

STAND. COM. REP. NO. 1494-26

Honolulu, Hawaii

**MAR 30**, 2026

RE: S.B. No. 2661  
S.D. 1  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Legislative Management, to which was referred S.B. No. 2661, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO NEPOTISM,"

begs leave to report as follows:

The purpose of this measure is to amend the State's Code of Ethics to subject legislators, delegates to a constitutional convention, judges, justices, and legislative and judicial employees to the same ethical standards prohibiting nepotism that are applicable to other state employees.

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

Your Committee finds that under existing law, the hiring, supervision, and contractual engagements of relatives or household members are generally restricted for most employees of the State to prevent conflicts of interest and improper favoritism. However, these statutory provisions do not currently extend to the legislative and judicial branches of government, which creates a regulatory inconsistency that could undermine public confidence in the integrity of legislative and judicial operations. This measure subjects the Legislature and Judiciary to the same ethical

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standards applicable to employees of the Executive Branch to prohibit nepotism within all three branches of state government.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion;
- (2) Making technical amendments to clarify the definition of "employee"; and
- (3) Making technical amendments for 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. 2661, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2661, S.D. 1, 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,

  
SEAN QUINLAN, Chair



Record of Votes of the Committee on Legislative Management

Bill/Resolution No.: <b>SB 2661 SD1</b>	Committee Referral: <b>LMG, JHA</b>	Date: <b>3/23/2026</b>		
<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. QUINLAN, Sean (C)				✓
2. ICHIYAMA, Linda (VC)	✓			
3. KAHALOA, Kirstin	✓			
4. MORIKAWA, Dee	✓			
5. MATSUMOTO, Lauren	✓			
<b>TOTAL (5)</b>	<b>4</b>			<b>1</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>_____ committee acronym(s)</small>				
Vice Chair's or designee's signature:				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				