

ORIGINAL

EXECUTIVE CHAMBERS

HONOLULU

April 27, 1999

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1431

Honorable Members  
Twentieth Legislature  
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1431, entitled "A Bill for an Act Relating to Public Financial Disclosure Statements."

The purpose of House Bill No. 1431 is to require public financial disclosures, without dollar amounts, from members of the University of Hawaii Board of Regents, the Board of Land and Natural Resources, the Board of Agriculture, and the Hawaiian Homes Commission.

The University's Board of Regents has adopted a rather stringent conflict of interest policy that requires the regents to declare any possible conflict and to recuse themselves from matters that might have even an appearance of conflict. Since the Legislature has given the University autonomy over its own affairs, I believe that the regents should be allowed to administer their own conflict of interest policy without further legislatively imposed requirements.

Moreover, service on all of these boards is voluntary and uncompensated. Public disclosure of private financial interests of the uncompensated members appears to be unnecessarily burdensome, especially when there has been no problem with the existing requirements, and may have a chilling effect on my ability to convince the most appropriate and qualified individuals to serve on these boards.

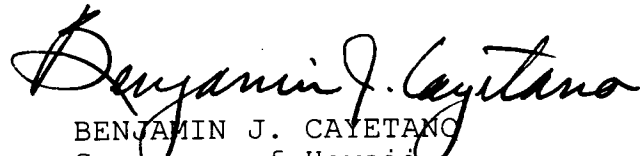
On the other hand, if public financial disclosures are considered to be necessary notwithstanding the seemingly unnecessary burden and the probable chilling effect, there appears to be no rational basis for requiring the members of only

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these four boards out of the 160 state boards and commissions to file public financial disclosures. The members of other executive and regulatory boards and commissions should likewise be required to file public financial disclosures.

For the foregoing reasons, I am returning House Bill No. 1431 without my approval.

Respectfully,

  
BENJAMIN J. CAYETANO  
Governor of Hawaii