

OPINION NO. 103

A state board member has disclosed that his employer, a local corporation, has a lease which may be affected by an application pending before the board of which he is a member.

The president of his corporate employer is also an interested applicant before his board.

He has inquired whether he must disqualify himself from these two pending applications.

The Commission ruled that his employment was a substantial financial interest in the company. Although his corporate employer was not the applicant in either proceeding, any official action taken on the applications would affect the corporation's lease and the ability to renegotiate the lease on the part of the parties. Because the two applicants had similar interests, action on one application could affect the other application, and in turn, affect the lease of the corporate employer. For this reason, we advised that he should not participate in both applications on the grounds that such would be a violation of HRS, §84-14.

Because the president of his company was an interested party in the second application, any action he took affecting this interest would furthermore give the appearance of granting unwarranted treatment or privileges to his employer and would thus be a possible violation of §84-13.

Dated: Honolulu, Hawaii, March 12, 1971.

STATE ETHICS COMMISSION
James F. Morgan, Jr., Chairman
Vernon F.L. Char, Vice Chairman
Gwendolyn B. Bailey, Commissioner
Walters K. Eli, Commissioner
S. Don Shimazu, Commissioner