



HAWAI'I STATE ETHICS COMMISSION

Komikina Ho'opono Kulekele o Hawai'i Moku'āina

Settlement of Charge 2026-1

(COMPL-C-23-00581/REQ-2024-0085)

Former Department of Health, Emergency Medical Services Program Specialist V's Violation of the Conflicts of Interests Law

January 21, 2026

The Hawai'i State Ethics Commission ("Commission") has settled a Charge against Clayton Chan ("Respondent Chan"), a former Program Specialist V in the Emergency Medical Services and Injury Prevention Systems Branch (the "EMS Branch"), Department of Health ("DOH"), for alleged violations of the State Ethics Code, Hawai'i Revised Statutes ("HRS") chapter 84.

I. Facts

a) Respondent was employed by the State of Hawai'i Department of Health ("DOH") from 1994 until 2025 and was, at all times relevant to the Charge, a state employee as defined in HRS § 84-3.

b) The State Ethics Code applies to every state employee. See HRS § 84-2. As a state employee, Respondent was, at all times relevant to the Charge, personally responsible for complying with the State Ethics Code.

c) The DOH is expressly mandated to regulate ambulances and ambulance services statewide, in addition to other duties relating to emergency medical services. See HRS § 321-224. The DOH does this through the Emergency Medical Services and Injury Prevention System Branch ("EMS Branch"). See Hawai'i Administrative Rules §11-72-9.

d) On or around June 1, 2004, Respondent began working as a Program Specialist (EMS Specialist) V in the EMS Branch. Respondent signed a Position Description upon accepting the role.

e) Per the Position Description, one of the position's "major duties and responsibilities" was to "enforce compliance [with ambulance regulations] through annual licensure inspection and quality assurance review." Accordingly, Respondent conducted inspections of ambulances and routinely communicated with ambulance providers regarding compliance.

f) There are only four ambulance providers statewide, and three are public county programs. The fourth is a private company, International Life Support, Inc., *dba* American Medical Response (“AMR”). AMR has held state contracts to provide ambulance services to the people of Hawai‘i for over forty years. Accordingly, AMR has long been regulated by the EMS Branch.

g) As part of Respondent’s regulatory duties, he inspected AMR ambulances for compliance with annual licensure requirements. He also developed Requests for Proposals (“RFP”) for ambulance service contracts and received and managed AMR’s successful RFP bids.

h) As part of Respondent’s regulatory duties, he also worked on administrative rules, legislative proposals, standards, and policies, stakeholder meetings, and guidance relating to ambulance services, led a major initiative to restructure ambulance services, and served as the state communication contact for ambulance service providers.

i) Around April 2019, Respondent acquired employment with AMR, while continuing to work in his state capacity at the EMS Branch.

j) Employment is a personal financial interest. See § HRS 84-3.

k) Respondent did not disclose his AMR employment to his supervisor or other DOH administrators when he accepted it.

l) At the time Respondent began working for AMR, he was required to continue performing official actions that directly affected ambulances and ambulance services, as set forth in his Position Description. Respondent had performed those duties prior to acquiring employment with AMR.

m) Examples of official actions Respondent had performed before his AMR employment (and was expected to continue performing) include developing and managing bids for ambulance service contracts, representing the EMS Branch in stakeholder communications, enforcing ambulance licensure, and working on legislative proposals, program implementation, policies, and guidance that would have affected all ambulance service providers, including AMR.

n) Accordingly, in his official state capacity, Respondent had reason to believe AMR would be directly involved in official action to be taken by him as a state employee.

o) When Respondent’s supervisor and administrators learned about his employment with AMR, they informed him that it was a violation of the State Ethics Code’s Conflict of Interest law. They advised him to choose between his state employment and his AMR employment. Respondent neglected to take any action to resolve the conflict and never contacted the Commission for guidance.

p) Respondent's supervisor walled off Respondent from sensitive projects and assignments that fell within his job duties, so they would not be jeopardized by Respondent's conflicting interest in AMR.

II. The State Ethics Code, HRS Chapter 84

a. Constitutional Mandate and Statutory Purpose

The Hawai'i State Constitution directs the Legislature to enact a code of ethics, proclaiming, "[t]he people of Hawai'i believe that public officers and employees must exhibit the highest standards of ethical conduct and that these standards come from the personal integrity of each individual in government."¹

In accordance with this constitutional mandate, the Legislature enacted the State Ethics Code. It charged the Commission with administering and enforcing the law "so that public confidence in public servants will be preserved."²

Additionally, the Legislature expressly directed that the State Ethics Code be liberally construed to promote high standards of ethical conduct in state government.³ It is in this context that the Commission examines the actions of state employees.

b. Application of the State Ethics Code to Respondent Chan

As a state employee at all times relevant herein, Respondent Chan was required to comply with the State Ethics Code.⁴ The Conflicts of Interests law, HRS § 84-14(b), prohibits state employees from acquiring financial interests in any business or other undertaking which the employee has reason to believe may be directly involved in official action to be taken by the employee.

The law exists to ensure that those entrusted with serving the taxpaying public's best interest will focus solely on that interest. Barring employees from acquiring any conflicting personal interests protects the public's confidence in fair and impartial government work.

Previous to Respondent Chan acquiring employment with AMR, he performed multiple official actions directly involving AMR. His Position Description also describes duties requiring him to take official action involving all ambulance service providers, which

¹ Haw. Const., Article XIV.

² HRS Chapter 84, Preamble.

³ HRS § 84-1.

⁴ HRS § 84-2.

includes AMR. The Commission believes that he had reason to believe that he was required to take official action in which AMR would be directly involved.

As an example, Respondent Chan had a duty to inspect AMR ambulances and to develop the next set of contracts for ambulance services and manage AMR bids, pursuant to his Position Description and as he had done before his employment with AMR. Respondent Chan was also expected to continue working on general regulatory matters that were likely to directly involve AMR, such as administrative rules, legislative proposals, standards and policies, stakeholder meetings, and guidance, pursuant to his Position Description and as he had done before his employment with AMR.

Respondent Chan was initially reluctant to recognize his action as a violation of state law. However, he voluntarily engaged in discussions regarding settlement in lieu of further enforcement proceedings, which is an efficient outcome for all parties. Additionally, Respondent Chan is no longer a state employee, and his private employment does not have any impact on the state.

III. Settlement of the Charge

Respondent Chan has not been the subject of a previous ethics charge or ethics investigation.

a) Based on the factual circumstances, and considering the benefit of avoiding the cost and expense of prosecuting a contested case hearing, the Commission believes it is reasonable, fair, and in the public interest to resolve this matter by (1) issuing this Settlement of Charge, and (2) requiring Respondent Chan to pay an administrative penalty of \$1,000.00 to the State of Hawai'i. This is the maximum penalty the Commission is authorized to impose for Respondent's Conflicts of Interests law violation under applicable law.