



---

## HAWAI‘I STATE ETHICS COMMISSION

State of Hawai‘i · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawai‘i 96813

November 22, 2024

Via Email: [pookumu@kawaihonapcs.org](mailto:pookumu@kawaihonapcs.org)

Mr. Gary Sherwood Krug, Jr.  
Principal, Ka Waihona o ka Na‘auao Public Charter School  
89-195 Farrington Highway  
Waianae, HI 96792

Re: Request for a Good Cause Exemption to Nepotism Prohibition  
(REQ-2024-0281)

---

Dear Principal Krug, Jr.,

Thank you for contacting our office to request a good cause exemption to the Nepotism Law. You are the principal of Ka Waihona o ka Na‘auao Public Charter School (the “school”). You requested a good cause exemption so that your daughter, Leleapāo‘o Puna‘eli‘ia Krug, may be hired as a part-time paraprofessional tutor at the school. In your application form and subsequent emails, you informed the Hawai‘i State Ethics Commission’s (“Commission”) staff that the school needs a part-time paraprofessional tutor with proficiency in Hawaiian language to tutor Hawaiian immersion students. Other school officials indicated that the school needs these tutors immediately because it recently implemented a Hawaiian immersion program in grades kindergarten through eight, and it needs Native Hawaiian speakers to provide tutoring to Hawaiian Language Learners. This position has been posted since July 2024, and Ms. Krug is the only applicant. Additionally, the school is located in Nanakuli, which has less population than Honolulu, and has had difficulty hiring teachers. You were not involved in the hiring process and will not be involved in your daughter's supervision, evaluation, promotion/demotion, or termination.

With regard to the supervision of Ms. Krug, you indicated that the Vice Principal would be her immediate supervisor, and school staff indicated that a second Vice Principal would fill in if, for some reason, the first Vice Principal is unavailable. Also, your staff has indicated that the Vice Principals may contact the school’s Governing Board if any issues arise regarding Ms. Krug’s employment.

Based on the information provided, we believe the Nepotism Law does not prohibit the school from hiring your daughter because you have shown that you intend to comply

Mr. Gary Sherwood Krug, Jr.

November 22, 2024

Page 2

with the law without the necessity of a good cause exemption. The Nepotism Law prohibits state employees from taking employment actions affecting relatives or household members. Employment actions include hiring, evaluating, demoting, promoting, terminating, or supervising a relative or household member. In your application, you suggested you may provide professional support and coaching to Ms. Krug. However, you and other school officials later indicated that other school employees could provide this support, and you can fully recuse from taking action affecting your daughter as a state employee. While we believe the Nepotism law allows you to interact with Ms. Krug in group settings (e.g., school assembly, all staff meeting), to comply with the Nepotism law and avoid any appearance of preferential treatment, we believe any training should be done by Ms. Krug's direct supervisors or other school employees unrelated to Ms. Krug.

The law further provides that the Commission may grant an exemption from the Nepotism law upon good cause shown. Good cause may include a demonstrated lack of qualified employees or candidates.<sup>1</sup> In this case, a good cause exemption is not required because you and other school officials indicated that you would not supervise or take action affecting your daughter, nor did you participate in her hiring process. If circumstances change, such as you find yourself in a position of supervising or taking official action directly affecting Ms. Krug, or if she were to apply to a different position within the school, it may necessitate submission of another good cause exception request.

We also note that, although a good cause exemption is not required in this case, the school likely has not met the requirements for such an exemption. The school only advertised this position on its website. While there is an immediate need to hire paraprofessional tutors with Hawaiian language proficiency, the Nepotism law requires more extensive efforts to demonstrate good cause. For instance, the school could post the position on other job application websites and contact entities that may have expertise in Hawaiian language (such as the University of Hawai'i) to attempt to find additional candidates.

Finally, you should be aware of an additional section of the Ethics Code. Hawai'i Revised Statutes § 84-13(a) prohibits state employees from using their state positions to grant themselves or anyone else any unwarranted benefit or advantage. State employees who work alongside relatives must be cautious not to give their relatives special treatment.

Thank you for your request for an exemption. This letter is based on the information

---

<sup>1</sup> The Nepotism Law is contained in Haw. Rev. Stat. § 84-13.2, available at: [Chapter84.pdf](#)

For more information, please refer to the quick guides posted on the Ethics Commission's website: [Nepotism Quick Guide](#).

Mr. Gary Sherwood Krug, Jr.

November 22, 2024

Page 3

you provided. If the information is inaccurate or incomplete, please inform us as soon as possible, as this may affect our decision. Further, if you disagree with any portion of this letter, you may, pursuant to the Order Regarding Applications for Good Cause Exceptions to the Nepotism Law issued on May 17, 2023, appeal to the full Ethics Commission for reconsideration.<sup>2</sup>

If you have any questions or want to discuss this matter further, please contact me at (808) 587-0460.

Sincerely,

/s Kee M. Campbell

Kee M. Campbell  
Enforcement Director

KMC/lo

---

<sup>2</sup> Available at <https://ethics.hawaii.gov/wp-content/uploads/Order-NepotismExceptionProcess.pdf>