



EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

June 21, 2019

**GOV. MSG. NO. 1211**

The Honorable Ronald D. Kouchi,  
President  
and Members of the Senate  
Thirtieth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,  
Speaker and Members of the  
House of Representatives  
Thirtieth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 21, 2019, the following bill was signed into law:

SB144 SD2 HD1

RELATING TO LOBBYISTS  
**ACT 109 (19)**

Sincerely,

DAVID Y. IGE  
Governor, State of Hawai'i

# A BILL FOR AN ACT

RELATING TO LOBBYISTS.

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

1           SECTION 1. The legislature finds that the existing mens  
2   rea requirement established under section 97-7, Hawaii Revised  
3   Statutes, to prove a violation of the lobbyist law is no longer  
4   appropriate, since the failure to file a statement or report  
5   with the state ethics commission is no longer a criminal  
6   offense. Accordingly, the purpose of this Act is to:

7           (1) Repeal the restriction on access to transcripts from  
8           public contested hearings;

9           (2) Repeal the requirement of proof that a violation of  
10          the lobbyist law was committed wilfully and replace it  
11          with a requirement of proof that the violation was  
12          committed negligently; and

13          (3) Authorize the state ethics commission to assess an  
14          administrative fine pursuant to a settlement  
15          agreement.

16          SECTION 2. Section 97-6, Hawaii Revised Statutes, is  
17   amended by amending subsection (c) to read as follows:



1           "(c) If after twenty days following service of the charge  
2 and further statement of alleged violation in accordance with  
3 this section, a majority of the members of the commission  
4 conclude that there is probable cause to believe that a  
5 violation of this chapter has been committed, then the  
6 commission shall set a time and place for a hearing, giving  
7 notice to the complainant and the alleged violator in the same  
8 manner as provided in subsection (b). Upon the commission's  
9 issuance of a notice of hearing, the charge and further  
10 statement of alleged violation and the alleged violator's  
11 written response thereto shall become public records. The  
12 hearing shall be held within ninety days of the commission's  
13 issuance of a notice of hearing. If the hearing is not held  
14 within that ninety-day period, the charge and further statement  
15 of alleged violation shall be dismissed; provided that any delay  
16 that is at the request of, or caused by, the alleged violator  
17 shall not be counted against the ninety-day period.

18           All parties shall have an opportunity to:

- 19           (1) Be heard;
- 20           (2) Subpoena witnesses and require the production of any
- 21           books or papers relative to the proceedings;



1 (3) Be represented by counsel; and

2 (4) Have the right of cross-examination.

3 All hearings shall be in accordance with chapter 91. All  
4 witnesses shall testify under oath and the hearings shall be  
5 open to the public. The commission shall not be bound by the  
6 strict rules of evidence but the commission's findings shall be  
7 based on competent and substantial evidence.

8 All testimony and other evidence taken at the hearing shall  
9 be recorded. [~~Copies of transcripts of the record shall be~~  
10 ~~available only to the complainant and the alleged violator at~~  
11 ~~their own expense.~~] All fees collected under this chapter shall  
12 be deposited into the general fund."

13 SECTION 3. Section 97-7, Hawaii Revised Statutes, is  
14 amended to read as follows:

15 "§97-7 Penalties; administrative fines. (a) Any person  
16 who:

17 (1) [~~Wilfully~~] Negligently fails to file any statement or  
18 report required by this chapter;

19 (2) [~~Wilfully~~] Negligently files a statement or report  
20 containing false information or material omission of  
21 any fact;



1 (3) Engages in activities prohibited by section 97-5; or  
2 (4) Fails to provide information required by section 97-2  
3 or 97-3;  
4 shall be subject to an administrative fine imposed by the state  
5 ethics commission that shall not exceed \$1,000 for each  
6 violation of this chapter. All fines collected under this  
7 section shall be deposited into the general fund.

8 (b) No fine shall be assessed unless[+] the state ethics  
9 commission:

10 (1) [~~The commission convenes~~] Convenes a hearing in  
11 accordance with section 97-6(c) and chapter 91[+] and  
12 renders a decision; or  
13 (2) [~~A decision has been rendered by the commission.~~]  
14 Together with the alleged violator, agrees to resolve  
15 any alleged violation before the completion of the  
16 contested case process; provided that the resolution  
17 includes payment of an administrative fine or  
18 restitution, or both."

19 SECTION 4. This Act does not affect rights and duties that  
20 matured, penalties that were incurred, and proceedings that were  
21 begun before its effective date.



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

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

APPROVED this 21 day of JUN, 2019



GOVERNOR OF THE STATE OF HAWAII

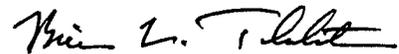
THE HOUSE OF REPRESENTATIVES OF THE  
STATE OF HAWAII

Date: April 5, 2019  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Third Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019.



Scott K. Saiki  
Speaker  
House of Representatives

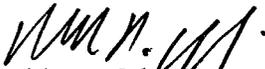


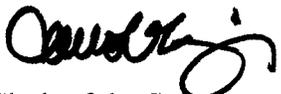
Brian L. Takeshita  
Chief Clerk  
House of Representatives

**THE SENATE OF THE STATE OF HAWAI‘I**

Date: April 18, 2019  
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirtieth Legislature of the State of Hawai‘i, Regular Session of 2019.

  
President of the Senate

  
Clerk of the Senate