
A BILL FOR AN ACT

RELATING TO FINANCIAL DISCLOSURE STATEMENTS.

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

1 SECTION 1. State board and commission members are required
2 to file annual disclosure statements with the state ethics
3 commission. These records are generally kept confidential.
4 Unfortunately, due to limited resources, the state ethics
5 commission does not have the ability to search these records for
6 potential conflicts of interest. The legislature finds that the
7 public is in the best position to identify conflicts of
8 interest.

9 The purpose of this Act is to require that the financial
10 disclosure statements of members of certain statutorily
11 established boards and commissions are made available for public
12 inspection and duplication.

13 SECTION 2. Section 84-17, Hawaii Revised Statutes, is
14 amended as follows:

15 1. By amending subsection (d) to read:

16 "(d) The financial disclosure statements of the following
17 persons shall be public records and available for inspection and
18 duplication:



- 1 (1) The governor, the lieutenant governor, the members of
2 the legislature, candidates for and delegates to the
3 constitutional convention, the trustees of the office
4 of Hawaiian affairs, and candidates for state elective
5 offices;
- 6 (2) The directors of the state departments and their
7 deputies, regardless of the titles by which the
8 foregoing persons are designated; provided that with
9 respect to the department of the attorney general, the
10 foregoing shall apply only to the attorney general and
11 the first deputy attorney general;
- 12 (3) The administrative director of the State;
- 13 (4) The president, the vice presidents, the assistant vice
14 presidents, the chancellors, members of the board of
15 regents, and the provosts of the University of Hawaii;
- 16 (5) The members of the board of education and the
17 superintendent, the deputy superintendent, the state
18 librarian, and the deputy state librarian of the
19 department of education;
- 20 (6) The administrative director and the deputy director of
21 the courts; [~~and~~]



- 1 (7) The administrator and the assistant administrator of
- 2 the office of Hawaiian affairs[-]; and
- 3 (8) The members of the following state boards,
- 4 commissions, and agencies:
- 5 (A) The board of directors of the agribusiness
- 6 development corporation established under section
- 7 163D-3;
- 8 (B) The board of agriculture established under
- 9 section 26-16;
- 10 (C) The state ethics commission established under
- 11 section 84-21;
- 12 (D) The Hawaii community development authority
- 13 established under section 206E-3;
- 14 (E) The Hawaiian homes commission established under
- 15 the Hawaiian Homes Commission Act of 1920, as
- 16 amended, and section 26-17;
- 17 (F) The board of directors of the Hawaii housing
- 18 finance and development corporation established
- 19 under section 201H-3;
- 20 (G) The board of land and natural resources
- 21 established under section 171-4;



- 1 (H) The state land use commission established under
- 2 section 205-1;
- 3 (I) The legacy land conservation commission
- 4 established under section 173A-2.4;
- 5 (J) The natural area reserves system commission
- 6 established under section 195-6;
- 7 (K) The board of directors of the natural energy
- 8 laboratory of Hawaii authority established under
- 9 section 227D-2;
- 10 (L) The board of directors of the Hawaii public
- 11 housing authority established under section
- 12 356D-3;
- 13 (M) The public utilities commission established under
- 14 section 269-2; and
- 15 (N) The commission on water resource management
- 16 established under section 174C-7."

17 2. By amending subsection (f) to read:

18 "(f) Candidates for state elective offices, including

19 candidates for election to the constitutional convention, shall

20 only be required to disclose their own financial interests. The

21 disclosures of financial interests of all other persons

22 designated in subsection (c) shall state, in addition to the



1 financial interests of the person disclosing, the financial
2 interests of the person's spouse and dependent children. All
3 disclosures shall include:

4 (1) The source and amount of all income of \$1,000 or more
5 received, for services rendered, by the person in the
6 person's own name or by any other person for the
7 person's use or benefit during the preceding calendar
8 year and the nature of the services rendered; provided
9 that required disclosure under this paragraph for the
10 income source of the spouse or dependent child of a
11 person subject to subsection (d) shall be limited to
12 the name of the business or other qualifying source of
13 income, and need not include the income source's
14 address; provided further that other information that
15 may be privileged by law or individual items of
16 compensation that constitute a portion of the gross
17 income of the business or profession from which the
18 person derives income need not be disclosed;

19 (2) The amount and identity of every ownership or
20 beneficial interest held during the disclosure period
21 in any business having a value of \$5,000 or more or
22 equal to ten per cent of the ownership of the business

1 and, if the interest was transferred during the
2 disclosure period, the date of the transfer; provided
3 that an interest in the form of an account in a
4 federal or state regulated financial institution, an
5 interest in the form of a policy in a mutual insurance
6 company, or individual items in a mutual fund or a
7 blind trust, if the mutual fund or blind trust has
8 been disclosed pursuant to this paragraph, need not be
9 disclosed;

10 (3) Every officership, directorship, trusteeship, or other
11 fiduciary relationship held in a business during the
12 disclosure period, the term of office and the annual
13 compensation;

14 (4) The name of each creditor to whom the value of \$3,000
15 or more was owed during the disclosure period and the
16 original amount and amount outstanding; provided that
17 debts arising out of retail installment transactions
18 for the purchase of consumer goods need not be
19 disclosed;

20 (5) The street address and, if available, the tax map key
21 number, and the value of any real property in which
22 the person holds an interest whose value is \$10,000 or



1 more, and, if the interest was transferred or obtained
2 during the disclosure period, a statement of the
3 amount and nature of the consideration received or
4 paid in exchange for such interest, and the name of
5 the person furnishing or receiving the consideration;
6 provided that disclosure shall not be required of the
7 street address and tax map key number of the person's
8 residence;

9 (6) The names of clients personally represented before
10 state agencies, except in ministerial matters, for a
11 fee or compensation during the disclosure period and
12 the names of the state agencies involved; and

13 (7) The amount and identity of every creditor interest in
14 an insolvent business held during the disclosure
15 period having a value of \$5,000 or more."

16 SECTION 3. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 4. This Act shall take effect upon its approval.



Report Title:

Financial Disclosures; Public Records

Description:

Requires the financial disclosure statements of members of certain boards, commissions, and agencies to be made available for public inspection and duplication. Limits information on the source of income of the spouse and dependent children of those whose financial disclosures are public to the name of the income source. (CD1)

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