

ACT 189

S.B. NO. 2217

A Bill for an Act Relating to Reporting Periods.

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

PART I

SECTION 1. The purpose of this Act is to amend portions of chapters 84 and 97 of the Hawaii Revised Statutes to provide greater uniformity, efficiency, and effectiveness in the administration and enforcement of the state ethics code and state lobbyists law by:

- (1) Establishing a phased process for adjusting the reporting period for gift disclosures filed with the state ethics commission to conform with the state fiscal year; and
- (2) Providing for the electronic filing of statements required by the state ethics commission.

PART II

SECTION 2. Section 84-11.5, Hawaii Revised Statutes, is amended to read as follows:

“§84-11.5 Reporting of gifts. (a) Every legislator and employee shall file a gifts disclosure statement with the state ethics commission no later than ~~June 30~~ July 31 of each year if all the following conditions are met:

- (1) The legislator or employee, or spouse or dependent child of a legislator or employee, received directly or indirectly from one source any gift or gifts valued singly or in the aggregate in excess of \$200, whether the gift is in the form of money, service, goods, or in any other form;
 - (2) The source of the gift or gifts have interests that may be affected by official action or lack of action by the legislator or employee; and
 - (3) The gift is not exempted by subsection (d) from reporting requirements under this subsection.
- (b) The report shall cover the period from June 1 of the preceding calendar year through ~~May 31~~ June 30 of the year of the report.
- (c) The gifts disclosure statement shall contain the following information:

- (1) A description of the gift;
- (2) A good faith estimate of the value of the gift;
- (3) The date the gift was received; and
- (4) The name of the person, business entity, or organization from whom, or on behalf of whom, the gift was received.

(d) Excluded from the reporting requirements of this section are the following:

- (1) Gifts received by will or intestate succession;
- (2) Gifts received by way of distribution of any inter vivos or testamentary trust established by a spouse or ancestor;
- (3) Gifts from a spouse, [~~fiancee, fiancée,~~] betrothed, or any relative within four degrees of consanguinity or the spouse~~-, fiancée, or fiancée]~~ or betrothed of such a relative. A gift from any such person is a reportable gift if the person is acting as an agent or intermediary for any person not covered by this paragraph;
- (4) Political campaign contributions that comply with state law;
- (5) Anything available to or distributed to the public generally without regard to the official status of the recipient;
- (6) Gifts that, within thirty days after receipt, are returned to the giver or delivered to a public body or to a bona fide educational or charitable organization without the donation being claimed as a charitable contribution for tax purposes; and
- (7) Exchanges of approximately equal value on holidays, birthday, or special occasions.

(e) Failure of a legislator or employee to file a gifts disclosure statement as required by this section shall be a violation of this chapter.

(f) This section shall not affect the applicability of section 84-11.

(g) The state ethics commission shall provide a method for filing gift disclosure statements. The commission may require that gift disclosure statements be filed electronically.

~~[(g)] (h)~~ For purposes of this section, “legislator or employee” includes any individual who was a legislator or employee for any portion of the period from June 1 of the preceding calendar year through ~~[May 31]~~ June 30 of the year of the report.”

PART III

SECTION 3. Section 84-11.5, Hawaii Revised Statutes, is amended to read as follows:

“§84-11.5 Reporting of gifts. (a) Every legislator and employee shall file a gifts disclosure statement with the state ethics commission no later than ~~[June 30]~~ July 31 of each year if all the following conditions are met:

- (1) The legislator or employee, or spouse or dependent child of a legislator or employee, received directly or indirectly from one source any gift or gifts valued singly or in the aggregate in excess of \$200, whether the gift is in the form of money, service, goods, or in any other form;
- (2) The source of the gift or gifts have interests that may be affected by official action or lack of action by the legislator or employee; and
- (3) The gift is not exempted by subsection (d) from reporting requirements under this subsection.

(b) The report shall cover the period from ~~[June 1]~~ July 1 of the preceding calendar year through ~~[May 31]~~ June 30 of the year of the report.

(c) The gifts disclosure statement shall contain the following information:

- (1) A description of the gift;
- (2) A good faith estimate of the value of the gift;
- (3) The date the gift was received; and

- (4) The name of the person, business entity, or organization from whom, or on behalf of whom, the gift was received.
- (d) Excluded from the reporting requirements of this section are the following:
- (1) Gifts received by will or intestate succession;
 - (2) Gifts received by way of distribution of any inter vivos or testamentary trust established by a spouse or ancestor;
 - (3) Gifts from a spouse, ~~[fiancee, fiancée,]~~ betrothed, or any relative within four degrees of consanguinity or the spouse~~[-fiancee, or fiancée]~~ or betrothed of such a relative. A gift from any such person is a reportable gift if the person is acting as an agent or intermediary for any person not covered by this paragraph;
 - (4) Political campaign contributions that comply with state law;
 - (5) Anything available to or distributed to the public generally without regard to the official status of the recipient;
 - (6) Gifts that, within thirty days after receipt, are returned to the giver or delivered to a public body or to a bona fide educational or charitable organization without the donation being claimed as a charitable contribution for tax purposes; and
 - (7) Exchanges of approximately equal value on holidays, birthday, or special occasions.
- (e) Failure of a legislator or employee to file a gifts disclosure statement as required by this section shall be a violation of this chapter.
- (f) This section shall not affect the applicability of section 84-11.
- (g) The state ethics commission shall provide a method for filing gift disclosure statements. The commission may require that gift disclosure statements be filed electronically.

~~[(g)]~~ (h) For purposes of this section, “legislator or employee” includes any individual who was a legislator or employee for any portion of the period from ~~[June 1]~~ July 1 of the preceding calendar year through ~~[May 31]~~ June 30 of the year of the report.”

PART IV

SECTION 4. Section 97-4, Hawaii Revised Statutes, is amended to read as follows:

“§97-4 Manner of filing; public records. All statements required by this chapter to be filed with the state ethics commission:

- (1) Shall be ~~[deemed properly filed when delivered or deposited in an established post office within the prescribed time; duly stamped, registered, or certified; and directed to]~~ filed electronically with the state ethics commission~~]; provided that in the event it is not received, a duplicate of the statement shall be promptly filed upon notice by the state ethics commission of its nonreceipt; and]~~ using an electronic filing system, or any other forms and methods established by the state ethics commission;
- (2) Shall be maintained by the state ethics commission for a period of no less than six years from the date of filing; and shall constitute part of the public records of the state ethics commission~~[-]; and~~
- (3) Shall be posted on the state ethics commission’s website within a reasonable time after filing and may be removed from the website after six years.”

SECTION 5. Section 97-4.5, Hawaii Revised Statutes, is repealed.

PART V

SECTION 6. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 7. Statutory material to be repealed is bracketed and stricken.¹ New statutory material is underscored.

SECTION 8. This Act shall take effect upon its approval; provided that:

- (1) Part II shall take effect on July 1, 2024; and
- (2) Part III shall take effect on July 1, 2025.

(Approved July 3, 2024.)

Note

1. Edited pursuant to HRS §23G-16.5.