



GOV. MSG. NO. 1311

EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

July 03, 2012

The Honorable Shan Tsutsui, President
and Members of the Senate
Twenty-Sixth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Calvin Say, Speaker
and Members of the House
Twenty-Sixth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on July 03, 2012, the following bill was signed into law:

HB2175 HD2 SD1 CD1

RELATING TO ETHICS.
Act 208 (12)

Aloha
Sincerely,
Neil Abercrombie

NEIL ABERCROMBIE
Governor, State of Hawaii

Approved by the Governor
on JUL 3 2012

ORIGINAL

ACT 208

HOUSE OF REPRESENTATIVES
TWENTY-SIXTH LEGISLATURE, 2012
STATE OF HAWAII

H.B. NO. 2175
H.D. 2
S.D. 1
C.D. 1

A BILL FOR AN ACT

RELATING TO ETHICS.

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

1 SECTION 1. The legislature finds that the public interest
2 is disserved when experts or persons who possess special
3 knowledge or expertise necessary to the State decline to serve
4 or are prevented from serving as members of task forces convened
5 solely for the purpose of sharing knowledge or experience,
6 making recommendations, or commenting on proposed courses of
7 action, because legislation that may result from the advice or
8 comments they provide or the recommendations they may make are
9 related to matters to which they have a professional or
10 financial connection.

11 The purpose of this Act is to allow persons with knowledge
12 and expertise necessary to the State to serve as members of a
13 task force that is convened on a temporary basis by the
14 legislative or executive branch to study an issue, make
15 recommendations, or offer advice on a specific subject, by
16 excepting them from some of the requirements, restrictions, and
17 prohibitions of the State's code of ethics. This Act also



1 provides further clarity by adding a definition of "task force"
2 to chapter 84, Hawaii Revised Statutes.

3 SECTION 2. Section 84-3, Hawaii Revised Statutes, is
4 amended by adding a new definition to be appropriately inserted
5 and to read as follows:

6 "Task force" means a group convened by resolution,
7 statute, executive order, proclamation, or by invitation of the
8 legislature, governor, or another state officer, to study a
9 specific subject or issue, for a specific defined period of
10 time, and to report to, offer a recommendation to, or advise the
11 legislature, governor, or a state officer."

12 SECTION 3. Section 84-12, Hawaii Revised Statutes, is
13 amended to read as follows:

14 **"§84-12 Confidential information.** No legislator or
15 employee shall disclose information which by law or practice is
16 not available to the public and which the legislator or employee
17 acquires in the course of the legislator's or employee's
18 official duties, or use the information for the legislator's or
19 employee's personal gain or for the benefit of anyone[-];
20 provided that this section shall not preclude a person who
21 serves as the designee or representative of an entity that is a
22 member of a task force from disclosing information to the entity



1 which the person acquires as the entity's designee or
2 representative."

3 SECTION 4. Section 84-13, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§84-13 Fair treatment. No legislator or employee shall
6 use or attempt to use the legislator's or employee's official
7 position to secure or grant unwarranted privileges, exemptions,
8 advantages, contracts, or treatment, for oneself or others;
9 including but not limited to the following:

- 10 (1) Seeking other employment or contract for services for
11 oneself by the use or attempted use of the
12 legislator's or employee's office or position.
- 13 (2) Accepting, receiving, or soliciting compensation or
14 other consideration for the performance of the
15 legislator's or employee's official duties or
16 responsibilities except as provided by law.
- 17 (3) Using state time, equipment or other facilities for
18 private business purposes.
- 19 (4) Soliciting, selling, or otherwise engaging in a
20 substantial financial transaction with a subordinate
21 or a person or business whom the legislator or



1 employee inspects or supervises in the legislator's or
2 employee's official capacity.

3 Nothing herein shall be construed to prohibit a legislator
4 from introducing bills and resolutions, or to prevent a person
5 from serving on a task force or from serving on [committees] a
6 task force committee, or from making statements or taking
7 official action [in the exercise of the legislator's legislative
8 functions-] as a legislator, or a task force member or a task
9 force member's designee or representative. Every legislator, or
10 task force member or designee or representative of a task force
11 member shall file a full and complete public disclosure of the
12 nature and extent of the interest or transaction which the
13 legislator or task force member or task force member's designee
14 or representative believes may be affected by [legislative
15 action-] the legislator's or task force member's official
16 action."

17 SECTION 5. Section 84-14, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "**§84-14 Conflicts of interests.** (a) No employee shall
20 take any official action directly affecting:

21 (1) A business or other undertaking in which [he] the
22 employee has a substantial financial interest; or



1 (2) A private undertaking in which [he] the employee is
2 engaged as legal counsel, advisor, consultant,
3 representative, or other agency capacity.

4 A department head who is unable to disqualify [~~himself~~] the
5 department head's self on any matter described in [~~items~~]
6 paragraphs (1) and (2) [~~above~~] will not be in violation of this
7 subsection if [he] the department head has complied with the
8 disclosure requirements of section 84-17[~~and~~].

9 A person whose position on a board, commission, or
10 committee is mandated by statute, resolution, or executive order
11 to have particular qualifications shall only be prohibited from
12 taking official action that directly and specifically affects a
13 business or undertaking in which [he] the person has a
14 substantial financial interest; provided that the substantial
15 financial interest is related to the member's particular
16 qualifications.

17 (b) No employee shall acquire financial interests in any
18 business or other undertaking which [he] the employee has reason
19 to believe may be directly involved in official action to be
20 taken by [~~him-~~] the employee.

21 (c) No legislator or employee shall assist any person or
22 business or act in a representative capacity before any state or



1 county agency for a contingent compensation in any transaction
2 involving the State.

3 (d) No legislator or employee shall assist any person or
4 business or act in a representative capacity for a fee or other
5 compensation to secure passage of a bill or to obtain a
6 contract, claim, or other transaction or proposal in which [he]
7 the legislator or employee has participated or will participate
8 as a legislator or employee, nor shall [he] the legislator or
9 employee assist any person or business or act in a
10 representative capacity for a fee or other compensation on such
11 bill, contract, claim, or other transaction or proposal before
12 the legislature or agency of which [he] the legislator or
13 employee is an employee or legislator.

14 (e) No employee shall assist any person or business or act
15 in a representative capacity before a state or county agency for
16 a fee or other consideration on any bill, contract, claim, or
17 other transaction or proposal involving official action by the
18 agency if [he] the employee has official authority over that
19 state or county agency unless [he] the employee has complied
20 with the disclosure requirements of section 84-17.

21 (f) Subsections (a), (b), and (d) shall not apply to a
22 task force member or the designee or representative of that task



1 force member whose service as a task force member would not
2 otherwise cause that member, designee, or representative to be
3 considered an employee, if the task force member or the designee
4 or representative of that task force member complies with the
5 disclosure requirements under section 84-17."

6 SECTION 6. Section 84-15, Hawaii Revised Statutes, is
7 amended by amending subsection (b) to read as follows:

8 "(b) A state agency shall not enter into a contract with
9 any person or business which is represented or assisted
10 personally in the matter by a person who has been an employee of
11 the agency within the preceding two years and who participated
12 while in state office or employment in the matter with which the
13 contract is directly concerned. This subsection shall not apply
14 to any contract that is awarded in accordance with subsection
15 (a) with a person or business represented or assisted by a
16 person who was a member of a task force or served as the
17 designee or representative of a task force member."

18 SECTION 7. Section 84-18, Hawaii Revised Statutes, is
19 amended by amending subsection (c) to read as follows:

20 "(c) No former employee, within twelve months after
21 termination of the former employee's employment, shall represent
22 any person or business for a fee or other consideration, on

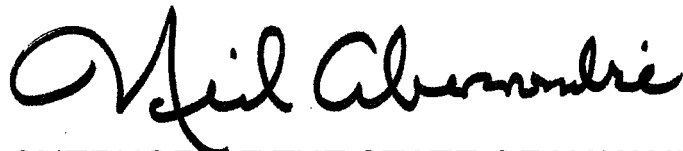


1 matters in which the former employee participated as an employee
2 or on matters involving official action by the particular state
3 agency or subdivision thereof with which the former employee had
4 actually served. This section shall not apply to a former task
5 force member who, but for service as a task force member, would
6 not be considered an employee."

7 SECTION 8. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 9. This Act shall take effect on July 1, 2012.

APPROVED this 3 day of JUL , 2012



GOVERNOR OF THE STATE OF HAWAII

