Ethics: Best Practices
Board of Regents
January 26, 2017

Hawaii State Ethics Commission
State Ethics Code
HRS chapter 84

- State Employees
- State Legislators
- Members of State Boards and Commissions
Ethics Code: Subject Areas

- Confidential Information
- Gifts/Gifts Disclosure
- Fair Treatment
- Financial Disclosure Statements
- Conflicts of Interests
- State Contracts
- Post-Employment Restrictions
No employee shall accept or solicit any gift if it is reasonable to infer that the gift is intended to influence or reward official action.
GIFTS

- Food
- Entertainment
- Travel
- Gift certificates
- Discount cards or passes
- Loans
- Money
- Services
- Anything of value
GIFTS

Factors to consider:

• **VALUE**: How much is the gift worth?

• **RELATIONSHIP**: What is the donor’s relationship to the recipient? Does the recipient take official action affecting the donor?

• **STATE PURPOSE**: Does the gift benefit the State?
Gifts

1. Can you accept gift?  
   (HRS § 84-11)

2. If you can accept gift, must you report it?  
   (HRS § 84-11.5)
Requires a gifts disclosure statement to be filed if certain conditions are met:

1. An employee (or spouse or dependent child) receives any gift(s) whose value, singly or combined, is more than $200; and

2. The source of the gift has interests that may be affected by official action by the employee; and

3. The gift is not exempted from the reporting requirements.

*Political campaign contributions that comply with state law do not need to be reported as “gifts.”*
Fair Treatment
HRS § 84-13

No unwarranted privileges, exemptions, advantages, contracts, or treatment.
Fair Treatment

• Additional (“Double”) Compensation
• Using state position to seek private work or contracts
• Using state resources for private business purposes
• Financial transactions with subordinates
PRIVATE BUSINESS ACTIVITIES

• Sales
• Fundraising
• Campaign Activities
• Outside Employment
Disclosures

- Financial
- Gifts
- Contracts
- Candidates
- Lobbying
Conflicts of Interests

1. Disqualify yourself when there is a conflict
2. Don’t create new conflicts
3. Don’t represent anyone in a matter before your agency
Financial Interest

- Ownership interest in a business
- Employment or prospective employment
- Director or officer
- Ownership of real or personal property
- Loan or other debtor interest
- Creditor in an insolvent business
Financial Interests
Include Interests of:

• Spouse
• Dependent Children
• Civil Union Partner
Official Action

- Decision
- Recommendation
- Approval or Disapproval
- Action involving discretionary authority
Post Employment
HRS § 84-18

• 12 month “cooling off period”
• Cannot be paid to represent another person or business on matters participated in
• Cannot be paid to represent another person or business before former state agency
• Exception: State may contract with a former employee
State Ethics Commission

- Education
- Guidance
- Enforcement
- Disclosure
Penalties

• Fines up to $500 per violation
• Disciplinary action
• Recovery of gifts or profits
• Contracts or action voidable