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**STATE OF HAWAII | KA MOKU'ĀINA O HAWAII**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**  
**KA 'OIHANA HO'OMŌHALA LIMAHANA**  
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Statement of  
**BRENN A H. HASHIMOTO**  
Director, Department of Human Resources Development

Before the  
**SENATE COMMITTEE ON JUDICIARY**  
Friday, March 24, 2023  
9:40AM  
State Capitol, Conference Room 016

In consideration of  
**House Bill 717 HD1, Relating to Nepotism**

Chair Rhoads, Vice Chair Gabbard, and members of the committee.

The Department of Human Resources Development (DHRD) appreciates the intent of HB 717 HD1, which would among other things, prohibit under certain circumstances state employees from hiring or promoting relatives and household members and from making or participating in certain other employment-related decisions.

DHRD is in **support** of this measure to improve standards of conduct regarding nepotism within state agencies.

Thank you for the opportunity to provide testimony on this measure.



## HAWAI‘I STATE ETHICS COMMISSION

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

Committee: Senate Committee on Judiciary  
Bill Number: HB 717, HD1  
Hearing Date/Time: March 24, 2023, 9:40 a.m.  
Re: Testimony of the Hawai‘i State Ethics Commission in **STRONG SUPPORT** of HB 717, HD1, Prohibiting Nepotism

Aloha Chair Rhoads, Vice Chair Gabbard, and Committee Members:

The Hawai‘i State Ethics Commission (“Commission”) **strongly supports** HB 717, HD1 which prohibits employees from: (1) hiring, promoting, or supervising their relatives; and (2) awarding contracts to their relatives or business partners.

The Commission oversees nearly 60,000 state employees. Numerous nepotism complaints are received each year. Investigations into these complaints can be especially challenging and time-consuming. While employees are prohibited from providing unwarranted benefits or preferential treatment to their relatives, it can be difficult to prove that a promotion or specific action occurred solely to benefit a relative. Further, even if the hiring or promotion of a relative was aboveboard, there is an appearance of impropriety that can diminish faith and confidence in government overall.

The Commission supports establishing a bright-line prohibition on nepotism, like what many other states have adopted. A bright-line rule prohibiting nepotism makes it clear that taking employment action affecting a relative is prohibited. It also promotes faith in state government because the public and other state employees will no longer suspect that specific promotions or employment actions were taken to benefit a relative rather than on merit.

The Commission acknowledges there may be special and unique circumstances where nepotism is unavoidable. To this end, this measure smartly creates an exception process where good cause is demonstrated.

Finally, the Commission supports HB 717, HD1’s inclusion of hanai relationships in the definition of a “relative,” which the Department of Human Resources Development supported in its testimony on HB 139.

Mahalo for your continuing support of the Commission’s work and for considering its testimony on HB 717, HD1.

Very truly yours,  
/S/ Kee M. Campbell  
Staff Attorney

**HB-717-HD-1**

Submitted on: 3/21/2023 12:21:53 PM

Testimony for JDC on 3/24/2023 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
daniel foley	Testifying for Commission to Improve Standards of Conduct	Support	Written Testimony Only

Comments:

Dear Mr. Chairman and members of the Senate Judiciary Committee,

As Chair of the Commission to Improve Standards of Conduct, I support HB 717, HD 1, prohibiting nepotism in state government for reasons stated in the Commission's December 1, 2022 Final report at page 29.

Mahalo, Judge Foley (ret.)

**HB-717-HD-1**

Submitted on: 3/21/2023 9:15:17 AM

Testimony for JDC on 3/24/2023 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
lynne matusow	Individual	Support	Written Testimony Only

Comments:

Legislative offices are not family businesses. They should not be run as such. There are offices at the capitol where family members are employed. Disgraced former house member, who is awaiting sentencing, Ty Cullen is one of those. That should not be the case. It's like the office is the family piggy bank, feeding at the public trough. This must stop now. It must be in effect for the next session.

It appears the House made a distinction between state employees and legislative employees, saying that legislative employees can be addressed by house and senate rules. That is not sufficient and I ask to you amend this measure to make it clear that it include both state employees and legislative employees.

Please pass.

**HB-717-HD-1**

Submitted on: 3/22/2023 9:10:52 PM

Testimony for JDC on 3/24/2023 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Diane Ware	Individual	Support	Written Testimony Only

Comments:

Dear JDC Chair and Committee Members,

I am in support of this measure to improve standards of conduct regarding nepotism within state agencies.

Thank you for the opportunity to provide testimony on this measure.

99-7815 Kapoha Volcano 96785

**HB-717-HD-1**

Submitted on: 3/23/2023 7:57:45 AM

Testimony for JDC on 3/24/2023 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Dayle K. Turner	Individual	Support	Written Testimony Only

Comments:

It is reasonable to support the new law that would prevent politicians and government officials from giving their family members or co-habitators an advantage when it comes to getting a job or a contract. This is similar to how most workplaces have policies prohibiting employees from supervising or hiring family members to prevent conflicts of interest. It is important to note that the Hawaii State Ethics Commission receives numerous complaints about government officials favoring their relatives and that such complaints are difficult to investigate without compromising confidentiality. Therefore, passing this law would help to ensure that the government is held accountable for their actions and operating in a fair and transparent manner. In essence, the proposed law is an essential step towards upholding the principles of fairness and justice, which are the foundation of good governance. Aloha and mahalo for the opportunity to testify.