



# HAWAII STATE ETHICS COMMISSION

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

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April 2, 2013

The Honorable Clayton Hee, Chair  
The Honorable Maile S. L. Shimabukuro, Vice Chair  
Honorable Members  
Senate Committee on Judiciary and Labor  
Hawaii State Capitol, Room 407  
415 South Beretania Street  
Honolulu, Hawaii 96813

Re: **Testimony on HB No. 1132, H.D. 1, Relating to Public Disclosure of Financial Interests Statements**

Hearing: Tuesday, April 2, 2013, 9:30 a.m.  
State Capitol, Conference Room 016

Testimony From: Hawaii State Ethics Commission

The Honorable Clayton Hee, Chair; The Honorable Maile S. L. Shimabukuro, Vice Chair; and Honorable Members of the Senate Committee on Judiciary and Labor:

The State Ethics Commission supports HB No. 1132, H.D. 1, Relating to Public Disclosure of Financial Interests Statements. This bill changes the deadline for a legislator to file his or her annual financial disclosure statement, under Haw. Rev. Stat. section 84-17(b), from May 1 to January 31.

Under the State Ethics Code, chapter 84, Haw. Rev. Stat., legislators are presently required to file annual public financial disclosure statements by May 31 of each year, which is after the end of the regular legislative session. By moving the filing requirement to January 31, legislators' financial disclosure statements would be made available to the public relatively early in the legislative session. This earlier disclosure will enable the public to assess a legislator's actions or positions against the legislator's publicly disclosed financial interests.

The State Ethics Commission notes that legislators are not subject to HRS section 84-14(a). This conflicts of interests provision prohibits an employee (but not a legislator) from taking official action directly affecting a business in which the employee has a financial interest. HB No. 1132, HD 1's proposed amendment of HRS section 84-17(b) does not expand or change the scope of the conflicts of interests provision, HRS section 84-14(a), to apply to legislators. Nonetheless, the State Ethics Commission believes

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that HB No. 1132, HD 1, by requiring an earlier financial disclosure statement filing requirement for legislators, would improve openness, transparency and public confidence in state government.

For the reasons set forth above, the Hawaii State Ethics Commission supports this bill. Thank you for considering our testimony.



Senate Committee on Judiciary and Labor  
Chair Clayton Hee, Vice Chair Maile Shimabukuro

Tuesday 04/02/13 at 09:30AM in Room 016  
HB1132 HD1– Relating to public disclosure of financial interests statements

TESTIMONY

Carmille Lim, Executive Director, Common Cause Hawaii

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Dear Chair Hee, Vice Chair Shimabukuro, and members of the Senate Committee on Judiciary and Labor:

**Common Cause Hawaii strongly supports HB1132 HD1.** This bill would require legislators to file their disclosure of financial interest by January 31 of each year. This bill also clarifies that employees\* would be required to file their disclosure of financial interest by May 31 of each year.

We believe that moneyed interest must be made transparent to the public early in the legislative session. By requiring legislators to file their disclosures of financial interest at the beginning of legislative session, as opposed to its current filing deadline of May 31, after session is over, we help the public know who is financially supporting our elected officials – and by extension, the policy decisions being made.

**Thank you for the opportunity to testify in strong support of HB1132 HD1.**

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*\*Employees as defined in §84-3: "Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices and judges.*