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Hawaii Holding Power Accountable

> Statement Before The Friday, February 12, 2021 10:00 AM Via Videoconference, Conference Room 309

in consideration of HB 671 **RELATING TO THE CODE OF ETHICS.**

Chair McKELVEY, Vice Chair WILDBERGER, and Members of the House Government Reform Committee

Common Cause Hawaii supports HB 671, 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 671 prohibits lobbying by former legislators and executive-branch employees through instituting a twelve (12) month "cooling-off" period at the administrative level. This is needed to restore trust and confidence in government.

Thank you for the opportunity to testify in support of HB 671. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma Executive Director, Common Cause Hawaii



<u>HB-671</u> Submitted on: 2/10/2021 10:11:03 AM Testimony for GVR on 2/12/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
lynne matusow	Individual	Support	No

Comments:

This 12 month cooling off period at the administrative level is needed. It will restore trust in government.

HB-671 Submitted on: 2/10/2021 11:32:39 AM Testimony for GVR on 2/12/2021 10:00:00 AM

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

Comments:

HB 671 is a good bill becasue it prohibits certain state officials and employees from representing certain interests before the State for 12 months after termination from their respective positions. This "cooling-off" period is needed to restore trust and confidence in government.

Mahalo for your consideration

Tlaloc Tokuda

Kailua Kona, HI 96740

HB-671 Submitted on: 2/10/2021 1:09:41 PM Testimony for GVR on 2/12/2021 10:00:00 AM

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

Comments:

Aloha Representatives,

I fully support HB 671.

Mahalo,

Michael Golojuch, Jr.

HB-671 Submitted on: 2/10/2021 3:22:31 PM Testimony for GVR on 2/12/2021 10:00:00 AM

Submitted	By Organizati	on Testifier Position	Present at Hearing
Larry Meach	am Individua	I Support	No

Comments:

Testimony in SUPPORT of HB 671

Thank you for the opportunity to offer testimony.

In order to prevent government employees from being tempted to help special interests and lobby for them after retirement, this bill proposes a one-year delay in such activities. This is similar to the rule for federal officials.

This would also increase public trust in government.

Thank you for the opportunity to offer testimony.

HB-671 Submitted on: 2/10/2021 3:27:56 PM Testimony for GVR on 2/12/2021 10:00:00 AM

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

Comments:

Dear Chair McKelvey, Vice Chair Wildberger and Committee on Government Reform,

Please support HB671.

HB 671 prohibits lobbying by former legislators and executive-branch employees through instituting a twelve (12) month "cooling-off" period at the administrative level. This is needed to restore trust and confidence in government.

Effective lobbyists build and leverage key relationships at the State Capitol to introduce and pass specific bills. However former legislators and executive-branch employees enjoy these key relationships/friendships since they naturally develop due to everyday contact with the people working in the State Capitol.

This bill will prohibit certain state officials and employees from representing certain interests before the State for twelve months after termination from their respective positions.

Thank you for taking the time to review this issue. I appreciate the opportunity to provide testimony in support of HB671.

Mahalo,

Caroline Kunitake

HB-671 Submitted on: 2/11/2021 6:22:46 AM Testimony for GVR on 2/12/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
David Anderson	Individual	Support	No

Comments:

HB 671 prohibits lobbying by former legislators and executive-branch employees through instituting a twelve (12) month "cooling-off" period at the administrative level. This is needed to restore trust and confidence in government and is strongly supported.

HB-671 Submitted on: 2/11/2021 8:38:17 AM Testimony for GVR on 2/12/2021 10:00:00 AM

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

Comments:

I write in support of HB671. A 12-month break between legislating or implementing laws before returning to lobby ones former colleagues is a small price to pay to help restore faith in trust in government. Please pass this important bill. Mahalo.

HB-671 Submitted on: 2/11/2021 8:42:46 AM Testimony for GVR on 2/12/2021 10:00:00 AM

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

Comments:

This is needed to restore trust & confidence in government



HAWAI'I STATE ETHICS COMMISSION

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

Committee:	Committee on Government Reform
Bill Number:	H.B. 671
Hearing Date/Time:	Friday, February 12, 2021, 10:00 a.m.
Re:	Testimony of the Hawai'i State Ethics Commission
	in <u>SUPPORT (WITH PROPOSED AMENDMENTS)</u> of H.B. 671,
	Relating to the Code of Ethics

Chair McKelvey, Vice Chair Wildberger, and Committee Members:

The Hawai'i State Ethics Commission ("Commission") supports H.B. 671, which seeks to promote integrity in government by strengthening the wall of separation between lobbyists and high-ranking government officials. However, the Commission recommends that this Committee amend subsection (e) of this measure by using the list of 35 categories found in <u>S.B. 158</u> rather than the list of 37 categories found in the current draft of H.B. 671.

1. This bill will strengthen Hawaii's post-employment ethics rules

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 <u>their own agencies</u> 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 <u>other</u> state agencies.¹ 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.²

¹ 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.

² 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, <u>see</u> 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 (continued)

Hawai'i State Ethics Commission Testimony on H.B. 671 (support with amendments) February 12, 2021 Page 2

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

2. <u>The Commission recommends proposed amendments to address the Governor's concerns</u>.

Last year, the Governor vetoed <u>H.B. 2124 HD1 SD2</u>, a measure that was very similar to H.B. 671; the Governor expressed concern about the impact that H.B. 2124 would have on volunteer board and commission members. The current measure – H.B. 671 – would still apply to several volunteer board and commission members (rather than just applying to paid employees), and thus may be subject to another veto.

To address the Governor's concerns, the Commission recommends that H.B. 671 be amended to use the list of 35 categories in <u>S.B. 158</u> rather than the list of 37 categories that currently appear in H.B. 671. This list of 35 categories from S.B. 158 appears to address the Governor's concerns completely.

The Commission supports this measure and respectfully asks that the Committee pass it with amendments. Thank you for your continuing support of the Commission's work and for considering the Commission's testimony on H.B. 671.

Very truly yours,

Daniel M. Gluck Executive Director & General Counsel

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).

³ This measure will also prohibit lobbying executive agencies on administrative rule-making.