<u>SB-3037</u> Submitted on: 2/8/2022 10:39:36 AM Testimony for GVO on 2/10/2022 3:05:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
AGS- Jansen, Dr. Adam	Testifying for DAGS/Hawaii State Archives	Support	Yes

Comments:

Will be available for comments, an to support the testimony of State Comptroller



HAWAI'I STATE ETHICS COMMISSION

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

Committee:	Senate Committee on Government Operations
Bill Number:	S.B. 3037
Hearing Date/Time:	February 10, 2022, 3:05 p.m.
Re:	Testimony of the Hawai'i State Ethics Commission SUPPORTING
	S.B. 3037, Relating to Gifts

Aloha Chair Moriwaki, Vice Dela Cruz, and Committee Members:

The Hawai'i State Ethics Commission ("Commission") supports SB 3037, which establishes standards on how to record, maintain, and dispose of protocol gifts given to the State. The Commission believes this measure creates clarity on how to administratively handle protocol gifts given to the State.

The Commission further notes there some interplay with protocol gifts given to the State versus nominal gifts given to an employee or legislator.¹ As this measure moves through the legislator, the Commission may work with other interested stakeholders to draft a proposed amendment that draws a greater distinction between gifts given to the state versus an individual.

Thank you for your continuing support of the Ethics Commission's work and for considering its testimony on S.B. 3037.

Very truly yours,

/S/ Robert D. Harris Robert D. Harris Executive Director and General Counsel

¹ "A gift provided by any other state, a political subdivision of any other state, or the United States, provided that the gift serves a bona fide state purpose and that tangible and durable items of more than nominal value, such as artwork or jewelry, shall belong to the State rather than the individual recipient" Haw. Admin R. 21-7-3(6).



CURT T. OTAGURO COMPTROLLER

AUDREY HIDANO DEPUTY COMPTROLLER

STATE OF HAWAI'I DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAI'I 96810-0119

WRITTEN TESTIMONY OF CURT T. OTAGURO, STATE COMPTROLLER DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO THE COMMITTEE ON

GOVERNMENT OPERATIONS

FEB 10, 2022, 3:05 P.M. VIDEOCONFERENCE, STATE CAPITOL

S.B. 3037

RELATING TO GIFTS

Chair Moriwaki, Vice Chair Dela Cruz, and Members of the Committee, thank you for the opportunity to testify on S.B. 3037.

The Department of Accounting and General Services (DAGS) strongly supports this bill and offers the following comments:

1. Gifts received from visiting dignitaries have political, cultural, and historic value that may not be reflected in their monetary worth. A paper certificate, while being 'valued' at a few dollars, has immense value as a representation of the relationship that has been forged between the gifting party and the State. As such, it needs to be tracked, protected, and preserved so that the next time a delegation from the same group visits, these former protocol gifts can be prominently displayed to illustrate the long and storied history between the visitors and the State.

DAVID Y. IGE GOVERNOR

- 2. It is important to stress that protocol gifts have a very narrow definition and are very infrequently received. This bill should not prove to be an onerous, time-consuming process as it only applies to non-perishable gifts of any value received by representatives of Federal or State Agencies, foreign governments, non-profits, or social organizations.
- 3. Currently, tracking of such protocol gifts is lacking with little to no traceability. When the original recipients of the protocol gifts separate from State service, without a clearly defined and maintained list of protocol gifts received, an irretrievable loss of the protocol gifts can occur, thereby negatively affecting the State's ability to showcase the history of interaction between the State and original gifting party.
- 4. There has recently been much negative press about the tracking of protocol gifts at the Federal level, with articles and photos of Executive Branch staff at the highest levels taking home protocol gifts received during the last change of administration -- and these same gifts being retrieved from personal homes or subsequently being listed as 'missing'. The interest at a national level in this issue illustrates the importance of ensuring these important gifts stay accessible to the People.
- 5. Important protocol gifts received by any State employee, regardless of branch or rank, from officials, Federal officers, State officials from other states, or other representatives of organizations should be treated as a valued asset of the State, available for continued public inspection, and available for display in the future when individuals from the gifting party return to visit Hawaii.
- 6. As the Keepers of Public Memory, the State Archives is well suited to track, preserve and make these protocol gifts available as needed for either public viewing or for State use when receiving returning delegations.

Thank you for the opportunity to submit testimony on this matter



www.commoncause.org/hi

Hawaii Holding Power Accountable

Statement Before The SENATE COMMITTEE ON GOVERNMENT OPERATIONS **THURSDAY, FEBRUARY 10, 2022** 3:05 PM Via Videoconference

in consideration of SB 3037 **RELATING TO GIFTS.**

Chair MORIWAKI, Vice Chair DELA CRUZ, and Members of the Senate Government Operations Committee

Common Cause Hawaii supports with suggested amendments SB 3037, which defines the reporting and disposition requirements for gifts received by members of the legislature or employees of the State.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization focused on upholding the core values of American democracy through advocating for a government that is transparent and accountable to the people of Hawaii.

Common Cause Hawaii understands that, from time to time, foreign officials, federal officers, or state officials from other states present legislators and other state employees with protocol gifts meant to symbolize goodwill or strengthen international or national friendships. We support and appreciate that SB 3037, at page 2, lines 9-12 establishes, "procedures for the custody, inventory, and care of protocol gifts received by members of either house of the legislature or other state employees."

Common Cause Hawaii requests, however, that this bill be amended to ensure that gifts should be turned over to those listed on SB 3037 at page 3, lines 23 through page 4, lines 1-7, as appropriate, in a timely fashion but no later than two weeks after receipt, and should not be kept by the recipient, as it may currently be allowed under SB 3037, at page 3, line 6. Common Cause Hawaii is unclear as to why a recipient is permitted to retain a gift, given in an official capacity, which may properly be enjoyed by everyone in Hawaii.

Thank you for the opportunity to testify in support of SB 3037 with suggested amendments. If you have any questions, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma Executive Director, Common Cause Hawaii

