

OPINION NO. 14

A mail clerk in one of the state departments asks whether he will be in violation of the Ethics Act when he assumes ownership at the beginning of next year of a company which provides manpower to operate and maintain potable and waste water systems. It is understood that his private business duties will be performed at other than state working hours.

As a mail clerk, this employee processes mail for an extensively organized agency. His duties include all the tasks inherent in processing mail, including collection, sorting, processing and delivery.

While it is true he will have a substantial financial interest in the company, his official action as a state mail clerk can in no way "directly affect" his private company. Thus, no section 8 conflict of interests situation will result when he assumes ownership of the company.

The employee has indicated in his request for an opinion that his company may enter into contracts with the State or state agencies to provide manpower to operate and maintain water systems. Such contracts would be service contracts and fall within the regulation of section 10 of the Act. Thus, any such contract in excess of \$1,000 must be made after public notice and competitive bidding.

Act 263 makes disclosure to the Commission of an interest, which an employee believes may be affected by his agency, a condition of remaining in public employment. Although the request for an opinion is not on the Commission card, the employee's letter supplies all the information required in a disclosure under Rule 6 of the Commission's Rules and Regulations, and thus complies with section 12, the disclosure section, of the Act.

Dated: Honolulu, Hawaii, December 12, 1968.

STATE ETHICS COMMISSION
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