SENATE CONCURRENT RESOLUTION

REQUESTING THE STATE ETHICS COMMISSION TO REVIEW POSSIBLE ETHICS VIOLATIONS COMMITTED BY THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM.

WHEREAS, in 2005, the Department of Business, Economic Development, and Tourism (DBEDT) pursued trade missions to the People's Republic of China and the Republic of Korea to encourage economic and tourism-related partnerships with these two countries; these missions were therefore considered to be state-related business; and

WHEREAS, to support this mission, the sum of \$268,637 was raised by DBEDT from private sector sponsors; and

WHEREAS, it has been revealed that this money paid for a variety of costs for the mission, including travel expenses and honorariums to local entertainers who accompanied the China and South Korea delegation; and

WHEREAS, in carrying out these trade missions, an issue of concern arises as to whether it is permissible under ethics law to solicit private funding to finance activities that are essentially a government function; and

WHEREAS, moreover, the method of soliciting private funds, including the possibility of promising special benefits in exchange for large contributions, can be troubling; and

WHEREAS, it is critical that no ethical bounds are crossed in government solicitations of private sponsorships of official government trade missions, and measures need to be taken to ensure that government solicitations are public and aboveboard and that government decisions are not influenced by private contributions to support these missions; and

WHEREAS, the private sponsorship of official government trade missions can raise additional ethical concerns; for example, in the event that private funds received from the sponsors and participants of the trade mission are used to pay for the trip of any state employee, prior approval from the State Ethics Commission may need to be obtained; and

WHEREAS, the State Ethics Commission has the responsibility to initiate, receive, and consider charges concerning alleged violations of the State Ethics Code; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006, the House of Representatives concurring, that the State Ethics Commission is requested pursuant to section 84-31(a)(7), Hawaii Revised Statutes (HRS), to review this matter for possible ethics code violations committed by DBEDT; and

BE IT FURTHER RESOLVED that pursuant to section 84-31(a)(7), HRS, the State Ethics Commission is requested to educate the Legislature and the citizenry regarding the ethical aspects of its review no later than September 1, 2006; and

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Executive Director of the State Ethics Commission and Director of Business, Economic Development, and Tourism.

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