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# A BILL FOR AN ACT

RELATING TO FRAUD.

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

1           SECTION 1. The legislature finds that the house of  
2 representatives adopted House Resolution No. 9, Regular Session  
3 of 2022, to establish the commission to improve standards of  
4 conduct. The resolution requests that the commission ensure  
5 state laws and rules relating to standards of conduct of public  
6 officers and employees contain clear standards, enforcement, and  
7 penalties and provide recommendations to increase awareness of,  
8 compliance with, and deterrent effects of the code of ethics,  
9 lobbying laws, campaign finance laws, and other relevant laws  
10 and rules.

11           Pursuant to House Resolution No. 9, the commission to  
12 improve standards of conduct convened regularly throughout 2022  
13 to diligently review, discuss, and consider the issues  
14 presented; submit an interim report to the house of  
15 representatives outlining areas of immediate and long-term  
16 focus; receive input from the public and invited individuals and



1 agencies; and issue a final report with various recommendations  
2 and accompanying proposed legislation.

3       The legislature also finds that the strength and stability  
4 of our democratic government rely upon the public's trust in  
5 government institutions, including the expectation that officers  
6 act ethically with prudence, integrity, and sound judgement.  
7 Therefore, an essential goal of the commission was to provide  
8 recommendations that would help restore public trust in state  
9 government and increase the level of transparency in its  
10 operations and accountability of individuals.

11       Accordingly, the purpose of this Act is to implement  
12 recommendations of the commission to improve standards of  
13 conduct relating to combatting fraud by establishing a general  
14 fraud statute that is intended to cover schemes or artifices to  
15 defraud or to obtain money or property by means of false or  
16 fraudulent pretenses, representations, or promises. This Act  
17 also disqualifies a person convicted of fraud from holding  
18 elected office for a period of ten years.

19       SECTION 2. Chapter 708, Hawaii Revised Statutes, is  
20 amended by adding a new section to part IV to be appropriately  
21 designated and to read as follows:



1        "§708- Fraud. (1) A person commits the offense of  
2 fraud if, with the intent to defraud, the person executes or  
3 attempts to execute any scheme or artifice to defraud or to  
4 obtain money or property by means of false or fraudulent  
5 pretenses, representations, or promises.

6        (2) For the purposes of this section, "scheme or artifice  
7 to defraud" includes a scheme or artifice to deprive another of  
8 the intangible right of honest services.

9        (3) Fraud is a class B felony. A person who is convicted  
10 under this section shall be disqualified from holding elected  
11 office for ten years."

12        SECTION 3. This Act does not affect rights and duties that  
13 matured, penalties that were incurred, and proceedings that were  
14 begun before its effective date.

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

17        SECTION 5. This Act shall take effect on March 22, 2075.



**Report Title:**

Commission to Improve Standards of Conduct; Fraud;  
Disqualification; Conviction

**Description:**

Establishes the offense of fraud as a class B felony.  
Disqualifies a person charged with fraud from holding elected  
office for ten years. Takes effect 3/22/2075. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

