

OPINION NO. 71

A legislator has asked whether the following facts constitute conflict of interests situations:

1. He is a member of a committee which acts upon
 - a. housing bills involving public lands, and
 - b. bills relating to condemnations for housing purposes.
2. A limited partnership is presently negotiating with a state agency on a project. The legislator's interests in the limited partnership are as follows:
 - a. He is a stockholder with a 26% interest in a corporation which is the general and managing partner (1/7 interest) of the limited partnership.
 - b. He is also president of the corporation with a substantial salary. He is also a director of the corporation, and receives a nominal amount per meeting.
 - c. His wife is a trustee for an account which is also a partner (1/7 interest) of the limited partnership.

The Commission finds that the interests enumerated above, cumulatively and severally, are substantial financial interests which would result in conflict of interests situations when housing measures affecting the investment and development interests of the limited partnership come before the committee and to the floor for debate and voting. When such a situation arises, he would be faced with the conflicting interests of the electorate whom he serves and his own private interests.

The ethics law does not require him to divest himself of these interests, but the law does require that he not use or attempt to use his official position to secure special privileges, contracts or advantages for himself or others. [HRS, §84-13.] We think he should continue to refrain from making appearances for the partnership before the state agency which would administer the program. We have also stated that it would be a violation to introduce, sign, debate, bargain or vote on matters in the Legislature affecting a legislator's special interests. [Op. No. 66.] He should take the appropriate steps provided by the Rules and Procedures to disqualify himself from participation in such matters when bills affecting his special interest come before committees or to the floor. [Op. Nos. 26-28, 48.] Secondly he should not disclose information which, by law or practice, is not available to the public, or use such information for the benefit of himself or others. [HRS, §84-12.]

Dated: Honolulu, Hawaii, June 1, 1970.

STATE ETHICS Commission
James F. Morgan, Jr., Chairman
S. Don Shimazu, Vice Chairman
July Simeona, Commissioner

Note: Commissioners Vernon F.L. Char and Margaret W. Smalley were excused from the meeting at which this opinion was considered and adopted.