

## HAWAI'I STATE ETHICS COMMISSION

State of Hawai'i · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawai'i 96813

Committee: Committee on Judiciary

Bill Number: H.B. 2124, H.D.1

Hearing Date/Time: February 25, 2020, 2:00 p.m.

Re: Testimony of the Hawai'i State Ethics Commission **SUPPORTING** 

H.B. 2124, H.D.1, Relating to the State Ethics Code

Dear Chair Lee, Vice Chair San Buenaventura, and Committee Members:

The Hawai'i State Ethics Commission ("Commission") supports H.B. 2124, H.D.1, which seeks to promote integrity in government by strengthening the wall of separation between lobbyists and high-ranking government officials.

Currently, under Hawaii's post-employment law, Hawai'i Revised Statutes ("HRS") § 84-18, government officials are generally prohibited from representing others, for pay, before their own agencies for twelve months. However, government officials are generally not subject to any cooling-off period before they may be paid to represent private clients before other state agencies. For example, a department director who appears regularly before the Legislature can leave government service and immediately begin lobbying the Legislature for pay; similarly, a legislator can immediately leave office and begin lobbying executive-branch agencies regarding proposed administrative rules.<sup>2</sup>

This measure would create a twelve-month cooling-off period for certain high-ranking government officials (and permanent employees of the Legislature, other than those employed in

<sup>1</sup> The post-employment law <u>does</u> prohibit a former legislator/employee from representing a private client before any state agency (for twelve months), for pay, <u>on the same matters</u> in which the legislator/employee participated while serving as legislator/employee. Additionally, the contracts law, HRS § 84-15(b), restricts the extent to which former employees can assist private entities in seeking contracts with the State, when the former employee worked on the same

contract matter while employed by the State.

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<sup>&</sup>lt;sup>2</sup> Except as provided in footnote 1: for twelve months, the former director or legislator in these examples could not lobby, for pay, on any matters that the director/legislator worked on while a director/legislator, see HRS § 84-18. Similarly, if an employee works on a contract while at the State, then leaves her state position and goes to work for a private company, the former employee cannot assist the private company in applying for that same contract for two years; if the former employee does so during the two-year cooling-off period, the State is prohibited from entering into the contract with the private company. See HRS § 84-15(b).

Hawai'i State Ethics Commission Testimony in SUPPORT of H.B. 2124, H.D.1 February 25, 2020 Page 2

clerical positions), before those former employees could lobby the Legislature for pay.<sup>3</sup> This prohibition would help to create clearer boundaries between government and private-sector lobbyists.

The Commission notes that the Senate Government Operations Committee, in hearing a similar bill in the Senate (S.B. 2114, S.D.1), added an item to the list of positions enumerated in HRS § 84-18(e): "(36) Every executive director, director, or administrator of a board, authority, or commission listed in section 84-17(d)." The Commission supports this language.

The Commission also notes that <u>S.B. 2114, S.D.1</u>, uses slightly different phrasing in HRS § 84-18(f),<sup>4</sup> but does not believe there is a substantive difference between the two.

The Commission strongly supports this measure and respectfully asks that the Committee pass it. Thank you for your continuing support of the Commission's work and for considering the Commission's testimony on H.B. 2124, H.D.1.

Very truly yours,

Daniel Gluck
Executive Director and General Counsel

<sup>&</sup>lt;sup>3</sup> This measure will also prohibit lobbying executive agencies on administrative rule-making.

<sup>&</sup>lt;sup>4</sup> The Senate version would amend HRS § 84-18(f) to read "Subsections (b) through (e) shall not apply," whereas the House version would amend the statute to read "With the exception of subsection (a), this section shall not apply[.]"



Josh Frost - President • Patrick Shea - Treasurer • Kristin Hamada Nelson Ho • Summer Starr

Tuesday, February 25, 2020

Relating to the State Ethics Code Testifying in Support

Aloha Chair and members of the committee,

The Pono Hawai'i Initiative (PHI) **supports HB 2124, HD1 Relating to the State Ethics Code**, which helps to draw clear lines regarding which former state employees are prohibited from representing a person or business in a legislative or administrative action before the state for twelve months are termination of their employment.

This helps to maintain the integrity of state employees and help to remove the potential conflict of interests that might arise. Creating these types of barriers helps to ensure good government.

For all these reasons, we urge you to vote in favor of HB2124, HD1.

Mahalo for the opportunity, Gary Hooser Executive Director Pono Hawai'i Initiative

www.commoncause.org/hi



# Statement Before The HOUSE COMMITTEE ON JUDICIARY

Tuesday, February 25, 2020 2:00 PM State Capitol, Conference Room 325

in consideration of

HB 2124, HD1

RELATING TO THE CODE OF ETHICS.

Chair LEE, Vice Chair SAN BUENAVENTURA, and Members of the House Judiciary Committee

Common Cause Hawaii supports HB 2124, HD1, which prohibits certain state officials and employees from representing certain interests before the State for 12 months after termination from their respective positions.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening democracy. Common Cause Hawaii works to restore faith in our government and our democracy that has been shattered in the last few years through ethics, accountability, and transparency reforms. These reforms are probably the most important tools to restoring the people's trust in their elected leaders and government – to show people that their government is acting for the people's interest versus serving their own interests.

HB 2124, HD1 is a good first step to prohibiting lobbying by former legislators and executive-branch employees through instituting a twelve (12) month "cooling-off" period at the administrative level. HB 2124, HD1 may even maintain a more distinct wall of separation between lobbyists and the State's elected officials and government employees if (i) the "cooling off" period were to be extended from twelve (12) months to twenty-four (24) months and (ii) it included, as a catchall, all executive branch employees who were employed in a position that required senate confirmation, in addition to the specific officials named in HB 2124, HD1.

Thank you for the opportunity to testify in support of HB 2124, HD1 and Common Cause Hawaii respectfully urges the Committee members to pass HB 2124, HD1 out of your Committee. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma Executive Director, Common Cause Hawaii

Submitted on: 2/22/2020 5:16:16 PM

Testimony for JUD on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Best	Individual	Support	No

#### Comments:

HB2124, HD1 is a good first step to avoiding the "revolving door" and HB2125 is important for transparency. No reason to exempt HI Correctional system Oversight Commission members from disclosure requirements.

Submitted on: 2/23/2020 11:14:03 AM

Testimony for JUD on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

#### Comments:

Dear Chair Lee and Members of the Committee on Judiciary,

I am writing in support of HB2124 HD1.

• HB 2124, HD1 is a good first step to prohibiting lobbying by former legislators and executive-branch employees through instituting a twelve (12) month "cooling-off" period at the administrative level. HB 2124, HD1 may even maintain a more distinct wall of separation between lobbyists and the State's elected officials and government employees if (i) the "cooling off" period were to be extended from twelve (12) months to twenty-four (24) months and (ii) it included, as a catchall, all executive branch employees who were employed in a position that required senate confirmation, in addition to the specific officials named in HB 2124, HD1.

Please pass this bill.

Mahalo,

Caroline Kunitake

Submitted on: 2/23/2020 12:25:39 PM

Testimony for JUD on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Donna Ambrose	Individual	Support	No

#### Comments:

Please slow down the revolving door of legislators and executive-branch employees leaving their positions and returning to lobby their former colleagues. The practice puts monied interests ahead of other constituents and contributes to a lack of faith in government.

Submitted on: 2/23/2020 8:28:29 PM

Testimony for JUD on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
tlaloc tokuda	Individual	Support	No

#### Comments:

- HB2124 -- Prohibits certain state officials and employees from representing certain interests before the State for 12 months after termination from their respective positions. I am a volunteer for Common Cause HI and they and I SUPPORT this bill
- HB 2124, HD1 is a good first step to prohibiting lobbying by former legislators and executive-branch employees through instituting a twelve (12) month "cooling-off" period at the administrative level. HB 2124, HD1 may even maintain a more distinct wall of separation between lobbyists and the State's elected officials and government employees if (i) the "cooling off" period were to be extended from twelve (12) months to twenty-four (24) months and (ii) it included, as a catchall, all executive branch employees who were employed in a position that required senate confirmation, in addition to the specific officials named in HB 2124, HD1.

Tlaloc Tokuda

Kailua Kona, HI 96740

<u>HB-2124-HD-1</u> Submitted on: 2/24/2020 8:12:16 AM

Testimony for JUD on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Golojuch Jr	Individual	Support	No

Comments:

Submitted on: 2/24/2020 12:06:11 PM

Testimony for JUD on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Edward B Hanel Jr	Individual	Support	No

### Comments:

Support a "cooling off" for legislative members leaving government service to negate the use of political connentions for personal gain.

Concur with CommonCause Hawaii comments regarding HB2124

<u>HB-2124-HD-1</u> Submitted on: 2/24/2020 1:06:19 PM

Testimony for JUD on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dara Carlin, M.A.	Individual	Support	No

Comments: