

# 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, S.D.1
Hearing Date/Time: June 30, 2020, 9:46 a.m.

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

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

Dear Chair Rhoads, Vice Chair Keohokalole, and Committee Members:

The Hawai'i State Ethics Commission ("Commission") strongly supports H.B. 2124, H.D.1, S.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, former government officials are generally prohibited from representing others, for pay, before their own agencies for twelve months after leaving office. However, those same former 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.

Telephone: (808) 587-0460 Email: ethics@hawaiiethics.org Website: http://ethics.hawaii.gov/

<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, S.D.1 June 30, 2020 Page 2

clerical positions), before those former employees could lobby the Legislature for pay.<sup>3</sup> Indeed, with the amendments included in the S.D.1, the undersigned would be bound by this measure as well. This prohibition would help to create clearer boundaries between government and private-sector lobbyists.

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, S.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.

www.commoncause.org/hi



Statement Before The

# **SENATE COMMITTEE ON JUDICIARY**

Tuesday, June 30, 2020 9:46 A.M. State Capitol, Conference Room 016

in consideration of HB 2124, HD1, SD1
RELATING TO THE CODE OF ETHICS.

Chair RHOADS, Vice Chair KEOHOKALOLE, and Members of the Senate Judiciary Committee

Common Cause Hawaii supports HB 2124, HD1, SD1, 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.

Common Cause Hawaii supports HB 2124, HD1, SD1, which prohibits lobbying by former legislators and executive-branch employees through instituting a twelve (12) month "cooling-off" period at the administrative level. SD1 expands the coverage of lobbying to those persons listed in Hawaii Revised Statutes Section 84-17(d). HB 2124, HD1 may even maintain a more distinct wall of separation between lobbyists and the State's elected officials and government employees if the "cooling off" period were to be extended from twelve (12) months to twenty-four (24).

Thank you for the opportunity to testify in support of HB 2124, HD1, SD1. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma Executive Director, Common Cause Hawaii



Young Progressives Demanding Action P.O. Box 11105 Honolulu, HI 96828

June 30, 2020 9:46 AM

TO: Senate Committee on Judiciary (JDC)
RE:Testimony in Support of HB2124 HD1 SD1 With Amendments

Aloha Chair Rhoads, Vice Chair Keohokalole, Members of the Senate Committee on Judiciary,

My name is Jun Shin. I am a Junior at the University of Hawai'i at Mānoa, and currently serve as an Executive Committee Member of the Young Progressives Demanding Action (YPDA). YPDA advocates for public policies that reflect the values of young people throughout the State of Hawai'i. One of those values is that democracy is strengthened when the political, economic and social systems by which the people are governed are accessible and accountable to all. YPDA is in **Support** of **HB2124 HD1 SD1 With Amendments**, Relating to the Code of Ethics.

When advocating for economic, social, and environmental justice issues, having an accountable and responsive government goes a long way in having much needed discussions, and more importantly, proper action on issues like climate change, police reform, and economic inequality. What this measure does is address an important area of concern in public affairs, and that is the "revolving door". The "revolving door" of politics has been defined as, "the means by which government officials leave office to become lobbyists, and by which lobbyists become government officials".

HB2124 seeks to slow this revolving door by prohibiting lobbying by former legislators and executive-branch employees through instituting a twelve (12) month "cooling-off" period at the administrative level once these individuals finish their time in office. SD1 then expands the coverage to those persons listed in Hawai'i Revised Statutes Section 84-17(d). This is crucial because when either tough calls or votes need to be made by the people sitting in all of these positions, what's best for the people and the future of these islands that we call home needs to

1

 $\underline{https://theconversation.com/the-revolving-door-why-politicians-become-lobbyists-and-lobbyists-become-politicians-64237}$ 

be the priority at the end of the day. Public interest must continue to win out in the end over both personal interests, former relationships, and consideration of future employment, otherwise trust between government and the public will continue to remain broken. Members of the public should be able to have the same amount of access and responsiveness from their government as lobbyists.

## **Amendments:**

To further strengthen this measure, please extend the "cooling-off period" in which public officials can be hired to become lobbyists from twelve (12) months that the bill currently set this period of time to, and move that time period to at least twenty-four (24) months. Moving from 1 to at least 2 years would allow for a firmer wall to be built between private interests and public affairs.

Young Progressives Demanding Action is in **Support** of **HB2124 HD1 SD1 With Amendments**. We respectfully ask for you to pass this measure through your committee with amendments.

Mahalo for the opportunity to testify,

Jun Shin,
Executive Committee Member
Young Progressives Demanding Action (YPDA)

Cell: 808-255-6663

Email: junshinbusiness729@gmail.com

CC: action@ypdahawaii.org

Submitted on: 6/28/2020 7:08:42 AM

Testimony for JDC on 6/30/2020 9:46:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kat Brady	Testifying for Community Alliance on Prisons	Support	Yes

## Comments:

This bill is about fairness and equal access. When legislators retire and then become lobbyists for the companies that were within their committee's purview when they were in office, it certainly gives an unfair advantage - or the perception of an advantage/favoritism - over the testimonies of the community.

Please pass this bill and show the community that the legislature actually supports democracy!

Kat Brady, Coordinator

Community Alliance on Prisons

<u>HB-2124-SD-1</u> Submitted on: 6/27/2020 10:36:53 AM

Testimony for JDC on 6/30/2020 9:46:00 AM

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

Comments:

Submitted on: 6/27/2020 11:59:46 AM

Testimony for JDC on 6/30/2020 9:46:00 AM

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

### Comments:

- We need 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.
- Therefore, I/my organization supports HB 2124, HD1, SD1 which prohibits lobbying by former legislators and executive-branch employees through instituting a twelve (12) month "cooling-off" period at the administrative level. SD1 expands the coverage to those persons listed in Hawaii Revised Statutes Section 84-17(d). HB 2124, HD1 may even maintain a more distinct wall of separation between lobbyists and the State's elected officials and government employees if the "cooling off" period were to be extended from twelve (12) months to twenty-four (24).
- Thank you for the opportunity to testify in support of HB 2124, HD1, SD1.

Submitted on: 6/27/2020 1:18:03 PM

Testimony for JDC on 6/30/2020 9:46:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Timothy Gust	Individual	Support	No

## Comments:

President Eisenhower said we should beware the military-industrial complex. In much the same way, we should beware of the potential for ethics violations when Govt. employees leave their service and too quickly become lobbyists. Keep honesty and integrity the prominent concern in Govt. and business.

Submitted on: 6/27/2020 4:41:11 PM

Testimony for JDC on 6/30/2020 9:46:00 AM

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

### Comments:

Aloha Chair Karl Rhoads, Vice Chair Jarrett Keohokalole and the Members of the Committee on Judiciary,

I am writing in support of HB2124 with comments.

We need 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.

Therefore, I/my organization supports HB 2124, HD1, SD1 which prohibits lobbying by former legislators and executive-branch employees through instituting a twelve (12) month "cooling-off" period at the administrative level. SD1 expands the coverage to those persons listed in Hawaii Revised Statutes Section 84-17(d). HB 2124, HD1 may even maintain a more distinct wall of separation between lobbyists and the State's elected officials and government employees if the "cooling off" period were to be extended from twelve (12) months to twenty-four (24).

Respectfully yours,

Caroline Kunitake

Submitted on: 6/28/2020 12:10:07 AM

Testimony for JDC on 6/30/2020 9:46:00 AM

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

### Comments:

Concur with Common Cause comments in support of HB 2124 HD 1 SD 1.

We have lived for three and a half years experiencing a blatant lack of transparacy at the national level. The use of Government resources to enrich senior officials or what appears to be for the personal benefit of themselves and family members is a national disgrace. There appears to be no will to address the issue now or in the future.

Hawaii need to strive for a higher ethical standard regarding conflicts of interest. HB 2124 will do this for those leaving office. A cooling off period prohibiting lobby activity will reinfore the ethical principal that public office is a privilege and not a means for personal gain.

To: The Senate Committees on Judiciary

From: Brodie Lockard, Common Cause Board Member

Date: Tuesday, June 30, 2020, 9:46 am

## In support of HB2124, HD1, SD1, with comments

Dear Chair Rhoads, and members:

I support HB2124, HD1, SD1, with comments.

The well-known revolving door in Washington, D.C., between high-level elected and appointed federal officials, and the countless lobbying firms that too often write and push through our laws, contributes greatly to the general public's mistrust of their government.

Hawaii must take steps to spurn that same practice, and the accompanying erosion of faith in our state government, especially as recent events have already damaged that faith significantly.

For twelve months after termination from their respective government positions, former legislators and employees of the legislature are currently prohibited from representing any person or business for a fee or other consideration regarding any legislative or administrative action in which the former legislator participated as a legislator or employee (HRS §84-18(b)-(c)).

HB2124 would extend these restrictions to certain other high-ranking state officials. These people have no place representing other interests before the State and former colleagues, until relations between those parties can regain some level of normalcy and objectivity.

Twelve months is a minimal "cooling off" period between government work and becoming a lobbyist. Two years would certainly be better.

Ethics, accountability, and transparency reforms like HB2124 may be the most effective way of reviving the public's trust in their elected officials, and in their government in general.

HB2124 will take a notable step toward renewing the faith in government that Hawaii's citizens deserve to have. Please pass it.

Thank you for your attention.

Brodie Lockard Common Cause Board Member



Submitted on: 6/29/2020 12:33:44 PM

Testimony for JDC on 6/30/2020 9:46:00 AM



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

## Comments:

Hawai'i's residents have lost faith in our government officials by recent ethical lapses and lack of accountability and transparency. I support HB2124, HD1, SD1, prohibiting lobbying by former legislators and executive-branch employees by instituting a 12-month cooling-off period. Even better to extend the ban to 24 months. Mahalo for considering my testimony.