

**ETHICS COMMISSION  
CITY AND COUNTY OF HONOLULU**



ADVISORY OPINION NO. 227

This advisory opinion is in response to a request for advice from the Ethics Commission [Commission] as to whether a conflict of interest would exist if an appointee to the Liquor Commission is confirmed.

The Commission understands the facts relevant to this inquiry to be as follows:

The appointee to the Liquor Commission is a union official with a union which represents hotel and restaurant employees. Although this is an elected position, the appointee is a full-time salaried employee of the union. A number of the establishments that have liquor licenses employ workers who are associated with this union.

The Liquor Commission of the City and County of Honolulu has the full responsibility for deciding who will be awarded liquor licenses and what penalties will be imposed on establishments that are found to have violated the liquor laws.

That Commission has a great deal of discretionary power in regard to each of these matters.

The ethical question presented is whether employment as a salaried officer of this union, would create a conflict of interest with service as a member of the Liquor Commission of the City and County of Honolulu.

The general rule in relation to this question is found in the Revised Charter of the City and County of Honolulu 1973 (1984 Ed.) Section 11-102.3, which states in pertinent part:

No elected or appointed officer or employee shall...[e]ngage in any business transaction or activity or have a financial interest, direct or indirect, which is incompatible with the proper discharge of such person's official duties or **which may tend to impair the independence of judgment** in the performance of such person's official duties [emphasis added].

Based on the evidence presented, the Commission finds that the appointee would have a conflict of interest between his duties as an officer for the union in question and his duties as a member of the Liquor Commission if he were confirmed to serve. In the decision-making process of the

Liquor Commission, the relationship of a present or potential liquor licensee to the hotel and restaurant workers union could impair the independence of judgment of the officer of the union.

Dated: May 17, 1993

BONIFACE K. AIU  
Chair, Ethics Commission