

STAND. COM. REP. NO.

1473

Honolulu, Hawaii

MAR 21, 2025

RE: S.B. No. 1545
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Legislative Management, to which was referred S.B. No. 1545 entitled:

"A BILL FOR AN ACT RELATING TO NEPOTISM,"

begs leave to report as follows:

The purpose of this measure is to repeal language in the State's Code of Ethics that exempts the legislative branch from prohibitions against nepotism in public employment.

Your Committee received testimony in support of this measure from the Hawai'i State Ethics Commission and four individuals.

Your Committee finds that under existing law, the hiring, supervision, and contractual engagements of relatives or household members are generally restricted for most state employees to prevent conflicts of interest and improper favoritism. However, these statutory provisions do not currently extend to legislative and judicial branch employees, thereby creating a regulatory inconsistency that could undermine public confidence in the integrity of legislative operations. This measure subjects legislative branch employees to the same ethical standards applicable to other state employees. Your Committee further finds that judicial branch employees should also be subject to prohibitions against nepotism. Amendments to this measure are



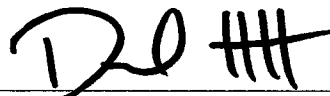
therefore needed so that nepotism is prohibited within all three branches of state government.

Accordingly, your Committee has amended this measure by:

- (1) Repealing language that exempts the judicial branch from prohibitions against nepotism in public employment;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1545, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1545, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on
behalf of the members of the
Committee on Legislative
Management,



DANIEL HOLT, Chair



Ms. A. 9.2. 1433

Bill/Resolution No.: SB 1545	Committee Referral: LMG, JHA	Date: March 19, 2025		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LMG Members	Ayes	Ayes (WR)	Nays	Excused
1. HOLT, Daniel (C)	✓			
2. QUINLAN, Sean (VC)	✓			
3. ICHIYAMA, Linda	✓			
4. MORIKAWA, Dee	✓			
5. MATSUMOTO, Lauren				✓
TOTAL (5)	4	0	0	X 1 se
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				