



HAWAI'I STATE ETHICS COMMISSION

Komikina Ho'opono Kulekele o Hawai'i Moku'āina

Committee: House Committee on Judiciary & Hawaiian Affairs
Bill Number: SB 2246 SD1 HD1
Hearing Date/Time: March 31, 2026, 2:00 p.m.
Re: Testimony in Support with **PROPOSED AMENDMENTS**

Aloha Chair Tarnas, Vice-Chair Poepoe, and Committee Members:

Thank you for the opportunity to provide testimony in support of SB 2246 SD1 HD1, which strengthens public trust in government by expanding public financial disclosure requirements to members of boards and commissions that exercise substantial financial authority, as well as to certain executive directors and executive officers whose roles involve significant responsibility over the expenditure, investment, or management of public funds.

Public financial disclosure is a cornerstone of transparent and accountable government. Existing law appropriately requires disclosure for officials who exercise significant regulatory authority, fiduciary responsibility, or oversight of substantial public resources. This measure builds on this framework by ensuring that similarly situated decision-makers -- particularly those serving on boards and commissions with substantial financial authority or in senior executive roles -- are subject to consistent disclosure requirements.

As with any measure, improvements can be made. The Commission recommends the following amendments.

PROPOSED AMENDMENTS

First, the Commission recommends the same amendments made to the House companion measure, HB 2106 HD1. These amendments were made to ensure financial disclosure requirements applied to specific leadership positions, regardless of title. Specifically:

Page 4, Lines 1 - 2

- (c) The following persons, regardless of the titles by which the foregoing persons are designated, shall file annually

with the state ethics commission a disclosure of financial interests:

Page 4, Lines 8 - 13

- (2) The directors and their deputies, the division chiefs, the executive directors, and the executive officers and their deputies, the purchasing agents, and the fiscal officers~~[r~~ regardless of the titles by which the foregoing persons are designated,~~]~~ of every state agency and department;

Page 5, Lines 7 - 13

- (7) The superintendent, deputy superintendent, assistant superintendents, and complex area superintendents of the department of education, and the state librarian and deputy state librarian~~[and the special assistant to the state librarian]~~ of the public library system.

Page 7, Lines 19 - 21

- (8) The executive directors or executive officers, if applicable, and board or commission members of the following ~~[state boards, commissions, and agencies]~~:

Second, the House Committee on Labor amended this measure to clarify “that an amount of stock may be reported by a value of shares, rather than a number of shares.” To align with current practice and allow flexibility, the Commission first recommends allowing the option to report *either* the number of shares or the value. Specifically, the recommended language on **page 10, lines 10 - 11**:

“An amount of stock may be reported by the value or number of shares.”

Finally, the Commission notes that SB 2248 SD2 may not be moving this year. The Commission recommends incorporating the technical amendments therein into this bill. Specifically, creating a new subsection starting on **page 10, line 1** that states:

2. By amending subsection (g) to read:

“(g) In addition to the disclosures required under subsection (f), each [~~member of the legislature~~] legislator shall also disclose the name of any person that is subject to section 97-3 and that is:

(1) A business partner of the [~~member~~] legislator;

(2) An employer of the [~~member~~] legislator;

(3) An officer or director of the [~~member's~~] legislator's employer; or

(4) A client of the [~~member, member's partner~~] legislator, legislator's spouse, or [member's] the legislator's employer, [who is on the lobbyist list and not just a client with a lobbyist, where the client] who filed a statement of expenditures pursuant to section 97-3 and provided at least \$5,000 of income during the preceding calendar year.

As used in this subsection:

[~~"Member" means a member of the legislature.~~]

[~~"Member's partner" means a member's~~], "legislator's spouse" means a legislator's spouse under chapter 572, civil union partner under chapter 572B, or reciprocal beneficiary under chapter 572C."

3. By amending subsection (h) to read:

Mahalo for the opportunity to provide testimony and for your consideration of these proposed amendments. The Commission appreciates the Committee's thoughtful review of this measure and is available to assist with any further revisions or questions.

March 27, 2026
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Very truly yours,
/S/ Robert D. Harris
Robert D. Harris
Executive Director and General Counsel

SB-2246-HD-1

Submitted on: 3/25/2026 11:26:04 AM

Testimony for JHA on 3/31/2026 2:00:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| Marcia Kemble | Individual | Support | Written Testimony Only |

Comments:

Greetings Committee Members,

I support SB2246. Boards, commissions and executive leaders who oversee significant public funds should be subject to clear and consistent financial disclosure requirements. Transparency helps prevent conflicts of interest and strengthens public trust in government, which we desperately need now!

Mahalo for your consideration.

Marcia Kemble

Makiki

SB-2246-HD-1

Submitted on: 3/26/2026 11:35:02 AM

Testimony for JHA on 3/31/2026 2:00:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|-------------------------------|---------------------|---------------------------|---------------------------|
| Christine L. Andrews, J.D. | Individual | Support | Written Testimony Only |

Comments:

I respectfully request your support of this measure.

Mahalo.

SB-2246-HD-1

Submitted on: 3/31/2026 9:01:19 AM

Testimony for JHA on 3/31/2026 2:00:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|------------------------|
| Gregory Misakian | Individual | Support | Written Testimony Only |

Comments:

I support SB2246 SD1 HD1, which is a step in the right direction to improve transparency in Hawaii.

Gregory Misakian