

February 19, 2013

The Honorable Karl Rhoads, Chair The Honorable Sharon E. Har, Vice Chair House Committee on Judiciary Hawaii State Capitol, Room 302 415 South Beretania Street Honolulu, Hawaii 96813

#### Re: <u>Testimony on HB No. 1132, Relating to Public Disclosure of</u> <u>Financial Interests Statements</u>

Hearing: February 19, 2013, 3:00 p.m. State Capitol, Conference Room 325

Testimony From: Hawaii State Ethics Commission

The Honorable Karl Rhoads, Chair; The Honorable Sharon E. Har, Vice Chair; and Honorable Members of the House Committee on Judiciary:

The State Ethics Commission supports HB No. 1132, 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 <u>are not subject</u> to HRS section 84-14(a). This conflicts of interests provision prohibits an <u>employee</u> (but not a legislator) from taking official action directly affecting a business in which the employee has a financial interest. HB No. 1132'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

The Honorable Karl Rhoads, Chair The Honorable Sharon E. Har, Vice Chair February 19, 2013 Page 2

that HB No. 1132, 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.

# <u>HB1132</u>

Submitted on: 2/18/2013 Testimony for JUD on Feb 19, 2013 15:00PM in Conference Room 325

S	Submitted By	Organization	Testifier Position	Present at Hearing
	Henry Curtis	Life of the Land	Support	Yes

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

#### HB1132 Submitted on: 2/17/2013 Testimony for JUD on Feb 19, 2013 15:00PM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Barbara B. Polk	Individual	Support	No

Comments: I urge your support for HB 1132. At present, legislators do not have to file financial disclosure forms until after the legislative session is over, obviating the major purpose of the law. Legislators' financial information allows the public, as well as other legislators, to monitor for potential conflicts of interest, and helps to promote the integrity of and public confidence in the political system.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

# <u>HB1132</u>

Submitted on: 2/16/2013 Testimony for JUD on Feb 19, 2013 15:00PM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Janet Mason		Support	Yes

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

## <u>HB1132</u>

Submitted on: 2/15/2013 Testimony for JUD on Feb 19, 2013 15:00PM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Troy Abraham	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

#### HB1132 Submitted on: 2/18/2013 Testimony for JUD on Feb 19, 2013 15:00PM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Wynnie Hee	Individual	Support	No

Comments: Moving up the deadline for legislators' financial disclosure to the beginning of the legislative session, Jan. 31, is obviously a very good move, rather than us finding out after the session.

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### Testimony in support of HB 1132.



House Judiciary Committee Tuesday, February 19, 2013 3 p.m.

My name is Ian Lind, and I am testifying in support of HB 1132 as an individual.

This bill would require financial disclosures of members of the Legislature to be filed annually before the end of January. This is a much needed reform.

Presently, the public is not alerted to potential conflicts of interest that might arise during the annual legislative session because disclosures are not due until well after the session ends.

Moving the due date forward, as proposed by this measure, would be a big step forward in public accountability and transparency.

I would urge members of the committee to approve this measure.



Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Natalie Iwasa	Individual	Support	No

Comments: Please do not post my email address.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



Submitted on: 2/19/2013 Testimony for JUD on Feb 19, 2013 15:00PM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Greg Knudsen	Individual	Support	No

Comments: This bill would increase trust and confidence in our elected officials by giving the public timely information relating to possible conflicts of interest.

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Submitted on: 2/19/2013 Testimony for JUD on Feb 19, 2013 15:00PM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Larry Meacham	Individual	Support	No

Comments: February 19, 2013 Testimony to the House Judiciary Committee Supporting HB 1132. Thank you for the opportunity to offer testimony. As things stand now, the public only knows about legislators' financial interests on May 31, AFTER the legislative session is over and when the information is not really useful. This bill would change the disclosure date to January 31, so that the public would have some idea whether there is a potential conflict of interest. It would also encourage legislators to review their financial interests early to see if they might face and possibly avoid a conflict problem before the session has progressed too far. On a broader basis, this would also increase public confidence in the legislative process and government in general, at a time when both are at record lows. Therefore, I would strongly urge you to pass this bill. Thank you for the opportunity to offer testimony. Larry Meacham 306B Lehua St. Wahiawa, HI 96786 Tel. 621-8121

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