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## Hawaii News

# 14 quit in wake of disclosure law

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University of Hawaii regents Jeffrey Portnoy

A new state law that makes public the financial interests of members serving on more than a dozen state boards and commissions has prompted the resignations of at least 14 volunteer members, including four regents from the University of Hawaii's governing board.

Citing privacy concerns over Senate Bill 2682, which was scheduled to become law Tuesday without Gov. Neil Abercrombie's signature, West Hawaii regent Carl Carlson

and Kauai regent Tom Shigemoto resigned last week from the university's 15-member board. Former UH regents John Dean and Saedene Ota both resigned last month because of the new law.

The state House and Senate unanimously approved the bill with a stated goal of increasing transparency and public confidence in government operations by adding members of 15 state boards, commissions and agencies to the list of public officials whose annual financial disclosure forms are now public records and will be available on the state Ethics Commission's website for inspection and duplication.

The measure initially had landed on the governor's potential veto list amid pushback from various gubernatorial appointees who would be affected by the measure.

The disclosure forms contain such financial information as income sources and amounts, investments, debts, ownership or interests in businesses, and real estate holdings for themselves, their spouse and dependent children.

Other resignations have come from individuals serving on the state Land Use Commission, Board of Land and Natural Resources, Agribusiness Development Corp. and Hawaii Housing Finance and Development Corp.

"I think in the end it's real straightforward: I'm somewhat of a private person in the sense that whatever my personal circumstances are, our family believes that's our business," Carlson, who had two years remaining on his term, told the Honolulu Star-Advertiser. "The Legislature went ahead and passed the bill, with good intent, but I don't agree with it, and because I don't agree, I'm just not in a position to continue my public service at the state level."

Carlson, who is self-employed as the founder of consulting firm Hu'ehu'e Ventures, had been a member of the Board of Regents for six years, including two years as vice chairman. He previously served for more than two decades on various boards and commissions, including on the state Board of Agriculture and Hawaii County Ethics Commission.

Shigemoto, vice president of planning at Alexander & Baldwin Properties, wrote Wednesday in his resignation letter to Abercrombie that "due to my strong personal belief that my and my family's financial situation is and should remain private, I sincerely regret this decision to resign as a regent of the university, effective immediately."

Shigemoto had been appointed to a multiyear term through mid-2017.

Nearly 1,800 state employees and members of boards and commissions are required to file the financial disclosure forms, but only about 180 of those are deemed to be public records, including those of the president, vice presidents and chancellors of the UH system. The Ethics Commission keeps the rest confidential by law.

The Ethics Commission, which supported the bill during the legislative session, said its ability to identify potential conflicts of interests in those forms is hampered by the high volume of statements filed and its limited staffing. It testified that the public is in a better position to help raise concerns, but opponents warned that the move would discourage community members from public service.

Justin Fujioka, Abercrombie's press secretary, said the governor has accepted Dean's and Ota's resignations along with three resignations from the nine-member state Land Use Commission: Sheldon Biga, who held the Maui County seat; Dennis Esaki, who represented Kauai; and Ernest Matsumura, who held the Hawaii island seat.

Fujioka said as of Monday afternoon the office had received seven more resignation letters from various board members affected by the new law: two more from the Land Use Commission, one from the Board of Land and Natural Resources, two from the state Agribusiness Development Corp.'s board of directors and two from the Hawaii Housing Finance and Development Corp.'s board.

But their names won't be released until the governor formally accepts the resignations, Fujioka said.

When announcing his decision last week to allow the bill to become law, Abercrombie made clear he had objections to any financial information being used for purposes other than identifying potential conflicts.

"There are tough issues to be considered in this bill with competing values: Legitimate inquiry into possible conflicts regarding the public interest versus legitimate concerns about personal information on family, finances, credit history and medical records becoming cannon fodder in political battles," he said in a letter to the state Senate president and House speaker.

That week the governor's office put out a call urging community members to apply for state board and commission openings it expected would occur as a result of SB 2682 taking effect.