



**HAWAII
STATE
ETHICS
COMMISSION**

State of Hawaii • Bishop Square, 1001 Bishop Street, ASB Tower 970 • Honolulu, Hawaii 96813

February 6, 2009

The Honorable James Kunane Tokioka, Chair
The Honorable Blake K. Oshiro, Vice Chair
House Committee on Legislative Management
Hawaii State Capitol, Room 439
415 South Beretania Street
Honolulu, Hawaii 96813

Re: **Testimony on H.B. No. 196, Relating to Standards of Conduct**

Hearing: Friday, February 6, 2009, 2:00 p.m.
State Capitol, Conference Room 423

Testifying: Daniel J. Mollway, Executive Director and General Counsel
Hawaii State Ethics Commission

The Honorable James Kunane Tokioka, Chair; The Honorable Blake K. Oshiro, Vice Chair; and Honorable Members of the House Committee on Legislative Management:

Thank you for this opportunity to testify today on H.B. No. 196, Relating to Standards of Conduct. The purpose of this bill is to lower the threshold for disclosing gifts received by state officials and employees from \$200 to \$100.

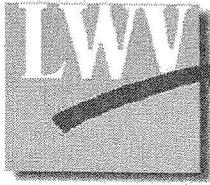
The Hawaii State Ethics Commission strongly supports this bill.

First, we believe that any state official or employee who receives in excess of \$100 in gifts from a single source in a one-year period should be required to disclose this information. Most state employees do not receive gifts at all, and those who exceed \$100 in gifts should be required to disclose the gift or gifts in the interest of transparency and public confidence in state government.

Second, we believe that a \$200 threshold is simply too high to allow gifts to go undisclosed, and the Hawaii State Ethics Commission has held this view for many years, and has so testified often in the past.

For the reasons set forth above, the Hawaii State Ethics Commission strongly supports this bill and urges its advancement. We appreciate the opportunity to testify on this bill, and I will be happy to address any questions that members of this Committee may have.

DJM/af



THE LEAGUE OF WOMEN VOTERS OF HAWAII

TESTIMONY ON HB 196 RELATING TO STANDARDS OF CONDUCT

Committee on Legislative Management
Friday, February 6, 2009
2:00 p.m.
Conference Room 423

Testifier: JoAnn Maruoka, Legislative Team Member, LWV-HI

Chair Tokioka, Vice Chair Oshiro, and members,

The League of Women Voters of Hawaii supports HB 196 to reduce the required level for gift reporting by a legislator or government employee, or the spouse or dependent child of a legislator or government employee from \$200 to \$100. This lower amount is a reasonable threshold that is not burdensome, especially in view of the associated condition that the source of the gift(s) has interests that may be affected by official action or lack of action by the legislator or employee.

As a point of reference, Department of Defense (DoD) rules concerning gifts from outside sources generally prohibit DoD employees from accepting gifts from a prohibited source or a gift that is offered because of the recipient's official position. A prohibited source is *someone who does business with the employee's agency, seeks to do business with the agency, conducts activities regulated by the agency; or is an organization, a majority of whose members are prohibited sources.* An exception for a "prohibited source gift" is one with **"a market value of \$20 or less; less than \$50 in a calendar year from any one source."** Even if an exception applies, the rules specify that "If the intent behind a gift is to buy influence, it is a bribe, and no exception applies."

Tightening the reporting rule should also increase accountability. And in these times of greatly eroded public trust, it may help to enhance confidence in the integrity of public servants.

We urge you to pass HB 196. Thank you for this opportunity to testify.