



# HAWAII STATE ETHICS COMMISSION

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

---

## GIFTS DISCLOSURE PACKET

1. Hawaii State Ethics Commission Memorandum
2. HRS section 84-11.5, Gifts Disclosure Law
3. Instructions for Filing Gifts Disclosure Statement Form, including Sample of a Completed Gifts Disclosure Statement Form
4. Gifts Disclosure Statement Form and Additional Sheet
5. Questions and Answers on the Gifts Disclosure Law



# HAWAII STATE ETHICS COMMISSION

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

---

June 2, 2011

## MEMORANDUM

SUBJECT: Gifts Disclosure Statements Due June 30, 2011

This is a reminder that gifts disclosure statements for the period covering June 1, 2010, to June 1, 2011, must be filed with the Hawaii State Ethics Commission by June 30, 2011. The gifts disclosure law, Hawaii Revised Statutes (“HRS”) section 84-11.5, requires all state legislators, state employees, and state board and commission members who received gifts during this period to file a gifts disclosure statement with the Hawaii State Ethics Commission if the following conditions are met:

- (1) The state official or employee, or a spouse or dependent child of the official or employee, received from one source (a) any gift valued in excess of \$200, or (b) any gifts whose combined value is in excess of \$200, **and**
- (2) The source of the gift or gifts has interests that may be affected by official action that the state official or employee takes in his or her state capacity, **and**
- (3) The gift is not an exempted gift under section 84-11.5, HRS. See “Exempted gifts,” below.

**State officials and employees who received gifts that meet all three of the above-listed conditions must file a gifts disclosure statement with the Hawaii State Ethics Commission by June 30, 2011.** (Justices and judges are exempt from this requirement, since they are not subject to the jurisdiction of the Hawaii State Ethics Commission.)

**Examples of reportable gifts.** Gifts that are reportable include but are not limited to gifts in the form of goods, services, hospitality, meals, entertainment, recreation, and travel.

**IMPORTANT: Not all gifts are permitted to be accepted under the State Ethics Code, HRS Chapter 84.** Compliance with the gifts disclosure law does not automatically allow state officials or employees to accept all gifts that may be offered to them. The State

Ethics Code prohibits state officials and employees from accepting any gift under circumstances in which it can reasonably be inferred that the gift is intended to influence or reward official action. Even a small gift may be prohibited if it is reasonable to infer that it is intended to influence or reward an employee in the performance of the employee's official duties. Nominal gifts such as a moderately priced box of candy or cookies generally do not pose a problem under the State Ethics Code. Any gift exceeding this in value should be checked with the Hawaii State Ethics Commission before acceptance.

**Exempted gifts.** The following gifts are exempted by law from the disclosure requirements and do not have to be reported on a gifts disclosure statement:

- (1) Gifts received by will or intestate succession;
- (2) Gifts received by distribution of any inter vivos or testamentary trust established by a spouse or ancestor;
- (3) Gifts from a spouse, fiancé or fiancée, any relative within four degrees of consanguinity, or the spouse, fiancé or fiancée of such a relative. A gift from any such relative is a reportable gift if the person is acting as an agent or intermediary for someone who is not covered by this paragraph. For purposes of this exemption, relatives within four degrees of consanguinity include the following: parents, grandparents, and great grandparents; children, grandchildren, and great-grandchildren; and brothers/sisters, uncles/aunts, great uncles/aunts, nephews/nieces, grand nephews/nieces, and first cousins;
- (4) Political campaign contributions that comply with state law;
- (5) Anything available to the public generally without regard to the official status of the recipient;
- (6) Gifts that, within thirty days after receipt, are returned to the giver or delivered to a public body or to a bona fide educational or charitable organization without the donation being claimed as a charitable contribution for tax purposes; and
- (7) Exchanges of approximately equal value on holidays, birthdays, or special occasions.

**Importance of keeping gifts records.** To ensure accurate gift reporting as required by the law, the Hawaii State Ethics Commission suggests that all state officials and employees maintain records of gifts that they receive and that must be reported. This is especially important for gifts which, individually, may not exceed \$200 in value, but which may exceed \$200 when combined with other gifts from the same source.

**Public records.** Gifts disclosure statements that are filed with the Hawaii State Ethics Commission are public records and are available for public inspection.

**Penalties for failure to file.** Failure to disclose a reportable gift by filing a gifts disclosure statement as required by law constitutes a violation of the State Ethics Code, HRS Chapter 84. State officials and employees who violate the State Ethics Code are subject to disciplinary action, including reprimand, probation, demotion, suspension, or discharge from state office. In addition, the Hawaii State Ethics Commission may issue a public finding of a violation and the State, by the Attorney General, may recover any gift received in violation of the State Ethics Code. The Hawaii State Ethics Commission may also impose fines of up to \$500 for each violation of any provision of the State Ethics Code.

**Disclosure statements must only be filed if reportable gifts are received.** Gifts disclosure statements must be filed by state officials and employees who received reportable gifts. Officials and employees who do not have any gifts to report are not required to submit gifts disclosure statements to the Commission.

**To request gifts disclosure forms and additional information.** A gifts disclosure packet containing gifts disclosure forms and instructions, a sample of a completed Gifts Disclosure Statement, "Questions and Answers on the Gifts Disclosure Law," and additional information about gifts reporting, is available from the Hawaii State Ethics Commission. To request a gifts disclosure packet, contact the Commission at (808) 587-0460, or obtain this information directly from the Commission's website at [www.hawaii.gov/ethics](http://www.hawaii.gov/ethics).

**To file a gifts disclosure statement.** Gifts disclosure statements must be received (not just postmarked) by the Hawaii State Ethics Commission by June 30, 2011. Disclosure statements can be delivered or mailed to the Commission's office at 1001 Bishop Street, Suite 970, Honolulu, Hawaii 96813. Disclosure statements can also be mailed to the Commission at P.O. Box 616, Honolulu, Hawaii 96809.

**Advice regarding gifts and other ethics questions.** The Hawaii State Ethics Commission provides confidential ethics advice to all state officials and employees. To avoid entanglements with the ethics laws, state officials and employees should contact the Commission for advice before accepting any gift or engaging in any conduct that might raise ethics concerns.

**REMEMBER: THE DEADLINE FOR FILING A GIFTS DISCLOSURE STATEMENT WITH THE HAWAII STATE ETHICS COMMISSION IS THURSDAY, JUNE 30, 2011!**

**§ 84-11.5 Reporting of gifts.** (a) Every legislator and employee shall file a gifts disclosure statement with the state ethics commission on June 30 of each year if all the following conditions are met:

- (1) The legislator or employee, or spouse or dependent child of a legislator or employee, received directly or indirectly from one source any gift or gifts valued singly or in the aggregate in excess of \$200, whether the gift is in the form of money, service, goods, or in any other form;
  - (2) The source of the gift or gifts have interests that may be affected by official action or lack of action by the legislator or employee; and
  - (3) The gift is not exempted by subsection (d) from reporting requirements under this subsection.
- (b) The report shall cover the period from June 1 of the preceding calendar year through June 1 of the year of the report.
- (c) The gifts disclosure statement shall contain the following information:
- (1) A description of the gift;
  - (2) A good faith estimate of the value of the gift;
  - (3) The date the gift was received; and
  - (4) The name of the person, business entity, or organization from whom, or on behalf of whom, the gift was received.
- (d) Excluded from the reporting requirements of this section are the following:
- (1) Gifts received by will or intestate succession;
  - (2) Gifts received by way of distribution of any inter vivos or testamentary trust established by a spouse or ancestor;
  - (3) Gifts from a spouse, fiancé, fiancée, any relative within four degrees of consanguinity or the spouse, fiancé, or fiancée of such a relative. A gift from any such person is a reportable gift if the person is acting as an agent or intermediary for any person not covered by this paragraph;
  - (4) Political campaign contributions that comply with state law;
  - (5) Anything available to or distributed to the public generally without regard to the official status of the recipient;
  - (6) Gifts that, within thirty days after receipt, are returned to the giver or delivered to a public body or to a bona fide educational or charitable organization without the donation being claimed as a charitable contribution for tax purposes; and
  - (7) Exchanges of approximately equal value on holidays, birthday, or special occasions.
- (e) Failure of a legislator or employee to file a gifts disclosure statement as required by this section shall be a violation of this chapter.
- (f) This section shall not affect the applicability of section 84-11.

# INSTRUCTIONS FOR FILING GIFTS DISCLOSURE STATEMENT FORM

## WHO SHOULD FILE THIS FORM

The State Ethics Code, chapter 84, Hawaii Revised Statutes ("HRS"), requires you to file a gifts disclosure statement if you are a state legislator, state employee, or state board or commission member, and if all of the following conditions are met:

- (1) During the period covered by the gifts disclosure statement (see When To File below), you or your spouse or your dependent child receives, directly or indirectly, from one source:  
(a) any gift valued in excess of \$200, or (b) two or more gifts whose combined value is in excess of \$200. This applies to all gifts, including but not limited to gifts in the form of goods, services, hospitality, travel, or entertainment, or gifts in any other form.
- (2) The source of the gift or gifts has interests that may be affected by official action that you take in your state capacity. "Official action" means a decision, recommendation, approval, disapproval, or other action, including inaction, which involves discretionary authority.
- (3) The gift is not exempted by law from the reporting requirements. See Exempted Gifts below.

If all of the above conditions are met, you must file a gifts disclosure statement with the Hawaii State Ethics Commission.

## EXEMPTED GIFTS

You do not have to report the following gifts, which are exempted by law from the reporting requirements:

- (1) Gifts received by will or intestate succession;
- (2) Gifts received by distribution of any inter vivos or testamentary trust established by a spouse or ancestor;
- (3) Gifts from a spouse, fiancé or fiancée, any relative within four degrees of consanguinity, or the spouse, fiancé or fiancée of such a relative. A gift from any such person is a reportable gift if the person is acting as an agent or intermediary for someone who is not covered by this paragraph. Relatives "within four degrees of consanguinity" include the following: your parents, grandparents, and great grandparents; your children, grandchildren, and great-grandchildren; and your brothers/sisters, uncles/aunts, great uncles/aunts, nephews/nieces, grand nephews/nieces, and first cousins;
- (4) Political campaign contributions that comply with state law;
- (5) Anything that is available to, or distributed to, the public generally without regard to the official status of the recipient;
- (6) Gifts that, within 30 days after receipt, are returned to the giver or delivered to a public body or to a bona fide educational or charitable organization without the donation being claimed as a charitable contribution for tax purposes; and
- (7) Exchanges of approximately equal value on holidays, birthdays, or special occasions.

## WHEN TO FILE

Gifts disclosure statements must be filed by **June 30** of each year. Each report covers gifts received during the period from June 1 of the preceding calendar year through June 1 of the year of the report.

## WHERE TO FILE

By mail:

Hawaii State Ethics Commission  
P.O. Box 616  
Honolulu, Hawaii 96809

By personal delivery: Hawaii State Ethics Commission  
1001 Bishop Street, Suite 970  
Honolulu, Hawaii 96813

By FAX or Email:\* FAX: (808) 587-0470  
Email: [ethics@hawaiiethics.org](mailto:ethics@hawaiiethics.org)

\* Must be received by June 30 deadline. Hard copy of original must follow.

## INSTRUCTIONS FOR COMPLETING THE GIFTS DISCLOSURE STATEMENT FORM

A filer must provide the following information on his or her gifts disclosure statement:

- (1) **Donor.** The name of each person, business entity, or organization from whom, or on behalf of whom, a gift was received by the filer, the filer's spouse, or the filer's dependent child.
- (2) **Description of gift.** A description of each gift that the filer, the filer's spouse, or the filer's dependent child received.
- (3) **Date received.** The date on which each gift was received.
- (4) **Gift value.** A good faith estimate of the fair market value of each gift.
- (5) **Aggregate value.** This item applies only if the filer, the filer's spouse, or the filer's dependent child receive more than one gift from the same donor during the reporting period. The filer must report the value of each gift received (under Item No. 4, above) **AND** the filer must also report the aggregate or combined value of the gifts (under this Item No. 5). The aggregate value of gifts from the same donor need only be entered once on the form. If only one gift was received from a donor, no aggregate value need be reported.

See attached SAMPLE of a completed Gifts Disclosure Statement form.

## PUBLIC RECORDS

Gifts disclosure statements that are filed with the State Ethics Commission are public records and are available for public inspection.

## FAILURE TO FILE

Failure of a legislator, employee, or board or commission member to file a gifts disclosure statement as required by the State Ethics Code constitutes a violation of state law. Persons who violate the State Ethics Code may be reprimanded, put on probation, demoted, suspended, or discharged from state office. In addition, the State Ethics Commission may issue a public finding of a violation and the State, by the Attorney General, may recover any gift received by any person as a result of a violation of the State Ethics Code. The Hawaii State Ethics Commission may also impose fines of up to \$500 for each violation of any provision of the State Ethics Code.

## APPLICABILITY OF GIFTS LAW, Section 84-11, HRS

The gifts law, HRS section 84-11, prohibits a state legislator, employee, and board or commission member from accepting any gift under circumstances in which it can reasonably be inferred that the gift is intended to influence or reward official action. Under many circumstances, section 84-11 may prohibit a state employee or official from accepting a gift of even a relatively small amount in value. The gifts disclosure law, HRS section 84-11.5, should not be interpreted to automatically allow gifts of a value less than \$200. Nor should the gifts disclosure law be interpreted to automatically allow gifts that are reported on a gifts disclosure statement. Any gift exceeding a nominal amount (such as a moderately priced box of candy or cookies) should be checked with the Hawaii State Ethics Commission before acceptance.

## QUESTIONS ABOUT GIFTS DISCLOSURE LAW OR GIFTS LAW

Persons with questions about the gifts disclosure statement, the gifts disclosure law, or the gifts law should contact the Hawaii State Ethics Commission at (808) 587-0460.



## HAWAII STATE ETHICS COMMISSION

1001 Bishop Street, Suite 970  
Honolulu, Hawaii 96813  
P.O. Box 616, Honolulu, Hawaii 96809  
Telephone: (808) 587-0460 FAX: (808) 587-0470  
email: [ethics@hawaiiethics.org](mailto:ethics@hawaiiethics.org)  
website: [www.hawaii.gov/ethics](http://www.hawaii.gov/ethics)

# SAMPLE

### GIFTS DISCLOSURE STATEMENT

*(This report covers the period from June 1 of the preceding calendar year through June 1 of this year and is due on June 30)*

NAME: **Ellen Employee**

STATE POSITION: **Administrator**

STATE AGENCY: **State Department of Public Affairs**

STATE TEL. NO.: **(808) 123-1234**

STATE MAILING ADDRESS: **P.O. Box 123  
Honolulu, Hawaii 96800**

1	DONOR	2	DESCRIPTION OF GIFT	3	DATE REC'D	4	GIFT VALUE	5	AGG. VALUE
	Professional Association A		Round trip airfare - Honolulu to Boston, MA, to attend government training conference (7/8/XX to 7/10/XX)		7/7/XX		\$700		
			Lodging (3 nights)		7/8/XX		\$500		
			Conference registration fee		7/8/XX		\$150		\$1,350
	Business B		Business lunch		6/4/XX		\$25		
			Flower arrangement		8/20/XX		\$75		
			Business dinner		9/12/XX		\$45		
			Commemorative monkey pod bowl		5/1/XX		\$65		\$210

1	DONOR	2	3	4	5
		DESCRIPTION OF GIFT	DATE REC'D	GIFT VALUE	AGG. VALUE
Organization C		Helicopter flight to Kahoolawe, to conduct research survey	11/19/XX	\$120	
		Dinner meeting	11/19/XX	\$50	
		Mug	11/19/XX	\$15	
		Hard cover book	3/24/XX	\$40	
		Box of cookies	5/19/XX	\$20	\$245

\_\_\_\_\_ Check here if you have attached additional sheets.

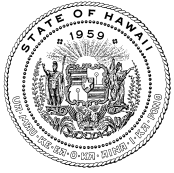
*CERTIFICATION: I hereby certify that the above is a true, correct, and complete statement.*

*Ellen Employee*

*May 25, 20XX*

SIGNATURE

DATE



# HAWAII STATE ETHICS COMMISSION

1001 Bishop Street, Suite 970  
Honolulu, Hawaii 96813  
P.O. Box 616, Honolulu, Hawaii 96809  
Telephone: (808) 587-0460 FAX: (808) 587-0470  
email: [ethics@hawaiiethics.org](mailto:ethics@hawaiiethics.org)  
website: [www.hawaii.gov/ethics](http://www.hawaii.gov/ethics)

## GIFTS DISCLOSURE STATEMENT

*(This report covers the period from June 1 of the preceding calendar year through June 1 of this year and is due on June 30)*

NAME:	STATE POSITION:
STATE AGENCY:	STATE TEL. NO.:

STATE MAILING ADDRESS:

1	DONOR	2	DESCRIPTION OF GIFT	3	DATE REC'D	4	GIFT VALUE	5	AGG. VALUE







# HAWAII STATE ETHICS COMMISSION

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

---

## QUESTIONS AND ANSWERS ON THE GIFTS DISCLOSURE LAW

The Gifts Disclosure Law is found in Hawaii Revised Statutes (“HRS”) section 84-11.5. This section of the State Ethics Code, HRS Chapter 84, requires state legislators and state employees to file a gifts disclosure statement with the Hawaii State Ethics Commission on June 30 of each year if all of the following conditions are met:

- (1) The legislator or employee, or spouse or dependent child of a legislator or employee, received directly or indirectly from one source any gift or gifts valued singly or in the aggregate in excess of \$200, whether the gift is in the form of money, service, goods, or in other form;
- (2) The source of the gift or gifts has interests that may be affected by official action or lack of action by the legislator or employee; and
- (3) The gift does not fall into an exception to the reporting requirement.

The exceptions to the reporting requirement are as follows:

- (1) Gifts received by will or intestate succession;
- (2) Gifts received by way of distribution of any inter vivos or testamentary trust established by a spouse or ancestor;
- (3) Gifts from a spouse, fiancé, fiancée, any relative within four degrees of consanguinity or the spouse, fiancé, or fiancée of such a relative. A gift from any such person is a reportable gift if the person is acting as an agent or intermediary for any person not covered by this paragraph;
- (4) Political campaign contributions that comply with state law;
- (5) Anything available to or distributed to the public generally without regard to the official status of the recipient;
- (6) Gifts that, within thirty days after receipt, are returned to the giver or delivered to a public body or to a bona fide educational or charitable organization without the donation being claimed as a charitable contribution for tax purposes;
- (7) Exchanges of approximately equal value on holidays, birthdays, or special occasions.

**IMPORTANT:** The Gifts Disclosure Law (HRS section 84-11.5) should not be interpreted to automatically allow any or all gifts. The Gifts Law (HRS section 84-11) prohibits a state legislator, or a state employee (including members of boards or commissions) from accepting any gift under circumstances in which it can reasonably be inferred that the gift is intended to influence or reward official action. Under many circumstances, the Gifts Law may prohibit a state employee or legislator from accepting a gift of even a relatively small value. Prior to accepting a particular gift, legislators and employees should check with the Hawaii State Ethics Commission as to whether acceptance of the gift would violate the Gifts Law.

Legislators and employees should not hesitate to contact the Hawaii State Ethics Commission for advice regarding the Gifts Disclosure Law, the Gifts Law, and other provisions of the State Ethics Code.

To assist legislators and employees in determining the requirements of the Gifts Disclosure Law, the Hawaii State Ethics Commission offers some sample questions and answers below.

### Questions and Answers

1. "Employee" defined.

**Question:** What is an "employee"? Is an uncompensated member of a board or commission a state employee?

**Answer:** HRS Chapter 84 defines an "employee" as any nominated, appointed, or elected officer or employee of the State, including members of boards and commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices and judges. The Gifts Disclosure Law applies to all state employees and all state legislators.

2. "Official action;" "interests that may be affected."

One of the conditions of the Gifts Disclosure Law is that the source of the gift or gifts has "interests that may be affected" by "official action" or lack of action by the legislator or employee.

a. **Question:** What is "official action"?

**Answer:** "Official action" as defined in HRS Chapter 84, means a decision, recommendation, approval, disapproval, or other action, including inaction, which involves the use of discretionary authority.

b. **Question:** Must the recipient of a gift anticipate the possibility of taking action in the future that affects the interests of the donor of the gift?

**Answer:** To an extent, legislators and employees must anticipate whether they will take official action that may affect the donor's interests. If, at the time the gift is given, the legislator or employee has reason to believe that he or she will take action that may affect the donor's interests at any time in the future, then this requirement is met. If a legislator or employee is unsure as to what constitutes an "interest that may be affected," then he or she should contact the Hawaii State Ethics Commission for advice.

3. Gifts of travel.

**Question:** If a legislator or employee takes official action that may affect the interests of a business and that business offers to pay the legislator's or employee's travel costs for a state trip, must the travel costs be reported?

**Answer:** Legislators and employees whose expenses for state travel are not being paid for by their state agency should first contact the Hawaii State Ethics Commission for advice as to whether the trip is a "gift of travel," and if so, whether the gift of travel can be accepted. If acceptance is permitted, the gift of travel must be reported if its value exceeds the \$200 threshold amount. Gifts of travel must be reported even if the travel serves a state purpose.

4. Consolidated reports by immediate family members.

**Question:** Must a legislator or employee file a "consolidated" report that includes all gifts received by the legislator or employee, his or her spouse, and his or her dependent children, or must the legislator or employee, his or her spouse, and his or her dependent children each file a separate report?

**Answer:** The legislator or employee must file a report that includes all reportable gifts received by the legislator or employee, his or her spouse, and his or her dependent children. The legislator's or employee's spouse and dependent children are not required to file separate reports.

5. Computing \$200 threshold amount for family units.

**Question:** Does the \$200 threshold amount apply to the family unit consisting of the legislator or employee, his or her spouse, and his or her dependent children, or does a separate \$200 threshold apply to each member of the family unit?

**Answer:** The \$200 threshold amount applies to the family unit. If a legislator or employee receives a gift worth \$100 and his or her spouse receives a gift worth \$101 from the same source, then the threshold requirement is met.

6. Gifts of meals.

**Question:** Do gifts include lunches and dinners that are not evenly exchanged?

**Answer:** Yes. It is important to first check with the Hawaii State Ethics Commission as to whether a gift of a meal can be accepted. If acceptance is allowed, the gift must be reported if: (1) the value of the gift exceeds the \$200 threshold amount; (2) the recipient takes official action that may affect the donor of the gift; and (3) the gift is not covered by an exception to the reporting requirement. Gifts from one source that are valued in the aggregate of over \$200 must be reported. For example, if, within the disclosure period, a legislator or employee is allowed to accept four meals from a donor, and the aggregate value of these meals exceeded \$200, then the meals must be reported.

7. Special occasion gifts.

**Question:** Do gifts include baby shower, wedding, "get well," or sympathy gifts that are not evenly exchanged?

**Answer:** Yes. And, the gift must be reported if: (1) the value of the gift exceeds the \$200 threshold amount; (2) the recipient takes official action that may affect the donor of the gift; and (3) the gift is not covered by an exception to the reporting requirement. The exception in the Gifts Reporting Law for exchanges of equal value given on holidays or special occasions covers only reciprocal gift-giving within the reporting period.

8. Personal service gifts.

**Question:** Do gifts include assistance in moving, babysitting services, and other personal services?

**Answer:** Yes. The law states that gifts may take the form of services. The Hawaii State Ethics Commission should first be consulted as to whether the gift can be accepted. If acceptance is allowed, and if the gift of service meets the threshold requirements, then it must be reported. The value of the service is determined by a good faith estimate of the market value of the service.

9. Discounts earned through spouse's private employment.

**Question:** Are extensions of reduced rates or discounts to a legislator or employee from the private employer of the legislator's or employee's spouse reportable gifts?

**Answer:** Reduced rates, discounts, or other benefits earned by a legislator's or employee's spouse may not be considered gifts when extended to include the legislator or employee if such benefits are part of the compensation

package of the privately employed spouse. Otherwise, such gifts may be reportable. In these cases, the Hawaii State Ethics Commission should be contacted for advice.

10. Donations to a state agency for agency use.

**Question:** If a private business donates money or goods or services to a state agency for the use of the agency for an official state purpose, and not for any benefit of a particular employee, must this be reported as a gift?

**Answer:** No. A donation to a state agency for the benefit of the agency is not a reportable gift. For example, a donation of books to a public school from a private publishing company is not a reportable gift.

11. Aggregate value of gifts exceeding \$200.

**Question:** An employee takes official action affecting the interests of a company. On four occasions during the reporting period the company gives gifts to the employee. The value of each gift is \$60. Must the employee report these gifts?

**Answer:** The employee should first check with the Hawaii State Ethics Commission as to whether acceptance of each of these gifts is permissible. If acceptance is permissible, the employee must report these gifts, because during the disclosure period the aggregate value of the gifts exceeded \$200. Employees should keep track of the gifts that they receive within the disclosure period in order to determine when the value of these gifts exceeds \$200. The disclosure period runs from June 1 of the preceding year to June 1 of the current year. Once the disclosure period has ended, the value of gifts received within that period are not carried forward into the next period.

12. Gifts from family members and relatives.

**Question:** An employee receives a \$300 wedding gift from her first cousin. The employee takes official action affecting the first cousin. Must the employee report the gift?

**Answer:** No. First cousins are within four degrees of consanguinity and therefore fall under an exception to the Gifts Disclosure Law.

13. Campaign contributions.

**Question:** A legislator running for re-election receives a \$500 campaign contribution and reports this as required by the campaign spending laws. Is he or she also required to disclose it as a gift?

**Answer:** No. Campaign contributions that comply with state law are exempt from the Gifts Disclosure Law.

14. Gifts shared by individuals in the office.

**Question:** A person brings a gift of food to a state office, valued in excess of \$200. The staff of the office takes official action that may affect the donor of the gift. The gift is shared among the individual staff members of the office. Must this gift be disclosed?

**Answer:** First, the Hawaii State Ethics Commission should be consulted as to whether acceptance of the gift is permissible. If acceptance is permissible, the gift is reportable. If the gift is clearly marked as a gift to one of the staff members, and the staff member shares it with other individuals in the office, the staff member must report the gifts. When a gift is clearly directed to one person, that person is considered the recipient of the gift and is responsible for complying with the Gifts Disclosure Law. The recipient may choose to share the gift, but this will not relieve the recipient of the responsibility of complying with the Gifts Disclosure Law. If the gift is marked as a gift for the entire staff of the office, then the head of the office is responsible for reporting the gift.

Legislators and employees who need advice about the Gifts Disclosure Law, the Gifts Law, or any other provision of the State Ethics Code should not hesitate to contact the Hawaii State Ethics Commission for advice.

Hawaii State Ethics Commission  
1001 Bishop Street, Suite 970  
Honolulu, Hawaii 96813

or

Hawaii State Ethics Commission  
P.O. Box 616  
Honolulu, Hawaii 96809

Telephone: (808) 587-0460

FAX: (808) 587-0470

Email: [ethics@hawaiiethics.org](mailto:ethics@hawaiiethics.org)