

**ETHICS COMMISSION  
CITY AND COUNTY OF HONOLULU**



**ADVISORY OPINION NO. 157**

The question is whether the outside activities of a City employee as a real estate salesman conflict with his duties and responsibilities as an engineer in a City department whose employees have the responsibility to review and recommend.

The Ethics Commission [Commission] understands the facts to be as follows:

1. The employee is an engineer with a City agency.
2. He possesses a real estate salesman's license.
3. His duties include direction, supervision, review and action (in the absence of his supervisor) on engineering matters assigned to his department.

The standards of conduct applicable to this situation are Revised Charter of Honolulu 1973 (1983 Ed.) [RCH] Subsections 11-102.2 and 11-102.3 and Revised Ordinances of Honolulu 1978 [ROH] Section 6-1.2(1), which state:

Section 11-102. Conflicts of Interest--No elected or appointed officer or employee shall:

....

2. Disclose confidential information gained by reason of his office or position or use such information for the personal gain or benefit of anyone.
3. Engage in any business transaction or activity or have a financial interest, direct or indirect, which is incompatible with the proper discharge of his official duties or which may tend to impair his independence of judgment in the performance of his official duties.

Section 6-1.2. Additional Standards of Conduct.

No officer or employee of the City, except as hereinafter provided, shall:

- (1) Participate, as an agent or representative of a City agency, in any official action directly affecting a business or matter in which (A) he has a substantial financial interest; or (B) by or for which a firm of which he is a member, an associate, or an employee has been engaged as a legal counsel or

advisor or consultant or representative in a matter directly related to such action; provided that a councilman is not precluded from voting on such matter before the Council so long as a written disclosure has been made in the event there is a conflict of interest involving this subsection and relating to such matter.

"Financial interest" as defined in ROH Section 6-1.1(6) means:

(6) 'Financial interest' means an interest held by an individual, the individual's spouse, or minor children which is: (A) an ownership interest in a business; (B) a creditor interest in an insolvent business; (C) an employment, or prospective employment for which negotiations have begun; (D) an ownership interest in real or personal property; (E) a loan or debtor interest; or (F) a directorship or officership in a business.

When the foregoing facts are applied to the specific RCH provisions mentioned above, we find that:

1. The subject employee's financial interest as evidenced by his employment in the real estate field, could impair his independence of judgment in the performance of his official duties.
2. His official duties as related previously can include decisions which impact greatly on those in the real estate field.
3. The Commission in no way suggests that the employee has violated the standards of conduct in his behavior previously, but the possibility exists that his financial interests could influence him in his official duties.
4. His real estate license should be inactivated.

Dated: March 11, 1986

GILBERT A. GIMA  
Chair, Ethics Commission