STAND. COM. REP. NO. 3492

Honolulu, Hawaii

APR 0 8 2016

RE: H.B. No. 1713

H.D. 2 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred H.B. No. 1713, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ETHICS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Exempt extracurricular service of employees from the State Ethics Code if certain conditions are met;
- (2) Define detached remuneration and extracurricular service; and
- (3) Require the review of any existing policy, procedure, or rule previously adopted by any department or other state agency for consistency and compliance with the exemption for extracurricular service of employees from the State Ethics Code.

Your Committee received testimony in support of this measure from the Department of Education. Your Committee received testimony in opposition to this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, and League of Women Voters of Hawaii.

Your Committee finds that in State Ethics Commission Advisory Opinion No. 2015-1, the Commission found ethical violations in the

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longstanding practice of public school teachers receiving free travel and other benefits from tour companies when chaperoning students on out-of-state educational trips. The Commission determined that the dual role as teacher and tour company representative places public school teachers in a conflict of interest under the State Ethics Code and also raises concerns under the gifts law and the fair treatment law. Some believe that this Advisory Opinion may have an unintended effect of depriving students of valuable learning opportunities outside of the classroom, by making it difficult for teachers to afford activities that are largely contingent upon their participation, and may be based on a subjective and overly broad application of the State Ethics Code. By specifying certain conduct that may be exempt from the State Ethics Code, this measure prevents important opportunities, such as educational trips, from being lost.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1713, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1713, H.D. 2, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Judiciary and Labor,

GILBERT S.C. KEITH-AGARAN, Chair

The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:* HB1713 HD2 SD1	Committee EDU,		Date: 4/1/16		
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)					
SHIMABUKURO, Maile S.L. (VC)					
GABBARD, Mike					
KAHELE, Kaiali'i				•	
KIM, Donna Mercado					
THIELEN, Laura H.					
SLOM, Sam					
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TOTAL		d		<u></u>	2
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Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re	Yellow eport Clerk's Office		Pink Orafting Agency		

*Only one measure per Record of Votes