



HAWAII STATE ETHICS COMMISSION

State of Hawaii • Bishop Square, 1001 Bishop Street, ASB Tower 970 • Honolulu, Hawaii 96813

February 6, 2009

The Honorable James Kunane Tokioka, Chair
The Honorable Blake K. Oshiro, Vice Chair
House Committee on Legislative Management
Hawaii State Capitol, Room 439
415 South Beretania Street
Honolulu, Hawaii 96813

Re: **Testimony on H.B. No. 855, Relating to the Disposition
of Financial Interests Disclosure Statements**

Hearing: Friday, February 6, 2009, 2:00 p.m.
State Capitol, Conference Room 423

Testifying: Daniel J. Mollway, Executive Director and General Counsel
Hawaii State Ethics Commission

The Honorable James Kunane Tokioka, Chair; The Honorable Blake K. Oshiro, Vice Chair; and Honorable Members of the House Committee on Legislative Management:

Thank you for this opportunity to testify today on H.B. No. 855, Relating to the Disposition of Financial Interests Disclosure Statements. The Hawaii State Ethics Commission strongly supports this bill.

This bill is in essence a “housekeeping” bill. In the State Ethics Code, provision HRS §84-17.5, allows disclosure of financial interests statements to remain in the office of the State Ethics Commission for six years following the day upon which a filer leaves the state position for which the disclosure form was filed. The time period of six years was established because the State Ethics Code provides for a six-year statute of limitations.

The current law, HRS §84-17.5, requires the Commission to dispose of disclosure forms six years after the day a state official or state employee has left the position for which the form was filed. Because hundreds of filers leave their positions each year, it is very difficult for our staff to dispose of such forms on a daily basis, to be in compliance with the law. At times, staff is not even aware that a particular state official or employee has left state office. We work with other agencies to determine when filers leave their positions, but we are often not provided with up-to-date information.

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What this bill does is to give the Commission a one-year period, after the six-year period of retention has run, to dispose of the disclosure statements. This will provide the small clerical staff of the State Ethics Commission with adequate time to dispose of disclosure statements without technically running afoul of the law. Although a disclosure form would remain possibly within the Commission for as long as a seventh year, we do not believe that this is problematic. After a six-year period has run, it would be extremely rare that a disclosure form would be of any interest to anyone.

For the reasons set forth above, the Hawaii State Ethics Commission strongly supports this bill. We appreciate the opportunity to testify on this bill, and I will be happy to address any questions that members of this Committee may have.

DJM/af