Settlement of Investigation 2025-2

(REQ-2025-1574)

Senator's Violation of the Fair Treatment Law

November 19, 2025

The Hawai'i State Ethics Commission ("Commission") has settled an investigation of Lynn DeCoite ("Respondent DeCoite") for alleged violations of the State Ethics Code, Hawai'i Revised Statutes ("HRS") chapter 84.

An analysis performed by Campaign Spending Commission ("CSC") found that an expenditure Respondent DeCoite reported as a campaign spending fund expense duplicated an entry on her legislative allowance report. The CSC informed Respondent DeCoite, who reviewed her accounts and refunded the full expense amount to her legislative allowance from her personal funds within two days.

The CSC notified the Commission of the duplicate reimbursement, and after speaking with Respondent DeCoite, the Commission determined that this conduct, while likely unintentional, had violated the Fair Treatment law, HRS § 84-13. Respondent DeCoite cooperated with the Commission's investigation and accepted responsibility for the violation. She agreed to resolve the matter by paying a \$500 penalty to the Commission and by reviewing and improving her office procedures.

- I. Admitted Facts. Respondent DeCoite admits and declares, under penalty of perjury, that the following facts are true and correct:
 - (a) Respondent DeCoite, at all times relevant herein, was an elected member of the Hawai'i State Senate ("Senate"). The Senate is a "state agency" as defined by HRS § 84-3.
 - (b) The State Ethics Code applies to every elected officer. See HRS § 84-2. As an elected officer, Respondent DeCoite was, at all times relevant to this matter, responsible for complying with the State Ethics Code.
 - (c) Members of the State Legislature receive an annual allowance ("legislative allowance") to cover incidental expenses connected with their legislative duties as provided by Article III, Section 9 of the Hawai'i State Constitution and HRS §

- 24-1. The use of the legislative allowance is subject to reporting and accounting requirements administered by each house of the Legislature.
- (d) The Senate maintains a legislative allowance account for each of its members. Senators submit a claim form to the Senate's Chief Clerk ("Senate Clerk") to request reimbursement from their legislative allowance accounts for expenses connected with their legislative duties.
- (e) Members of the State Legislature may also use "campaign funds" consisting of contributions, interest, rebates, refunds, loans, or advances received by a candidate committee on their behalf, to pay for ordinary and necessary expenses incurred in connection with their duties as a holder of an office, as provided by HRS § 11-381(a)(8). Candidate committees must register with the Campaign Spending Commission and candidates must report all campaign fund expenditures from their candidate committees. HRS §§ 11-321; 11-333.
- (f) The Fair Treatment Law, HRS § 84-13(a), states: "No legislator or employee shall use or attempt to use the legislator's or employee's official position to secure or grant unwarranted privileges, exemptions, advantages, contracts, or treatment, for oneself or others[.]" The law prohibits a legislator from using his or her official position to obtain unwarranted benefits.
- (g) On January 15, 2025, Respondent DeCoite's office ordered food from a local restaurant for Opening Day of the legislature at a cost of \$1,151.31.
- (h) Respondent DeCoite's standard office procedure required her office manager to submit the restaurant's receipt for reimbursement from her legislative allowance account and stamp it PAID or attach another indication that it had been processed.
- (i) Respondent DeCoite hired a new office manager with only a few days of experience. Respondent DeCoite's new office manager submitted the restaurant expense properly but failed to stamp the receipt or indicate it had been processed. Respondent DeCoite then noticed the receipt on her desk, without indication that it had been processed, and submitted it for reimbursement to her campaign funds account, unaware that her office manager had already submitted it to her legislative allowance account.
- (j) Respondent DeCoite received a letter from the Campaign Spending Commission dated August 29, 2025, alerting her that an expenditure she reported as a campaign fund expense was duplicated on her legislative allowance report.

Respondent DeCoite reviewed the accounts and promptly reimbursed the full expense amount to her legislative allowance from her personal funds. The Senate Clerk reported that Respondent DeCoite refunded her legislative allowance account on August 31, 2025.

- (k) Respondent DeCoite accepts full responsibility for the failure to track the restaurant expense properly.
- (l) Respondent DeCoite recognizes that the oversight resulted in her improperly collecting an unwarranted reimbursement, in addition to the reimbursement she was properly due, and that securing or granting unwarranted payments, even unintentionally, is strictly prohibited under the Fair Treatment law, HRS § 84-13(a).
- (m) The Commission has noted that Respondent DeCoite readily cooperated with staff's investigation, understood that her misconduct was serious, and expressed remorse for the situation.

II. The State Ethics Code, HRS Chapter 84

a. <u>Constitutional Mandate and Statutory Purpose</u>

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

Additionally, the Legislature explicitly 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 every legislator's actions.

b. Application of the State Ethics Code to Respondent DeCoite

As a legislator, Respondent DeCoite is required to comply with the State Ethics Code.⁴ The Fair Treatment Law states: "No legislator or employee shall use or attempt to use the legislator's or employee's official position to secure or grant unwarranted

¹ Haw. Const., Article XIV.

² HRS Chapter 84, Preamble.

³ HRS § 84-1.

⁴ HRS § 84-2.

privileges, exemptions, advantages, contracts, or treatment, for oneself or others[.]"⁵ The Fair Treatment law prohibits a legislator from using his or her official position to obtain unwarranted benefits.

Members of the State Legislature are generally permitted by law to pay or be reimbursed for their office's operational expenses using either their "legislative allowance" or "campaign funds." A legislative allowance is an annual amount allotted to each legislator "to cover incidental expenses connected with legislative duties." Campaign funds consist of "contributions, interest, rebates, refunds, loans, or advances received by a candidate committee on the [legislator's] behalf," and a legislator may use such funds to pay for "ordinary and necessary expenses incurred in connection with their duties as a holder of an office." Needless to say, while qualifying operational expenses may be paid or reimbursed from either account, an expense may not be reimbursed more than once.

Respondent DeCoite's office manager took reimbursement for the restaurant expense from her legislative allowance account, and later Respondent DeCoite took reimbursement for the same expense from her campaign account. Therefore, in addition to receiving the permitted reimbursement amount for the expense, Respondent DeCoite collected a second, unwarranted, reimbursement amount for the same expense.

The use of a legislator's position to secure or grant unwarranted payments, even if unintentional, is strictly prohibited under the Fair Treatment law.⁸ Respondent DeCoite has accepted full responsibility for the failure to track the restaurant expense properly, and recognizes that the oversight resulted in a violation.

III. Settlement of the Investigation

The Commission notes that Respondent DeCoite readily cooperated with staff's investigation, understood that her misconduct was serious, and expressed remorse for the situation. She also took prompt action to correct the account imbalance once she became aware of it and has implemented changes to her office procedures to minimize the risk of a similar event occurring in the future.

Given the violations of the State Ethics Code, the Commission believes it is reasonable, fair, and in the public interest to resolve this investigation by (1) issuing this Resolution of Investigation; (2) requiring Respondent DeCoite to pay an administrative penalty of \$500.00 to the State of Hawai'i from her personal funds; and (3) referring this matter to the Senate President for further action as appropriate.

⁵ HRS § 84-13(a).

⁶ HRS § 24-1. See also Haw. Const. Article III, Section 9.

⁷ HRS § 11-381(a)(8).

⁸ HRS § 84-13(a).