

OPINION NO. 446

An employee of a state commission requested this Commission to reconsider a portion of Advisory Opinion No. 434 based in light of additional information, which had not been presented before the opinion had been rendered. We had decided in Advisory Opinion No. 434 that a state board member would not be permitted under HRS §84-14(a), a portion of the conflicts-of-interests section, to vote on a proposal submitted by a private corporation, because the board member had been employed by a subsidiary of the corporation. In the request for reconsideration, the employee noted that while the board member was employed by the subsidiary, he was also a member of a union and was not associated with the administration of either the subsidiary or the parent corporation. Further, the employee stated that the board member served as a county representative on the commission and possessed knowledge that would be valuable to the commission's deliberations on the proposals.

HRS §84-14, the conflicts-of-interests section, read in part:

- (a) No employee shall take any official action directly affecting:
 - (1) A business or other undertaking in which he has a substantial financial interest;

We reaffirmed that for the purposes of the ethics code the interests of the subsidiary were identical to those of its parent company. We noted, however, that the board member was not involved in the management or policy decisions of either the subsidiary or the parent corporation. Accordingly, the Commission determined that the board member would be allowed to vote on the proposal submitted by the parent corporation to the commission. We asked that the board member consult with this Commission for further advice if his situation changed in the future.

We appreciated the employee bringing this matter to the attention of the Commission.

Dated: Honolulu, Hawaii, September 9, 1981.

STATE ETHICS COMMISSION
Edith K. Kleinjans, Chairman
Paul C.T. Loo, Vice Chairman
Dorothy K. Ching, Commissioner
Robert N. Mitcham, Commissioner

Note: Commissioner Lee disqualified himself from the consideration and preparation of this opinion.