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MAYOR VETOS ETHICS REFORM

Honolulu City Councilmember Charles K. Djou (Waikiki, East Honolulu) reacted to Mayor Mufi Hannemann's veto of Djou's ethics reform charter amendment, Resolution 07-391, CD2, which would have prohibited newly hired public officials from reviewing matters submitted by themselves or their previous employer.

"A strong ethics code is the fundamental foundation of our democracy and it is critical for the City to have solid conflict-of-interest rules. I am extremely disappointed in the mayor's veto of the ethics legislation to close a glaring loophole in the City's conflict-of-interest rules. This veto undermines the public's trust in our government and continues the unfortunate trend in Hawaii government of turning back ethics reform," stated Councilmember Djou.

Under existing law, city officials are prohibited from lobbying the city for one year after leaving their public positions, but the reverse is allowed. Currently, an individual may submit a proposal to the city, then enter city employment and immediately review and act upon that very proposal they submitted. Djou's measure closed this loophole and places a clear conflict-of-interest provision that individuals may not lobby or act upon private interests for one year when entering or leaving official office. The City Council unanimously approved Djou's ethics reform proposal. Under the City Charter, however, there is no over-ride provision for a mayoral veto for a charter amendment.

Earlier this year, Mayor Hannemann appointed Wayne Yoshioka to serve as Honolulu's Director of the Department of Transportation Services ("DTS"). Mr. Yoshioka was previously a vice-president of PB Americas and a senior outside consult to the City on the proposed rail system. PB Americas has been awarded over \$100 million in City contracts for the rail project. As DTS Director, Mr. Yoshioka is responsible for supervising PB America's contracts with the City and approving payments to his former employer. Only after questioning by various councilmembers during his confirmation hearing did Mr. Yoshioka volunteer to not participate in any financial decisions regarding his former employer in his capacity as DTS Director. There is no rule, however, to hold Mr. Yoshioka to his pledge.

Last month, the State Legislature blocked another ethics reform proposal to allow the county ethics commissions to effectively issue civil fines for ethics code violations.