A BILL FOR AN ACT
RELATING TO THE STATE ETHICS CODE.

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

SECTION 1. Section 84-2, Hawaii Revised Statutes, is amended to read as follows:

"§84-2 Applicability. This chapter shall apply to every nominated, appointed, or elected officer, employee, and candidate to elected office of the State and for election to the constitutional convention, but excluding justices and judges except as otherwise provided; provided that in the case of elected delegates and employees of the constitutional convention, this chapter shall apply only to the enforcement and administration of the code of ethics adopted by the constitutional convention."

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

"§84-14 Conflicts of interests. (a) No legislator, employee, justice, or judge shall take any official action directly affecting:
(1) A business or other undertaking in which the employee has a substantial financial interest; or

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

A department head who is unable to disqualify the department head's self on any matter described in paragraphs (1) and (2) will not be in violation of this subsection if the department head has complied with the disclosure requirements of section 84-17.

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

(b) No legislator, employee, justice, or judge shall acquire financial interests in any business or other undertaking which the employee has reason to believe may be directly involved in official action to be taken by the employee.
(c) No legislator [or] employee, justice, or judge shall assist any person or business or act in a representative capacity before any state or county agency for a contingent compensation in any transaction involving the State.  
(d) No legislator or employee shall assist any person or business or act in a representative capacity for a fee or other compensation to secure passage of a bill or to obtain a contract, claim, or other transaction or proposal in which the legislator or employee has participated or will participate as a legislator or employee, nor shall the legislator or employee assist any person or business or act in a representative capacity for a fee or other compensation on such bill, contract, claim, or other transaction or proposal before the legislature or agency of which the legislator or employee is an employee or legislator.  
(e) No employee shall assist any person or business or act in a representative capacity before a state or county agency for a fee or other consideration on any bill, contract, claim, or other transaction or proposal involving official action by the agency if the employee has official authority over that state or county agency unless the employee has complied with the disclosure requirements of section 84-17.
(f) Nothing in this section shall be construed to prevent a person from:

(1) Serving on a task force; or

(2) Making statements or taking official action as a task force member or a task force member's designee or representative;

provided that every task force member or designee or representative of a task force member shall publicly disclose the nature and extent of any interest or transaction that the task force member or task force member's designee or representative believes may be affected by the task force member's official action. The state ethics commission shall adopt rules pursuant to chapter 91 to effectuate the purposes of this subsection.

(g) Nothing in this section shall be construed to prohibit a legislator from introducing bills and resolutions, from serving on a committee, or from making statements or taking action in the exercise of the legislator's legislative functions."
SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on January 1, 2050.
Report Title:
State Ethics Code; Conflicts of Interests

Description:
Amends the certain parts of the conflicts of interests provision of the state ethics code to include members of the legislature and justices and judges of all state courts. Effective 1/1/2050. (HD1)

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