



HAWAI‘I STATE ETHICS COMMISSION

State of Hawai‘i · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawai‘i 96813#

Committee: Committee on Judiciary
Committee on Ways and Means

Bill Number: S.B. 912, S.D. 1

Hearing Date/Time: February 23, 2021, 10:30 a.m.

Re: Testimony of the Hawai‘i State Ethics Commission
SUPPORTING THE INTENT of S.B. 912, S.D. 1,
Relating to the Employees’ Retirement System

Dear Chair Rhoads, Vice Chair Keohokalole, and Members of the Committee on Judiciary, and Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee on Ways and Means:

The Hawai‘i State Ethics Commission (“Commission”) supports the intent of S.B. 912, S.D. 1, which seeks to impose additional penalties – forfeiture of retirement benefits – for government officials who commit employment-related felonies.

The Commission supports additional penalties for extreme abuses of power. This measure will provide an additional deterrent to those few state employees who may seek to use their official positions, and the power of their offices, to commit employment-related felonies. The Commission agrees that such a severe consequence – forfeiture of retirement benefits – should come only after conviction of criminal activity.

Thank you for your continuing support of the Commission’s work and for considering the Commission’s testimony on S.B. 912, S.D. 1.

Very truly yours,

Daniel M. Gluck
Executive Director and General Counsel

Statement Before The
SENATE COMMITTEE ON JUDICIARY
and
SENATE COMMITTEE ON WAYS AND MEANS
Tuesday, February 23, 2021
10:30 AM
Conference Room 211 & Videoconference

in consideration of
SB 912, SD1
RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM.

Chairs RHOADS and DELA CRUZ, Vice Chairs KEOHOKALOLE and KEITH-AGARAN, and Members of the Senate Judiciary and Ways and Means Committees

Common Cause Hawaii supports SB 912, SD1, which (1) authorizes a court to order the forfeiture of one-half of the Employees' Retirement System (ERS) benefits of an ERS member, former member, or retirant upon conviction of the individual for a felony related to the State or county employment of the individual, (2) authorizes designated beneficiaries to receive the ERS benefits to which the member, former member or retirant would be entitled under this section upon the death of the member, former member, or retirant, and (3) prohibits designated beneficiaries convicted of a felony under the same set of circumstances as the member, former member, or retirant who was subject to forfeiture of ERS benefits from receiving benefits.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening democracy. Common Cause Hawaii works to restore faith in our government and our democracy that has been shattered in the last few years through ethics, accountability, and transparency reforms. These reforms are probably the most important tools to restoring the people's trust in their elected leaders and government – to show people that their government is acting for the people's interest versus serving their own interests.

In a Honolulu Star-Advertiser poll published on Sept. 22, 2019, a majority of local residents felt that Hawaii's elected officials do not care what they think and generally do not have high ethical standards. This must change for people to have confidence in our government. See <https://www.staradvertiser.com/2019/09/22/hawaii-news/most-hawaii-residents-say-state-elected-officials-dont-care-about-them/>. Further, Oahu residents stated accountability was “essential or very important for the city to address in the next two years” in a 2019 Service Efforts & Accomplishments Report by the Office of the City Auditor. See http://www.honolulu.gov/rep/site/oca/oca_docs/a-FY2019_SEA_Report_Final_030620_for_website.pdf at page 6 (emphasis in original).

SB 912, SD1 will show that government takes ethics seriously. Public employees are also public servants. They cannot defraud the public and destroy our confidence in government and still reap the benefits of their criminal misconduct. If this were to occur, then the people and democracy will suffer.

SB 912, SD1 is **not** about punishment or retribution. It is about ethics and restoring the public's trust in government. SB 912, SD1 is not about revenge, because families of the convicted governmental employees who

rely on the pensions are protected under the bill. SB 912, SD1 provides that, upon the convicted governmental employees' passing, their pensions may be awarded to the designated beneficiaries. Due process is afforded, and pension is only forfeited pursuant to court order, under SB 912, SD1.

In these dire economic times for our state, Hawaii cannot afford (both literally and figuratively) the pensions of individuals who have defrauded this state and betrayed the public trust.

Much concern is given to what the convicted government employee (and the employee's family) may lose if the pension were to be lost. We also need to consider that much is lost by the public - the people - when a government employee abuses his/her/their position of power, trust, and authority. As we have seen, democracy is fragile; people need to have confidence in our government. Please act to restore that trust through ethics reform.

Thank you for the opportunity to testify in support of SB 912, SD1, and Common Cause Hawaii respectfully urges the Committee members to pass SB 912, SD1 out of your Committee. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii

SB-912-SD-1

Submitted on: 2/19/2021 6:53:59 PM

Testimony for JDC on 2/23/2021 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lynn Murakami-Akatsuka	Individual	Support	No

Comments:

State and county employees who are convicted of employment related felonies should not be allowed to collect their ERS benefits. The passage of SB 912, SD 1 is about ethics and restoring the public's trust in government.

Thank you for the opportunity to testify in strong support of SB 912, SD 1.

SB-912-SD-1

Submitted on: 2/20/2021 5:50:48 PM

Testimony for JDC on 2/23/2021 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Best	Individual	Support	No

Comments:

This would help the public have faith in the ethics of government plus it would save money for the state.

SB-912-SD-1

Submitted on: 2/20/2021 8:21:30 PM

Testimony for JDC on 2/23/2021 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Rhoads, Vice Chair Keohokalole, and Committee on Judiciary,

Please support SB912 SD1.

- In a Honolulu Star-Advertiser poll published on Sept. 22, 2019, a majority of local residents felt that Hawaii’s elected officials do not care what they think and generally do not have high ethical standards. This must change for people to have confidence in our government. See <https://www.staradvertiser.com/2019/09/22/hawaii-news/most-hawaii-residents-say-state-elected-officials-dont-care-about-them/>. Further, Oahu residents stated accountability was “essential or very important for the city to address in the next two years” in a 2019 Service Efforts & Accomplishments Report by the Office of the City Auditor. See http://www.honolulu.gov/rep/site/oca/oca_docs/a-FY2019_SEA_Report_Final_030620_for_website.pdf at page 6 (emphasis in original).
- SB 912, SD1 will show that government takes ethics seriously. Public employees are also public servants. They cannot defraud the public and destroy our confidence in government and still reap the benefits of their criminal misconduct. If this were to occur, then the people and democracy will suffer.
- SB 912, SD1 is **not** about punishment or retribution. It is about ethics and restoring the public’s trust in government. SB 912, SD1 is not about revenge, because families of the convicted governmental employees who rely on the pensions are protected under the bill. SB 912, SD1 provides that, upon the convicted governmental employees’ passing, their pensions may be awarded to the designated beneficiaries. Due process is afforded, and pension is only forfeited pursuant to court order, under SB 912, SD1.

I would not be fair to reward a public servant with retirement benefits when they are successfully prosecuted while serving the public. The retirement benefitis are paid with

tax payer dollars. SB912 SD1 ensures that convicted public servants are held accountable to their actions.

Thank you for your time reviewing this issue. I appreciate the opportunity to provide testimony in support of this issue.

Mahalo,

Caroline Kunitake

SB-912-SD-1

Submitted on: 2/21/2021 6:48:26 AM

Testimony for JDC on 2/23/2021 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
David Anderson	Individual	Support	No

Comments:

A 2019 polls has shown that a majority of local residents felt that Hawaii's elected officials do not care what they think and generally do not have high ethical standards. This must change for people to have confidence in our government. Further, Oahu residents stated accountability was "essential or very important for the city to address in the next two years" in a 2019 Service Efforts & Accomplishments Report by the Office of the City Auditor.

SB 912, SD1 will show that government takes ethics seriously. Public employees are also public servants. They cannot defraud the public and destroy our confidence in government and still reap the benefits of their criminal misconduct. If this were to occur, then the people and democracy will suffer.

SB 912, SD1 is about ethics and restoring the public's trust in government. SB 912, SD1 is not about punishment, retribution or revenge, because families of the convicted governmental employees who rely on the pensions are protected under the bill. SB 912, SD1 provides that, upon the convicted governmental employees' passing, their pensions may be awarded to the designated beneficiaries. Due process is afforded, and pension is only forfeited pursuant to court order, under SB 912, SD1.

In these dire economic times for our state, Hawaii cannot afford (both literally and figuratively) the pensions of individuals who have defrauded this state and betrayed the public trust.

We need to consider that much is lost by the public - the people - when a government employee abuses his/her/their position of power, trust, and authority. As we have seen, democracy is fragile; people need to have confidence in our government. Please act to restore that trust through ethics reform.

Thank you for the opportunity to submit testimony on this bill which I support.

SB-912-SD-1

Submitted on: 2/21/2021 3:41:49 PM

Testimony for JDC on 2/23/2021 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Golojuch Jr	Individual	Support	No

Comments:

Aloha Senators,

I support SB 912.

Mahalo,

Michael Golojuch, Jr.

SB-912-SD-1

Submitted on: 2/22/2021 9:19:41 AM

Testimony for JDC on 2/23/2021 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Edward B Hanel Jr	Individual	Support	No

Comments:

Concur with Common Cause Hawaii comments. This is a bill that will highlight the need to hold elected officials accountable for their mis-behavior. At the same time, the bill affords some protection for innocent family members. Ethical standards and accountability for mis-behavior are important messages to all who hold office. Support passage.

LATE

SB-912-SD-1

Submitted on: 2/22/2021 4:27:01 PM

Testimony for JDC on 2/23/2021 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
jessica hernandez	Individual	Support	No

Comments:

I support this bill as it is a step forward in ensuring that public employees who use their position for corrupted purposes cannot benefit from it later.