## A BILL FOR AN ACT

RELATING TO CONFLICTS OF INTERESTS.

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

1	SECTION 1. Section 84-14, Hawaii Revised Statutes, is	
2	amended b	y amending subsection (a) to read as follows:
3	"(a)	No employee shall take any official action directly
4	affecting:	
5	(1)	A business or other undertaking in which [he] the
6		employee has a substantial financial interest; [or]
7	(2)	A private undertaking in which [he] the employee is
8		engaged as legal counsel, advisor, consultant,
9		representative, or other agency capacity[-]; or
10	(3)	A business in which the employee knows or has reason
11		to know that an emancipated child of the employee has
12		a twenty-five per cent ownership interest in the
13		business or serves as a member of the board of
14		directors of the business or is an officer of the
15		business.
16	A de	partment head who is unable to disqualify [himself] the
17	department head's self on any matter described in [items]	
18		(1) [and], (2), or (3) [above] will not be in
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- 1 violation of this subsection if [he] the department head has
- complied with the disclosure requirements of section 84-17[+ 2
- 3 and].
- A person whose position on a board, commission, or 4
- committee is mandated by statute, resolution, or executive order 5
- to have particular qualifications shall only be prohibited from 6
- 7 taking official action that directly and specifically affects a
- 8 business or undertaking in which [he] the person has a
- 9 substantial financial interest; provided that the substantial
- 10 financial interest is related to the member's particular
- 11 qualifications."
- 12 SECTION 2. Statutory material to be repealed is bracketed
- 13 and stricken. New statutory material is underscored.
- 14 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: Callady, Ass.

By Request

JAN 2 6 2009

### Report Title:

State Ethics Commission; Conflicts of Interests

### Description:

Expands conflicts of interests section of the state ethics code to include situations involving emancipated children.

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