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## HAWAII STATE ETHICS COMMISSION

State of Hawaii · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawaii 96813  
50<sup>th</sup> ANNIVERSARY 1968-2018

Committee: Committee on Judiciary  
Bill Number: S.B. 2142  
Hearing Date/Time: February 2, 2018, 9:30 a.m.  
Re: Testimony of the Hawaii State Ethics Commission in **SUPPORT** of  
S.B. 2142, Relating to Lobbyists

Dear Chair Taniguchi and Committee Members:

The Hawaii State Ethics Commission (“Commission”) supports S.B. 2142, which amends the Lobbyists Law (Hawaii Revised Statutes chapter 97). This bill makes two modest changes to the Lobbyists Law’s enforcement provision, HRS § 97-7.

First, this bill removes the outdated requirement that the Ethics Commission prove an individual *willfully* failed to file a lobbying report. This existing statutory language – requiring the Commission to prove that an individual *intended* not to file a lobbying report – is held over from a time when violations of the Lobbyists Law were criminal offenses. The penalties have been civil, rather than criminal, for quite some time, but the criminal law state-of-mind (or *mens rea*) requirement remains. As such, the Commission respectfully asks that the word “wilfully” be removed.

Second, this bill amends the Lobbyists Law so that its enforcement language mirrors the enforcement language of the Ethics Code, which was amended by the Legislature last year,<sup>1</sup> to ensure consistency and uniformity in Commission activity.

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<sup>1</sup> Last year, the Legislature amended HRS § 84-39 (entitled “Administrative Fines”) – the enforcement section of the State Ethics Code, HRS chapter 84 – to read in relevant part:

- (b) No fine shall be assessed under this section unless:
  - (1) The state ethics commission convenes a hearing in accordance with section 84-31(c) and chapter 91 and a decision has been rendered by the commission; or
  - (2) The state ethics commission and respondent agree to resolve any charge of an alleged violation prior to completion of the contested case process and the resolution includes payment of an administrative fine or restitution, or both.

See Act 50 of 2017, available at <https://www.capitol.hawaii.gov/session2017/bills/GM1150.PDF>. The proposed amendments to HRS § 97-7 in S.B. 2142 will harmonize statutory language for enforcement of the Lobbyists Law and Ethics Code.

Thank you for your continuing support of the Commission's work and for considering the Commission's testimony on S.B. 2142.

Very truly yours,

Daniel Gluck  
Executive Director and General Counsel



Senate Committee on Judiciary  
Chair Brian Taniguchi, Vice Chair Karl Rhoads

02/02/2018 9:30 AM Room 016  
SB2142 – Relating to Lobbyists

TESTIMONY / SUPPORT  
Corie Tanida, Executive Director, Common Cause Hawaii

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Dear Chair Taniguchi, Vice Chair Rhoads, and members of the committee:

**Common Cause Hawaii supports SB2142** which would remove the mens rea requirement to prove a violation of the lobbyists law, and would clarify that the State Ethics Commission may require payment of a fine or restitution pursuant to a settlement agreement.

We agree that the “wilfull” requirement is no longer necessary as it is no longer a criminal offense when one fails to file statements or reports with the State Ethics Commission. Removing “wilfully” from this section of the ethics code would provide clarity for both lobbyists and those enforcing the ethics code.

Thank you for the opportunity to offer testimony **supporting SB2142**.



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SENATE COMMITTEE ON JUDICIARY

Friday, February 2, 2018, 9:30 AM, Conference Room 016  
SB 2142, Relating to Lobbyists

TESTIMONY

Piilani Kaopuiki, Legislative Committee, League of Women Voters of Hawaii

Chair Taniguchi, Vice-Chair Rhoads and Committee Members:

**The League of Women Voters of Hawaii supports SB 2142.** This bill eliminates imposition of a requirement to prove intent to violate lobbyists reporting laws. It clarifies simple failure to file and authorizes the State Ethics Commission to impose administrative fines.

Thank you for the opportunity to submit testimony.

**SB-2142**

Submitted on: 2/1/2018

Testimony for JDC on 2/2/2018 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Heather Bolan	Senator Ihara's Office	Comments	No

Comments:

I agree that payments of fines or restitution should be required by the Commission.