H.B. NO. 1532

## A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

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

SECTION 1. Section 84-17, Hawaii Revised Statutes, is
 amended by amending subsection (d) to read as follows:

3 "(d) The financial disclosure statements of the following 4 persons shall be public records and available for inspection and 5 duplication:

- 6 (1) The governor, the lieutenant governor, the members of
  7 the legislature, candidates for and delegates to the
  8 constitutional convention, the trustees of the office
  9 of Hawaiian affairs, and candidates for state elective
  10 offices;
- 11 (2) The directors of the state departments and their 12 deputies, regardless of the titles by which the 13 foregoing persons are designated; provided that with 14 respect to the department of the attorney general, the 15 foregoing shall apply only to the attorney general and 16 the first deputy attorney general;
- 17 (3) The administrative director of the State;



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Page 2

# H.B. NO. 1532

1	(4)	The president, the vice presidents, the assistant vice
2		presidents, the chancellors, [members of the board of
3		regents,] and the provosts of the University of
4		Hawaii;
5	(5)	The members of the board of education and the
6		superintendent, the deputy superintendent, the state
7		librarian, and the deputy state librarian of the
8		department of education;
9	(6)	The administrative director and the deputy director of
10		the courts;
11	(7)	The administrator and the assistant administrator of
12		the office of Hawaiian affairs; and
13	(8)	The members of the following state boards,
14		commissions, and agencies:
15		(A) The board of directors of the agribusiness
16		development corporation established under section
17		163D-3;
18		(B) The board of agriculture established under
19		section 26-16;
20		(C) The state ethics commission established under
21		section 84-21;

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## H.B. NO. 1532

1	(D)	The Hawaii community development authority
2		established under section 206E-3;
3	(E)	The Hawaiian homes commission established under
4		the Hawaiian Homes Commission Act of 1920, as
5		amended, and section 26-17;
6	(F)	The board of directors of the Hawaii housing
7		finance and development corporation established
8		under section 201H-3;
9	(G)	The board of land and natural resources
10		established under section 171-4;
11	(H)	The state land use commission established under
12		section 205-1;
13	(I)	The legacy land conservation commission
14		established under section 173A-2.4;
15	(J)	The natural area reserves system commission
16		established under section 195-6;
17	(K)	The board of directors of the natural energy
18		laboratory of Hawaii authority established under
19		section 227D-2;

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## H.B. NO. 1532

1	(L)	The board of directors of the Hawaii public
2		housing authority established under section
3		356D-3;
4	(M)	The public utilities commission established under
5		section 269-2; and
6	(N)	The commission on water resource management
7		established under section 174C-7."
8	SECTION 2	. This Act does not affect rights and duties that
9	matured, penal	ties that were incurred, and proceedings that were
10	begun before i	ts effective date.
11	SECTION 3	. Statutory material to be repealed is bracketed
12	and stricken.	New statutory material is underscored.
13	SECTION 4	. This Act shall take effect upon its approval.
14		INTRODUCED BY. JAN 1 3 2016

## H.B. NO. 1532

### Report Title: UH; Board of Regents; Ethics Code; Financial Disclosures

#### Description:

Protects from public disclosure the financial disclosure statements of the UH Board of Regents that are filed with the State Ethics Commission.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



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HAWAII STATE ETHICS COMMISSION

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

HOUSE COMMITTEE ON HIGHER EDUCATION The Honorable Isaac W. Choy, Chair The Honorable Linda Ichiyama, Vice Chair

## H.B. No. 1532, Relating to the University of Hawaii

Hearing: Tuesday, February 2, 2016, 2:00 p.m.

The Hawaii State Ethics Commission **opposes** HB No. 1532, Relating to the University of Hawaii, which prohibits the public disclosure of financial disclosure statements filed by the University of Hawaii ("UH") Board of Regents.

In 2014, the state legislature amended the financial disclosure requirements to include members of the Board of Regents and certain other state boards and commissions (such as the state Land Use Commission, the Board of Land and Natural Resources, and the Public Utilities Commission) among those state officials whose financial disclosure statements are considered public records and are available through the Commission's website.<sup>1</sup> The purpose of the amendment was to increase transparency and foster public confidence in state government. The Commission believes that HB No. 1532 is directly contrary to these principles.

Members of the Board of Regents function as the governing board of Hawaii's only public institution of higher learning, and are vested with significant authority. Given the vital role that the university plays in our community, the Commission suggests that members of the Board of Regents should be held the same public disclosure requirements as other UH leaders, such as the president, vice-presidents, and chancellors.

Public disclosure promotes greater public accountability by making it easier to identify potential conflicts of interests. Due to the sheer number of filings, the number of state agencies and boards involved, as well as finite staff resources, the Commission does not have the capacity to monitor and track the substantive matters and decisions of every state board and commission in order to determine whether a particular action or decision may directly affect a board member's personal financial interest. Members of the public who are involved with and who may be impacted by the Board of Regents' decisions are more knowledgeable about the specific matters that come before the board and are, therefore, in better position to identify and raise concerns regarding potential conflicts of interests.

<sup>&</sup>lt;sup>1</sup> HRS section 84-17(d)(4).

House Committee on Higher Education H.B. No. 1532 Page 2

For these reasons, the State Ethics Commission strongly urges the Committee to reject HB No. 1532.

Thank you for considering the State Ethics Commission's testimony.



THE **VOICE** OF THE CONSTRUCTION INDUSTRY

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STREET 94-487 AKOKI STREET, WAIPAHU, HAWAII 96797

P 808.847.4666

F 808.440.1198

E INFO@BIAHAWAII.ORG

#### Testimony to the House Committee on Higher Education The Honorable Isaac Choy, Chair The Honorable Linda Ichiyama, Vice-Chair Members of the Committee Tuesday, February 2, 2016

#### **RE:** HB 1532: RELATING TO THE UNIVERSITY OF HAWAII.

Dear Chair Choy, Vice-Chair Ichiyama, and members of the Committee:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA Hawaii supports, H.B. 1532, which proposes to amend Chapter 87 HRS by removing the UH Board of Regents from the list of entities that must file their financial disclosure statements, which shall be public records and available for inspection and duplication, with the State Ethics Commission.

In 2014, the Legislature passed S.B. 2682 which amended Chapter 84-17 HRS, by requiring the following Boards and Commissions, and the Board of Regents, to have their individual financial disclosure statements open to the public:

- The board of directors of the agribusiness development corporation established under section 163D-3;
- 2. The board of agriculture established under section 26-16:
- 3. The state ethics commission established under section 84-21;
- 4. The Hawaii community development authority established under section 2063-3;
- 5. The Hawaiian homes commission established under the Hawaiian Homes Commission Act of 1920, as amended, and section 26-17;
- 6. The board of directors of the Hawaii housing finance and development corporation established under section 201H-3;
- 7. The board of land and natural resources established under section 171-4:
- 8. The state land use commission established under section 205-1:
- 9. The legacy land conservation commission established under section 173A-2.4;
- 10. The natural area reserves system commission established under section 195-6:
- 11. The board of directors of the natural energy laboratory of Hawaii authority established under section 227D-2;
- 12. The board of directors of the Hawaii public housing authority established under section 356D-3;
- 13. The public utilities commission established under section 269-2; and
- 14. The commission on water resource management established under section 174C-7.

Prior the passage of SB 2682 in 2014, all Board and Commission members were required to file their financial disclosures with the State Ethics Commission. However, these documents were not considered public record.

We understand that the change in the law caused many qualified Board and Commission members to resign. We also understand that this public disclosure requirement may discourage other qualified individuals from serving on State Boards and Commissions.

We support H.B. 1532 to remove the Board of Regents for having to make their financial disclosure public. We also believe that given what has happened since the law was passed in 2014, perhaps the legislature should reconsider the requirement to have individuals on these Boards and Commissions make their financial disclosure statement open to the public.

We appreciate the opportunity to express our support for H.B. 1532.



## Testimony to the House Committee on Higher Education Tuesday, February 2, 2016 at 2:00 P.M. Conference Room 309, State Capitol

## **RE: HOUSE BILL 1532 RELATING TO THE UNIVERSITY OF HAWAII**

Chair Choy, Vice Chair Ichiyama, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 1532, which proposes to amend Chapter 87 HRS by removing the UH Board of Regents from the list of entities that must file their financial disclosure statements, which shall be public records and available for inspection and duplication, with the State Ethics Commission.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

In 2014, the Legislature passed SB 2682 which amended Chapter 84-17 HRS, by requiring the following Boards and Commissions, and the Board of Regents, to have their individual financial disclosure statements open to the public:

- 1. The board of directors of the agribusiness development corporation established under section 163D-3;
- 2. The board of agriculture established under section 26-16:
- 3. The state ethics commission established under section 84-21;
- 4. The Hawaii community development authority established under section 2063-3;
- 5. The Hawaiian homes commission established under the Hawaiian Homes Commission Act of 1920, as amended, and section 26-17;
- 6. The board of directors of the Hawaii housing finance and development corporation established under section 201H-3;
- 7. The board of land and natural resources established under section 171-4:
- 8. The state land use commission established under section 205-1:
- 9. The legacy land conservation commission established under section 173A-2.4;
- 10. The natural area reserves system commission established under section 195-6:
- 11. The board of directors of the natural energy laboratory of Hawaii authority established under section 227D-2;
- 12. The board of directors of the Hawaii public housing authority established under section 356D-3;
- 13. The public utilities commission established under section 269-2; and
- 14. The commission on water resource management established under section 174C-7.



Prior the passage of SB 2682 in 2014, all Board and Commission members were required to file their financial disclosures with the State Ethics Commission. However, these documents were not considered public record.

We understand that the change in the law caused many qualified Board and Commission members to resign. We also understand that this public disclosure requirement may discourage other qualified individuals from serving on State Boards and Commissions.

We support HB 1532 to remove the Board of Regents for having to make their financial disclosure public. We also believe that given what has happened since the law was passed in 2014, perhaps the legislature should reconsider the requirement to have individuals on these Boards and Commissions make their financial disclosure statement open to the public.

We appreciate the opportunity to express our support for HB 1532.

Thank you for the opportunity to testify.

## Duane K. Kurisu



February 1, 2016

The Honorable Representative Isaac Choy Chairman, House Committee on Higher Education Hawaii State Legislature State Capitol Honolulu, Hawaii 96813

> RE: HB1532 Relating to Protection from Public Disclosure of Financial Disclosure Statements for University of Hawaii Board of Regents

Dear Representative Choy:

Please accept this letter of support for HB1532, which relates to the protection from public disclosure of financial disclosure statements of University of Hawaii Board of Regents filed with the State Ethics Commission.

At this time when there is a call for greater accountability and stronger leadership from our University of Hawaii, I believe that the most important thing that the Legislature and the people of Hawaii can do is encourage the best possible people who are currently actively engaged in business and the community to become members of the Board of Regents. Regeneration of pride and hope and a vision for our University to be the bellwether for higher education in the U.S. and Asia Pacific starts with leadership at the top and time is of the essence to bring this back in the forefront for our State.

I am aware of many highly qualified individuals who would not want to serve on the Board of Regents because of the mandate that their financial statements be disclosed to the public. It would be prohibitive and sometimes even damaging for those actively engaged in the community and who have many people that rely upon them for their livelihood, to have their financial condition disclosed to their stakeholders, to their employees, to their co-workers and to the public in general. We hope that your fellow members of the House Committee on Higher Education and other members of House of Representative have the will to stand up and pass this important piece of legislation.

We all love our University of Hawaii. Let's take this important step to help bring the respect and dignity that it deserves.

Very truly yours,

Duane K. Kurisu

DKK/mi

January 31, 2016

The Honorable Representative Isaac W. Choy Chair, House Committee on Higher Education Hawaii State Capitol 415 South Beretania Street Honolulu, HI 96813

Dear Representative Choy:

Re: HB1532-Public Disclosure of Financial Disclosure for UH BOR

Thank you for this opportunity to provide a brief comment on HB1532. As an Emeritus Regent who served on the Board of Regents from 2005 thru 2009, I felt compelled to provide my thoughts on this bill.

I would not have served on the Board of Regents if this requirement to provide financial disclosure statements to be made public and available for inspection and duplication had been in effect. I believe that retaining this requirement would further prevent highly qualified individuals from serving on the Board of Regents as we have seen in recent years.

If it is the intent the State of Hawaii in attract and retain highly qualified individuals who are willing to serve and provide time and talent to assist the University of Hawaii system, then it is imperative to adopt HB1532.

Thank you again for your time and consideration of HB1532..

Aloha,

Ronald K. Migita VS

Ronald K. Migita

## ichiyama2-Brandon

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 01, 2016 8:59 AM
To:	HEDtestimony
Cc:	vsablan@hawaii.edu
Subject:	Submitted testimony for HB1532 on Feb 2, 2016 14:00PM
Attachments:	Mukai.pdf
Follow Up Flag:	Follow up
Flag Status:	Completed

## <u>HB1532</u>

Submitted on: 2/1/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Stanley Mukai	Individual	Support	No

Comments: We, the Emeritus Regents of the University of Hawai'i, support House Bill 1532 regarding the protection from public disclosure of the financial disclosure statements of the University of Hawai'i Board of Regents that are filed with the State Ethics Commission. Stanley Mukai

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

Having experienced in the past the publication of my financial information in the local press when I was chairman of the Bank of Hawaii over 20 years ago, I would not accept an appointment to the BOR if it entailed such publicity. I don't feel that an unpaid volunteer position should require everyone in town knowing your financial situation. I believe potential appointees can be properly vetted without such disclosure as is now required.

## Howard Stephenson

House Committee on Higher Education Chair: Issac W. Choy Vice Chair: Linda Ichiyama

In my view, the financial disclosure requirement for Board of Regent service is a negative step for a wide range of potential appointees, thereby reducing the pool of qualified candidates who may have the experience to provide guidance to a nearly billion dollar multi campus organization.

When this disclosure requirement was initiated, the Board loss three very prominent individuals whose participation added a well rounded broad insight to the meetings

During my term from 2003 -2007, the Board was faced with a multitude of major issues and we spent many demanding and emotionally challenging time to address them.

If financial disclosure was required at that time, several of us from the business, corporate, and professional community would not have accepted a Regent appointment for these years of voluntary service.

Therefore, my experience leads me to support HB 1532 with the deletion of financial disclosure in order to keep a broader based pool of potential regent appointees. Board members are already vetted by the Ethics Commission.

Sincerely, Alvin Tanaka

To: Chair Representative Choy and members, State of Hawaii House of Representatives Committee on Higher Education

I support HB1532 - Public Disclosure of Financial Disclosures for UH Board of Regents. The changes proposed are fair, appropriate, and will assure that governance of the University is provided by the broadest possible range of citizens who are willing to serve as Regents of the University. I have been a Regent (1999-2002), a student (MBA 1975), a substantial donor to the Shidler College of Business and, currently, I am taking my third and fourth courses in pursuit of a Ph.D. in English. I feel a strong tie to the University from all of these perspectives - alum, donor, former Regent, and now active graduate student. Please move this bill forward.

Thank you and best wishes for a successful Legislative Session.

Sharon R. Weiner

My name is Dr. Chuck Yim Gee, a former UH BOR member from January 2009 through June 2015. Having witnessed the loss of three esteemed and highly valued BOR members in the fall of 2014 due to their resignations when the bill was passed to require public service board members to disclose their individual financial portfolio, I wish to testify in support of HB 1532 which proposes to exempt members of the UH Board of Regents from the additional burden of public disclosure of financial disclosure. Since regent appointees, who serve without compensation, are already required to disclose their individual financial substance to the state's ethic commission, the additional public reporting appears both redundant and furthers the loss of financial privacy for these members and their families.

The UH Board of Regents serves as an oversight body dealing with various policies, including fiduciary, educational, research, safety and security and numerous others, that govern the UH System for the benefit of its constituents on behalf of the state. In their fiduciary role, regents are not positioned to personally benefit from financial transactions that affect the UH System or its individual campuses. The annual reporting of personal financial substance through the Hawaii Ethics Commission would thus seem to more than adequately reveal any regent's possible conflict of interest. The important point to be made in favor of HB1532 is to obviate the loss of qualified candidates selected for the UH BOR because of the onerous financial disclosure requirement.

Respectfully submitted,

Chuck Y. Gee

Regent Emeritus, UH System





The House Committee on Higher Education Tuesday, February 2, 2016 2:00 p.m. Room 309

## RE: HB1532, Relating to the University of Hawai'i

Attention: Chair Isaac Choy, Vice Chair Linda Ichiyama and Members of the Committee

The University of Hawaii Professional Assembly (UHPA) urges the committee to **oppose HB1532**, that segregates out the Board of Regents from making "public" their financial disclosure forms.

There has remained within the checks and balances of members of Boards a need-to-know that ensures a conflict of interest does not exist. It cannot be understated the importance of fair and equitable treatment to all members of Boards governing educational matters. To segregate out the Board of Regents is to infer their right to privacy is far superior to any other who sits in authority over state budgetary management.

There are many ways to improve Section 84-17, Hawai'i Revised Statues regarding financial disclosures, but segregating out members of one Board as privileged over another is an inappropriate way to address the larger issues in this section.

UHPA urges the committee to **oppose HB1532**.

Respectfully submitted,

Kristeen Hanselman Executive Director



From: Sent:	mailinglist@capitol.hawaii.gov Monday, February 01, 2016 7:27 PM
То:	HEDtestimony
Cc:	vsablan@hawaii.edu
Subject:	Submitted testimony for HB1532 on Feb 2, 2016 14:00PM

### <u>HB1532</u>

Submitted on: 2/1/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
John Dean	Individual	Support	No

Comments: My name is John Dean. I am a former UH regent, having served from 2012 until 2014 - at which time I resigned along with three other regents when a bill was passed by the legislature requiring regents to publicly disclose their personal financial information. While I willingly shared this information on a confidential basis with the State's Ethics Commission, I was not willing to do so publicly. I believe today that there are many qualified candidates not willing to serve because of this requirement. I therefore strongly support HB 1532 which would eliminate this requirement of public disclosure. John Dean Executive Chair Central Pacific Bank

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

## ichiyama2-Brandon

From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 02, 2016 7:53 AM
То:	HEDtestimony
Cc:	vsablan@hawaii.edu
Subject:	Submitted testimony for HB1532 on Feb 2, 2016 14:00PM
Attachments:	Kakuda.pdf

### <u>HB1532</u>

Submitted on: 2/2/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Trent Kakuda	Individual	Support	No

Comments: Dear Chair Choy and Members of the Committee, I am writing in support of HB 1532 – Relating to the University of Hawaii. Many individuals of varying backgrounds who have much valuable experience to offer the Board may be dissuaded from public service by the mandatory public disclosure of their private financial matters. As such, the Board may be deprived of highly qualified individuals by the public disclosure requirement. The requirement that financial disclosure forms be publicly disclosed also appears unnecessary because Board members' disclosures are already submitted to the State Ethics Commission. For these reasons, I respectfully ask that the Committee approve HB 1532. Thank you for the opportunity to testify. Sincerely, Trent K. Kakuda

Please note that testimony submitted less than 24 hours prior to the hearing, 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.



From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 01, 2016 10:24 PM
To:	HEDtestimony
Cc:	consulfrhi@gmail.com
Subject: Attachments:	Submitted testimony for HB1532 on Feb 2, 2016 14:00PM Testimony BOR

## <u>HB1532</u>

Submitted on: 2/1/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Patricia Lee	Individual	Support	No

Comments: As a former Regent and Chair of the University of Hawaii Board of Regents, I wish to testify in support of HB1532 which would exempt members of the Board of Regents from public financial disclosure. The University of Hawaii System, with its ten campuses of both universities and community colleges, is one of Hawaii's most important institutions. It is paramount that its governance be entrusted to those selected from the broadest pool of candidates willing to dedicate their time, energy, talent and experience to this endeavor. Historically, the University has benefited from the willingness of successful corporate and community leaders from both the private and public sectors to contribute countless hours to furthering the University's mission. All have been willing to disclose both affiliations and personal financial information to the State Ethics Commission. Four resignations by sitting Regents when public financial disclosure became law in 2014 indicated an unwillingness to expose publicly their family's personal financial information. Past Regents have indicated that they would not have served under present law. Similarly, some outstanding potential candidates, who would otherwise be willing to serve on this volunteer Board, are deterred by the loss of financial privacy. The passage of HB1532 would reopen the UH Board of Regents to the best and broadest pool of candidates so critical to the success of our University and its students. Patricia Y. Lee, Ph.D., J.D.

Please note that testimony submitted less than 24 hours prior to the hearing, 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.



Honorable Representative Choy, Chair House Higher Education Chair State of Hawaii Legislature

Chair Choy and members,

For the record my name is Tom H. Shigemoto and I am submitting testimony supporting this very important matter. I am one of the four regents who resigned after learning of the adoption of the current law which requires public financial disclosures of not only the volunteer members of various boards but their spouses and dependent children as well. Simply stated, it's none of anyone's business what I earn, let alone what my wife earns. I decided it was unreasonable and unfair to make my finances known to the general public. I do understand the need to file these disclosures but see no correlation between the responsibilities of an appointed official and what that person earns. I do believe that any appointed board member must be required to declare potential conflicts with corporations, businesses, investments, and anything related to an entity doing business with and for the University. And most appointed officials do! The stringent application and interview by the selection committee, which already scrutinizes a potential applicant, then the rigorous, very intimidating interview process before the Senate Higher Education Committee should provide some indication of the integrity and character of the individual being considered. One's financial status should have nothing to do with his/her ability to diligently assume their responsibilities to serve the residents of the State of Hawaii. I ask for your favorable consideration in adopting the subject bill and thank you for the opportunity to testify on its behalf.

## ichiyama2-Brandon



From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 02, 2016 10:57 AM
To:	HEDtestimony
Cc:	vsablan@hawaii.edu
Subject:	Submitted testimony for HB1532 on Feb 2, 2016 14:00PM
Subject: Attachments:	Submitted testimony for HB1532 on Feb 2, 2016 14:00PM Lagareta.pdf

### <u>HB1532</u>

Submitted on: 2/2/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Kitty Lagareta	Individual	Support	No

Comments: We, the Emeritus Regents of the University of Hawai'i, support House Bill 1532 regarding the protection from public disclosure of the financial disclosure statements of the University of Hawai'i Board of Regents that are filed with the State Ethics Commission. Mahalo, Kitty Lagareta

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

1065 Ahua Street Honolulu, HI 96819 Phone: 808-833-1681 FAX: 839-4167 Email: <u>info@gcahawaii.org</u> Website: <u>www.gcahawaii.org</u>



Uploaded via Capitol Website

February 2, 2016

## TO: HONORABLE ISAAC CHOY, CHAIR, HONORABLE LINDA ICHIYAMA, VICE CHAIR, HOUSE COMMITTEE ON EDUCATION

SUBJECT:SUPPORT OF TO H.B. 1532, RELATING TO THE UNIVERSITY OF HAWAII.Protects from public disclosure the financial disclosure statements of the UHBoard of Regents that are filed with the State Ethics Commission..

HEARINGDATE:Tuesday, February 2, 2016TIME:2:00 a.m.PLACE:Conference Room 309

Dear Chair Choy and Vice Chair Ichiyama and Members,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over hundred five hundred seventy general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. The mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

GCA <u>supports</u> H.B. 1532, Relating to the University of Hawaii as it proposes to protect from public disclosure the financial disclosure statements of the University of Hawaii Board Of Regents, which are already filed with the State Ethics Commission. GCA's interest in this bill lies with the need to recruit the best and most experienced individuals for volunteer boards and commissions, particularly the University of Hawaii, Board of Regents who are charged with the responsibility of the entire University of Hawaii system.

As a result of the passage of Act 230 (2014) in July 2014, which became law without the Governor's signature, there was an exit of a number of board and commission members, subject to such disclosure, who for reasons tied to this Act found that continuing to serve could potentially jeopardize their information. Furthermore, as a result of Act 230, potential members interested in applying for the fourteen identified boards and commissions are discouraged from applying because of the risk one would take of their financial information, including addresses of owned properties and information about spouse and dependents may become public.

For these reasons we request your favorable consideration for this measure. Thank you the opportunity to share our testimony.