HAWAII
STATE
ETHICS
COMMISSION
State of Hawaii • Bishop Square, 1001 Bishop Street, ASB Tower 970 • Honolulu, Hawaii 96813

INFORMAL ADVISORY OPINION NO. 2011-1

A member of the public filed a formal charge against a state legislator with the Hawaii State Ethics Commission ("Commission"). The charge alleged that the legislator did not accurately report information on his financial disclosure statement. The Commission reviewed the charge and the legislator's answer. Pursuant to HRS section 84-31, the Commission issued an Informal Advisory Opinion to the legislator.

The legislator has been a member of the legislature for a number of years. As such, he has annually been required to file a financial disclosure statement with the Commission.[1] HRS section 84-17(d) provides that his financial disclosure statement is a public record. The charge alleged that the legislator failed to accurately report information on his annual financial disclosure statements for several years. More specifically, the charge alleged that, for several years, the legislator had not reported, among other items, his legislative salary and his spouse's income.

Before the charge was filed, the legislator was made aware of the deficiency in his 2011 annual filing by a member of the public. He responded by amending his 2011 disclosure statement and subsequently requested a meeting with Commission staff to discuss the requirements of the financial disclosure law. Commission staff explained the type of interests that the legislator must report under the financial disclosure law.[2] Subsequent to this discussion, the legislator filed a letter amending his previous financial disclosure statements.

The charge was filed after the legislator amended his previously filed financial disclosure statements. In his answer to the charge, the legislator accepted responsibility for the omissions and apologized for the deficient filings. He stated that the omissions resulted from a lack of understanding of the financial disclosure law.

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[1] Hawaii Revised Statutes (HRS) section 84-17, a part of the State Ethics Code reads, in relevant part:

> **§ 84-17 Requirements of disclosure**. (c) The following persons shall file annually with the state ethics commission a disclosure of financial interests:
> (1) The governor, lieutenant governor, the members of the legislature, and delegates to the constitutional convention. . . .

[2] HRS section 84-17(f) lists those interest that must be reported on a financial disclosure statement. These include the financial interests of the filer, the filer's spouse, and the filer's dependent children.

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In its review of this matter, the Commission notes that the legislator had served as a state official for many years and had had experience with the financial disclosure law. The Commission also notes that HRS section 84-17(f) very clearly states that a filer must report not only the filer's own financial interests, but also the interests of the filer's spouse and dependent children. In addition, the financial disclosure form itself clearly instructs the filer to report these interests. Given this and given the legislator's long experience in state government, the Commission is troubled by the legislator's failure to accurately report the interests of his spouse.

The Commission notes, however, that when these deficiencies were first pointed out, the legislator immediately acted to amend his 2011 disclosure statement. He also quickly sought out the Commission's staff's guidance on the financial disclosure law. Based on this advice, the legislator amended his previous financial disclosure statements. This occurred before the charge was filed.

The Commission completes its review of this matter with the issuance of this Informal Advisory Opinion. The financial disclosure law was enacted in order to promote the public's confidence in the integrity of state officials and employees. This opinion is intended to remind the legislator and other state employees and officials about the requirements of the financial disclosure law and the importance of complying with its requirements.

Dated: Honolulu, Hawaii, August 17, 2011.

HAWAII STATE ETHICS COMMISSION

Cassandra J. Leolani Abdul, Vice Chair
Les M. Knudsen, Commissioner
Edward L. Broglio, Commissioner
Jacqueline B. Kido, Commissioner

Chairperson Maria J. Sullivan was not present for the issuance of this Informal Advisory Opinion.