official capacity.

(b) Nothing [herein] in this section shall be construed to prohibit a legislator from introducing bills and resolutions, [or to prevent a person from serving on a task force or] from serving on a [task force] committee, or from making statements or taking official action as a legislator[, or a task force member or a task force member's designee or representative]. Every legislator[, or task force member or designee or representative of a task force member shall file a full and complete public disclosure of] <u>shall publicly disclose</u> the nature and extent of the interest or transaction [which] <u>that</u> the legislator [or task force member or task force member or task force member or task force member or task force member's designee or representative] believes may be affected by the legislator's [or task force member's] official action.

(c) Nothing in this section shall be construed to prevent a person from:

- (1) Serving on a task force; or
- (2) <u>Making statements or taking official action as a task force member</u> or a task force member's designee or representative;

provided that every task force member or designee or representative of a task force member shall publicly disclose the nature and extent of any interest or transaction that the task force member or task force member's designee or representative believes may be affected by the task force member's official action.

(d) The state ethics commission shall adopt rules pursuant to chapter 91 to effectuate the purposes of this section."

SECTION 3. Section 84-14, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

"(f) [Subsections (a), (b), and (d) shall not apply to a task force member or the designee or representative of that task force member whose service as a task force member would not otherwise cause that member, designee, or representative to be considered an employee, if the task force member or the designee or representative of that task force member complies with the disclosure requirements under section 84-17.] Nothing in this section shall be construed to prevent a person from:

- (1) Serving on a task force; or
- (2) Making statements or taking official action as a task force member or a task force member's designee or representative;

provided that every task force member or designee or representative of a task force member shall publicly disclose the nature and extent of any interest or transaction that the task force member or task force member's designee or representative believes may be affected by the task force member's official action. The state ethics commission shall adopt rules pursuant to chapter 91 to effectuate the purposes of this subsection."

SECTION 4. The state ethics commission, in its discretion, may make any changes that it deems necessary to its internal procedures or forms to aid in the implementation of this Act.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

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

(Approved June 21, 2019.)