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Regents' financial data again at stake

By [Nanea Kalani](#)

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A legislative committee has advanced a bill that would again protect financial disclosures of members of the University of Hawaii Board of Regents from public release — a move that would reverse a 2014 law that prompted several regents to resign.

The 2014 measure, which former Gov. Neil Abercrombie allowed to become law without his signature, had a stated goal of increasing transparency and public confidence in government operations by adding members of 15 various boards, commissions and agencies — including the Board of Regents — to the list of public officials whose annual financial disclosures are considered public records and are [posted](#) on the state Ethics Commission's website for inspection.

The state House Higher Education Committee on Tuesday advanced [House Bill 1532](#), which would remove the university's voluntary 15-member board from the list.

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. Four UH regents resigned over the

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Isaac Choy

law, citing privacy concerns.

Chairman, Higher Education Committee

Nearly 1,800 state employees and members of boards and commissions are required to file the disclosure forms, but only about 300 of those are deemed public records, including those of the university's top executives. The Ethics Commission keeps the rest confidential by law.

The commission, which opposes the bill, said its office does not have the capacity "to monitor and track the substantive matters and decisions of every state board and commission in order to determine whether a particular action or decision may directly affect a board member's personal financial interest."

"Given the vital role played by the Board of Regents as the governing board of the University of Hawaii, we believe that members of the board should be held to the same public disclosure requirements as other university leaders, such as the president, vice presidents and chancellors, as well as the members of other state boards that function as the heads of state agencies such as the Board of Education and the Board of Land and Natural Resources," testified Susan Yoza, associate director of the Ethics Commission.

"We believe that continued public disclosures by the Board of Regents will provide greater transparency and accountability in government, and it will enable the public to identify and raise concerns regarding possible conflicts of interest and, perhaps most importantly, it will promote public confidence in government and the university," she told the committee.

Several former regents, including two who resigned and the Emeritus Regents of the University of Hawaii, submitted written testimony in support of the bill, along with the Chamber of Commerce of Hawaii and the Building Industry Association of Hawaii.

Former regent John Dean, executive chairman of Central Pacific Bank, said the financial disclosure requirement forced him to resign in 2014.

"While I willingly shared this information on a confidential basis with the state's Ethics Commission, I was not willing to do so publicly," Dean said in written testimony. "I believe today that there are many qualified candidates not willing to serve because of this requirement."

Tom Shigemoto, a vice president with Alexander & Baldwin Properties who also resigned over the law, said in written testimony that "it's none of anyone's business what I earn, let alone what my wife earns. I decided it was unreasonable and unfair to make my finances known to the general public."

He wrote: "I do believe that any appointed board member must be required to declare

potential conflicts with corporations, businesses, investments, and anything related to an entity doing business with and for the university. And most appointed officials do.”

Rep. Isaac Choy (D, Manoa- Punahou-Moilili), chairman of the Higher Education Committee, amended the measure to require that the Ethics Commission review regent disclosures for potential conflicts of interest and report the findings annually to the Legislature.

“They kind of put it in the drawer. ... Now I think I’ve strengthened it, because they’re actually going to do something with the disclosures,” Choy said after the hearing. “That’s their kuleana. That’s their obligation,” he said of the Ethics Commission.

The bill next heads to the House Judiciary and Finance committees. A companion Senate bill has yet to be scheduled for an initial hearing.