

## OPINION NO. 264

An inspector for a department had wide-ranging responsibilities for the inspection of manufacturing operations connected with the complex production of a certain product. His inspection duties with regard to the product were carried out at the wholesale level only. He had been employed in this position for nearly 30 years. He was also employed during his non-state hours as a sales person by a business which sold the product he inspected on a retail basis. He had acquired this position in 1965. He was concerned that his holding these two positions might place him in conflict with the state ethics code and requested an opinion from the Commission on this matter.

The section of the ethics code most applicable to his situation was HRS §84-14(b). That section prohibits a state employee from acquiring an interest in a business which he has reason to believe may be directly involved in official action to be taken by him. His employment with the private business was a financial interest for purposes of the statute (see HRS §84-3(6)(C)). Therefore, if at the time he began his employment with the business it were probable that he would have been required to take some official action with regard to the business, then he should not have accepted that employment and he would now be required to give up that interest.

We noted that during his eleven years of employment with the business, it had not engaged in the activities regulated and inspected by the employee's state department; his department had, therefore, had no occasion to take any official action directly affecting the business. That indicated that at the time he began working for the business there was no reason for him to believe that he would be required to take official action with regard to the company. Accordingly, we found that his private employment was not in violation of the ethics code.

We pointed out to the employee that if in the future the business began an operation in which his division might become involved, HRS §84-14(a) required that he disqualify himself from participation in any official action taken in respect to that operation. He indicated that other members of his department could easily perform any inspection which might be necessary.

We appreciated his sensitivity to a possible ethics problem and commended him for requesting an opinion.

Dated: Honolulu, Hawaii, August 6, 1976.

STATE ETHICS COMMISSION  
Audrey P. Bliss, Chairman  
Dorothy K. Ching, Commissioner  
Gary B.K.T. Lee, Commissioner  
I.B. Peterson, Commissioner

Note: Vice Chairman Paul C.T. Loo was excused from the meeting at which this opinion was considered.