

HAWAII STATE ETHICS COMMISSION

State of Hawaii · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawaii 96813 50^{th} ANNIVERSARY 1968-2018

Committee: Committee on Government Operations

Bill Number: S.B. 2597

Hearing Date/Time: February 8, 2018, 3:15 p.m.

Re: Testimony of the Hawaii State Ethics Commission in **SUPPORT** of

S.B. 2597; Relating to Gifts

Dear Chair Kim and Committee Members:

The Hawaii State Ethics Commission ("Commission") supports S.B. 2597, which establishes procedures for the custody, inventory, and maintenance of protocol gifts to members of the Legislature.

The Commission strongly supports the establishment of a uniform system to catalog and maintain protocol gifts. The State Ethics Code, Hawaii Revised Statutes ("HRS") chapter 84 – including the Gifts Law (HRS § 84-11) and the Fair Treatment Law (HRS § 84-13) – generally prohibits legislators from keeping tangible protocol gifts of more than nominal value for personal use. Whenever a legislator or employee receives a non-perishable protocol gift of more than nominal value, the Commission typically advises that the item belongs to the State, not the receiving individual; accordingly, the Commission typically advises that the receiving individual need not report the item on her/his annual gifts disclosure statement. As such, this bill is generally consistent with long-standing Commission guidance.

The Commission suggests that this bill be expanded to cover protocol gifts received by all state employees; the Committee may wish to consult with the Office of the Governor and/or the President of the University of Hawaii as to how those offices track such protocol gifts.

Thank you for considering the Commission's testimony on S.B. 2597.

Very truly yours,

Daniel Gluck Executive Director and General Counsel

¹ Where a legislator or employee receives a perishable gift of more than nominal value, the Commission will consider the source of the gift, the value of the gift, and the state purpose (if any) in receiving the gift, to determine whether the gift may be accepted. In those instances where the gifts cannot be accepted, the Commission may recommend that the gift be returned or donated to a non-profit organization. See "The State Ethics Code – A Quick Guide on Gifts," available at http://ethics.hawaii.gov/category/legalresources/quick-guides/.

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Holding Power Accountable

Senate Committee on Government Operations Chair Donna Mercado Kim, Vice Chair Russell Ruderman

> 02/08/2018 3:15 PM Room 224 SB2597 – Relating to Gifts

TESTIMONY / SUPPORT
Corie Tanida, Executive Director, Common Cause Hawaii

Dear Chair Kim, Vice Chair Ruderman, and members of the committee:

Common Cause Hawaii supports SB2597 which would establish procedures for the custody, inventory, and care of protocol gifts received by legislators on behalf of the State.

We believe that creating a standard set of procedures will make it simpler for legislators and their staff, especially when going through personnel changes, to not only keep track of gifts received, but to ensure that gifts are properly maintained or transferred to the proper repository. Having this information standardized and available to the public, will also help increase transparency and accountability regarding gifts to the state.

Thank you for the opportunity to offer testimony **supporting SB2597**.