

# Hawai'i Monitor

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## PARTIES TAP DEVELOPERS, PACS FOR FUNDS

Although Governor John Waihee did not have to face a direct challenge from Honolulu Mayor Frank Fasi in last year's election, he and other Democrats did have to cope with an energized Republican campaign effort which drew heavily on the mayor's financial support.

Although considered to be a maverick and often criticized by traditional Republicans, Mayor Fasi provided, directly or indirectly, much of the money behind the Republican Party's aggressive 1990 campaign efforts.

The Party shares the downtown Honolulu office space rented by the Fasi campaign. In addition, according to reports filed with the Campaign Spending Commission, Fasi's campaign fund provided a \$50,000 "seed money" loan to the Republican Party of Hawaii as campaign efforts got underway in July 1989.

Just a month later, an extensive telephone polling operation was launched by the Party under the direction of Don Clegg, a member of Mayor Fasi's cabinet.

And in November 1989, a major fundraising event billed as a "salute" to Frank Fasi brought Hawaii Republicans \$570,000 which was used to support Republican candidates in state and local races.

Governor Waihee responded by dipping into his own multi-million dollar campaign warchest to provide over \$375,000 for the Democratic Party's campaign activities.

Overall, Democratic and Republican party committees in Hawai'i raised and spent a total of nearly \$2 million dollars to boost their respective candidates. The Republican Party of Hawaii led with total reported spending of \$1,164,168 while the Democratic Party reported total expenditures of \$774,062.

Nearly one-half of the Democrat-

ic Party's campaign funds came from Waihee, while most of the rest was raised from labor unions and out-of-state political action committees.

Republican fundraisers, on the other hand, stayed closer to home, bringing in the bulk of their campaign funds from the more tradi-

***Since July 1, 1989, the Republican Party of Hawaii has raised more money than in the previous six years combined.***

tional base of individuals and companies involved in construction and real estate development, including many that also contribute heavily to Democratic candidates.

Democrats spent the bulk of their funds on an advertising campaign stressing party unity and featuring their slate of candidates, while the Republicans put most of their funds directly or indirectly into the campaigns of candidates who were "targeted" for special support.

Fundraising outside of traditional Republican Party circles was apparently necessary because grassroots support had not been sufficient to fund an active campaign effort.

Republican Central Committee members were told late last year that the 15,000 party members in the state contributed just \$31,000 between July 1989 and November 15, 1990 through the "sustaining

*Continued page 2*

### Top Party Contributors --1990

#### Democratic Party of Hawaii

Gov. John Waihee	\$376,612
Trial Lawyers of America PAC	\$100,000
Democratic Congressional Campaign Committee (non-Fed)	\$ 40,000
Peter B. Bedford	\$ 15,000
The Lusk Companies	\$ 15,000
Hawaii State AFL-CIO	\$ 13,000
Hawaii Building & Construction Trades Council	\$ 13,000
Drive Political Fund (Teamsters)	\$ 10,000
Sandra Ferry (Cambridge,MA)	\$ 10,000
Blanchette H. Rockefeller (NY)	\$ 10,000

#### Republican Party of Hawaii

National Republican Senatorial Committee	\$150,000
Gentry PACs/Companies	\$ 23,000
Leonard Chandler	\$ 20,000
GMP & Associates	\$ 16,363
Dick S. Clack	\$ 12,500
D. Zane Schlemmer	\$ 12,500
Outrigger Hotels	\$ 10,000
Bradley Properties	\$ 9,000
George Hutton	\$ 7,000

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## Republicans and Democrats take different paths to Party funding *from page 1*

membership" program, an average of just 13 cents per member per month. After expenses, this internal fundraising program brought in only 85 cents per member per year.

By comparison, the Republican Party was very successful at raising money outside of Party circles in the last year and a half. Since July 1, 1989, the Party took in more than in the previous six years combined.

These Republican fundraising efforts on behalf of their candidates have recently come under heavy criticism from party dissidents who allege that state campaign spending laws were broken in the "targeting" program, but no direct evidence of significant violations has surfaced to date.

### Top contributors

Campaign Spending Commission records show that the Republican Party "salute" to Mayor Fasi brought significant support from an array of developers, architects, and engineers.

Leading the list of contributors to the "Salute to Fasi" were three individuals tied to Chanuta Development, developers of the Kamilo Heights subdivision in Hawaii Kai, who gave a total of \$45,000 to the Fasi "salute".

According to itemized contribution records submitted to the Campaign Spending Commission, Leonard Chandler contributed \$20,000, while Dick Clack and D. Zane Schlemmer contributed \$12,500 each.

Unlike contributions to candidates, which cannot exceed \$2,000, contributions to political parties are generally not limited by state law.

State business registration records show that Chanuta Development is a partnership of K. N. Development, Inc., and Chandler Holdings, Inc.

Leonard Chandler is president of Chandler Holdings, and Schlemmer is vice-president. The records show that Schlemmer is also vice-president, secretary and director of K.N. Development, headed by Kenneth K. Nobuta.

Dick Clack is an officer of Chanuta responsible for the company's marketing efforts. Clack told *Hawai'i Monitor* that he was "amazed" to learn that their group topped the

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***Unlike contributions to candidates, which cannot exceed \$2,000, contributions to political parties are generally not limited by state law.***

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list of Republican contributors. "Over the years, the Mayor has done me a lot of favors," Clack said, referring to Fasi's support for Scottish cultural heritage events that Clack helps to organize.

Clack repeated that he "really didn't know" where they ranked among all contributors, and he quipped that "I'll never be so generous again."

### Developers & consultants salute

Developer Tom Gentry was also a major contributor to the Republican Party fundraiser. Three political action committees organized by Gentry gave a total of \$18,000. The Hawaii Ocean Recreation PAC contributed \$14,000 while the Sensible Land Use PAC and the Sports Promotion PAC added \$2,000 each.

In October 1990, Gentry Homes added another \$5,000 to the Republican treasury, bringing the total Gentry contributions to at least \$23,000.

Published reports indicate that Governor Waihee and five members of the Honolulu City Council were advised to refund excess contributions of up to \$4,000 to the Gentry PACs in late 1989. The refunds were advised where the combined Gentry contributions had gone over the limit established by state law.

GMP Associates Inc., an engineering firm which does business with the City, and six individuals associated with the company, contributed a total of \$15,000 to the

"Salute to Fasi". Contributors included company president Wagdy Guirguis and other company officers.

In addition, GMP is reported to have made an in-kind contribution of campaign-related lunches worth a total of \$1,363.53.

Associates of developer Herbert K. Horita contributed a total of \$12,000 to the Republican cause. Ten individual officers or employees of Horita companies contributed \$1,000 each, while Horita's HKVP Inc. later added another \$2,000 to the Party account.

George Hutton, executive vice-president of Charles Pankow Builders, contributed \$2,000 to the "Salute" and gave another \$5,000 to the Republican Party in October 1990. Hutton is president of another Pankow-related company, CAP Development, which also gave \$5,000 to the Republican Party in September 1990. Pankow was ranked as the state's third-largest construction company in a Building Industry Magazine report published last year.

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*Hawai'i Monitor* relies on public information prepared by candidates and political committees and filed with the State Campaign Spending Commission, as well as on reports of the Commission. We believe that these official sources are factual and without error; however their accuracy cannot be guaranteed.

Responses to articles or expressions of opposing viewpoints are welcomed. Letters are subject to editing to fit in available space.

## Parties turn to developers & PACs *from page 2*

Outrigger Hotels gave \$10,000, and five companies related to Capital Investment of Hawaii gave \$2,000 each for a total of \$10,000.

Bradley Properties contributed \$6,000 to the "Salute" and gave another \$3,000 to the Republican Party in August 1990.

The Myers Corporation, developers of Waikiki's Hawaii Prince Hotel and backers of another proposed "superblock" development in the same area, contributed \$6,000, as did Andre Tatibouet, president of Aston Hotels, along with the engineering firm of Gray Hong Bills & Associates, and the insurance firm of Beck Kudlich & Swartman Inc.

Among contributors of \$4,000 or more to the "Salute to Fasi" were Pacific Atlas (Hawaii), owner of the Bay View Golf Course; Nelson & Wright, golf course architects; Philip, Brandt, Reddick & Associates, landscape architects; developer Sheldon Zane; Colin R. DeSilva's Business Investment Ltd., which has condominium developments along Kapiolani Boulevard; and Pacific Investors Property Management, Nimitz Partners, Design Partners, and The Advertising Works.

Mainland committees contributing to the Republican Party in Hawaii during October and November 1990 were Senator Robert Dole's Campaign America with \$2,514 and the National Republican Senatorial Committee, which gave \$150,000 during the crucial weeks immediately before the general election.

### Republican "targeting"

The Republican Party focused most of its spending on a group of "targeted" candidates who were believed to have the best chances of election.

According to minutes of the Republican Party Central Committee Meeting of December 8, 1990, which were made available to *Hawaii Monitor*, the candidates supported with Republican Party funds were gubernatorial candidate Fred

Hemmings (\$100,450); Maui mayoral candidate Linda Lingle (\$78,000); Maui County Council candidates Herbert Campos (\$31,000), Leinaala Drummond (\$27,000), Alan Arakawa (\$18,000), and William (Butch) Soares (\$24,000); and Kauai mayoral candidate John Barretto (\$17,000).

Targeted candidates for the state Legislature, according to the same minutes, were Rick Reed (\$8,700), Gene Ward (\$9,100), Cam Cavasso (\$6,500), Chuck Fasi (\$900), Connie Chun (\$4,300); Stan Snodgrass, Paxton, Mark Au, and Karen Georgiev (\$7-8,000 each); Bernadette Franks-Ongoy and Edmund Alo (\$5,000 each); and Cynthia Thielen, Mark Spengler, and Paul Fagan, about \$2,000 each.

In some instances, the spending reported to the Central Committee differed somewhat from the figures reported to the Campaign Spending Commission, and reached or slightly exceeded the maximum political party contributions allowed by state law. For example, the maximum party contribution permitted to a Maui County Council candidate in 1990 was \$26,650. However, itemized Republican contributions to Herbert Campos as reported to the Campaign Spending Commission were \$27,949, while the figure reported to the party's Central Committee was \$31,000.

While similar discrepancies appear in a few other cases, the amounts are relatively modest.

### Types of support

The Republican Party assisted its candidates in a variety of ways. There were direct contributions to targeted candidates, but most of the party funds were used for other types of support. The party prepared advertising for targeted candidates as well as "generic" ads which could be used by many candidates. Adcorp International Hawaii, Inc. was the party's primary source for the preparation of newspaper, radio and television advertising.

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## LOAN REPAYMENT MAY BE PROBLEM FOR PARTY

Repayment of \$150,000 in campaign loans could cause problems in the coming months for the Republican Party and some of its supporters.

The party is struggling to find funds to repay \$50,000 to Mayor Frank Fasi's campaign and \$100,000 to Bank of Hawaii.

The Fasi loan came in the summer of 1989 and was used as "seed money" to launch the party's campaign efforts.

The loan from the Bank of Hawaii was in turn contributed to Fred Hemmings' campaign for governor, and was co-signed by up to 10 individuals who will be responsible for repayment if the party is unable to find the necessary funds.

The Central Committee minutes indicate that the loan is due in April, but that funds are not available to repay it at this time. As of December 31, 1990, the Republican Party reported a cash balance of only \$12,033.01, far short of the amount owed.

### Unanticipated problems

A quirk in the state campaign spending law could further complicate repayment and cause additional headaches for the individuals who guaranteed the loan.

Although state law does not regulate campaign loans, any actual repayments by individuals could be considered contributions to the party.

State law considers any contribution to a political party that is earmarked for a particular candidate to be a contribution both to the party and the candidate. As a result of the loan being earmarked for Hemmings, any personal payments may also be treated as contributions to Hemmings that are subject to the \$2,000 contribution limit.

This means that if the Republican Party has to fall back on the individual guarantors to make the loan payments, they may run directly into the campaign contribution limits. ■

## MAYOR FASI ENTERS NEW YEAR WITH \$1.6 MILLION IN CAMPAIGN FUND

Although he was not a candidate and does not face re-election until 1992, Honolulu Mayor Frank Fasi raised more than \$270,000 during the second half of 1990, bringing the total amount raised during the year to \$1,124,356.58. Fasi reported a cash balance of \$1.6 million in his campaign account on December 31, 1990.

Reports filed with the Campaign Spending Commission show that dozens of individuals and businesses contributed \$2,000, the maximum allowed by law for any election period.

In addition, some contributors took advantage of a legal loophole in order to give more than \$2,000 during the year.

### The mid-term election loophole

State law provides that no one can contribute more than \$2,000 to a candidate "in any primary, special primary, special, or general election." However, the Campaign Spending Commission has interpreted this to mean that a campaign committee may accept up to this \$2,000 limit even during election periods in which the person is not running for office and is not a candidate.

As a result of this Commission ruling, candidates with four year terms are able to accept contributions up to the maximum amount for each of the mid-term elections in which they do not run.

The loophole, which was first exploited by Governor John Waihee, allowed Fasi to accept up to \$4,000 from a number of donors since the last election, so long as the contributions were split between the primary and general election periods.

For example, Wallace K. Endo, Stanley S. Shimabukuro, and Harold I. Yoshizaki, officers of the engineering firm of Shimabukuro Endo & Yoshizaki, Inc., each contributed \$4,000 during 1990--\$2,000 was given in June and another \$2,000 in December.

Although these contributions exceeded the \$2,000 limit, they are currently considered legal because of the Campaign Spending Commission's broad interpretation of the law.

Other contributions from the Endo, Shimabukuro and Yoshizaki families brought the total contributions from people related to the firm to \$20,000 during the year.

Members of the firm had earlier contributed \$4,000 to the Republican Party's "Salute to Fasi" fundraiser in 1989.

Public reports issued by the City Director of Finance show that Shimabukuro, Endo & Yoshizaki, like many other firms on the mayor's contribution list, competes for numerous City non-bid consultant contract. In the last three month period of 1989, the company was recommended by the City's Technical Review Committee to work on the Nimitz Highway Relief Sewer and the Punawai Wastewater Pump Station and Force Main, both projects of the Department of Public Works. Earlier in the year, the company was selected to work on the Kapaa Sanitary Landfill No. 1 project.

The golf course architectural firm of Nelson and Wright contributed \$2,000 to the Fasi campaign on August 23, 1990, and then made another \$2,000 contribution on November 9. They had given \$5,000 to the "Salute to Fasi".

Belt Collins & Associates, an engineering and architectural firm, contributed \$2,250 on August 23 and another \$2,000 on November 9, 1990. A refund of \$250 was sent to the company at the end of the year, leaving their total contributions at \$4,000.

Campaign Spending Commission records show that a Yoshie Kubota contributed \$2,000 on August 23, and another \$2,000 on November 9.

Yuji Kasamoto, president of the structural engineering firm of Yuji

Kasamoto Inc., contributed \$1,000 on August 23, and his wife contributed \$2,000 on the same day. Kasamoto added another \$1,300 on November 9.

Susan S. Matsumoto contributed \$1,100 to the Fasi campaign in May 1990. In December, she added another \$2,000, and Dennis R. Matsumoto of the same Kaneohe address gave \$900.

### Missing the "loophole"

A few contributors appear to have exceeded the \$2,000 contribution limit without being able to take advantage of the loophole because their contributions fell within a single election period.

Developer Sheldon Zane contributed \$2,000 in June 1989 and another \$2,000 in August 1990. These contributions are not covered by the mid-term election loophole because both occurred in the period prior to the 1990 primary election.

Campaign Spending Commission executive director Jack Gonzales told *Hawai'i Monitor* that contributions made before the date of the primary election are limited to \$2,000. He said that such excess contributions would normally have to be returned to the original donor.

Other contributors apparently exceeding the \$2,000 limit were MTWK Inc., a landscape consulting firm (\$3,000), the real estate company of Reynolds/Shidler Investments (\$3,000), architect Patrick Onishi (\$4,000), and E. Mari Jaeger (\$4,000).

### Corporate "bundles"

Other companies were also well represented on the Fasi contributor lists by key officers and employees, or members of their families.

The engineering firm of GMP Associates and its president, Wagdy A. Guirguis, contributed \$2,000 each, as did company vice-president Lee Mansfield and two other members of the Guirguis family, for a total of \$10,000 during 1990. The company

## Dozens contribute maximum to mayor's campaign

from page 4

and related individuals had earlier given \$15,000 to the "Salute to Fasi".

During 1989 and 1990, GMP was selected as the consultant to work on two phases of modifications for the Kailua Wastewater Treatment Plant.

Developer Colin DeSilva and his Business Investment, Ltd., each contributed \$2,000 to the Fasi Campaign on May 18, 1990. Also contributing \$2,000 apiece during May were company treasurer Margaret M. Smith and two real estate agents employed by Business Investment, for a total of \$10,000.

DeSilva has developed some 15 projects in Hawaii, and has two major condominium projects underway along Kapiolani Boulevard in Honolulu, the Majestic Plaza at Waimanu Street and the Imperial Plaza on Cooke Street.

Individual officers of Chanuta Development, who were among the top contributors to the Republican Party's "Salute to Fasi" fundraiser, also gave directly to the mayor. Campaign Spending Commission records show that on May 18, 1990 the Fasi campaign received \$2,000 contributions from Kenneth K. Nobuta, D. Zane Schlemmer, and another \$2,000 from Dick Clack on June 8. All three are officers of Chanuta or its general partners.

Campaign records show that Calvin D.S. Kim of the engineering firm of Calvin Kim & Associates, contributed \$1,600 to the mayor on November 9, while three members of his family, all at the same residential address, added another \$6,000 on the same day.

In the last two years, Calvin Kim & Associates has been recommended to receive non-bid consultant contracts for projects at Salt Lake District Park, Pokai Bay Park, Kalama Beach Park, and Koko Head District Park, and for the Nuuanu Stream rock wall improvements and Moanalua Stream dredging.

The architectural firm of KOP Hawaii contributed \$1,400 to the

## STATE SENATOR FACES UNEXPECTED REVOLT OF SEATTLE RENTERS

"The people are filthy rich that bought this building," 69-year-old Beverly Feinman told Seattle city officials at a forum sponsored by the Seattle Tenants Union. "What can I do? Go without shoes so somebody can live better in Hawaii?"

Feinman's comments, featured in an article by Seattle Times politi-

mayor, while four officers of the firm added \$2,000 each for a total of \$9,400.

### Others reaching the limit

Dozens of other individuals and companies also gave \$2,000 to Mayor Fasi's campaign during the second half of 1990.

These included Roland Y.C. Au, Joy Cabildo, Cedric D.O. Chong & Associates and Cedric D.O. Chong, Barbara Chong, Douglas Chong, Electrical Contractor's Association of Hawaii PAC, Chih Yuen Fan, the law firm of Fujiyama, Duffy & Fujiyama, Greenlaw Grupe, Jr. of Stockton, California; Kendall Hee, Vivian Hee, Terry J. Hill, Interisland Interiors, Island Pacific Distributors, Robert Itagaki, Janet T. Kasamoto, Sirazul Islam Kazi, Kenn Fukuda Design, Richard W. Knopp, Albert C. Kobayashi, Bert A. Kobayashi, James H. Kobayashi, Ronald Kobayashi, Lacayo Architects, William C. Lum, MF Masonry Inc., Theolinda O. Matsumoto, Wanda S. Mau, McNeil Wilson Communications Inc., Richard A. Melcher, Hiroo W. Miyagi, Rafeek Mohideen, Jan K. Nohara, M.E. Oliver, Orrick, Herrington & Sutcliffe California PAC (San Francisco), Lynn N. Osato, PBR Hawaii, Park Associates Inc., Peter Hsi Associates, Inc., RHS Lee, Inc., Conrad and Chong Hee Shiroma, Wang Cheong Tang, John S. Terada, The Lusk Companies, Kenji Tsuruda, George J. Vukasin of Alamo, California, Robert T. Watari, John P. Whalen, Anthony Wilkins, Wilson Okamoto & Associates Inc., Annie L. Woolley, Michael S. Yamaguchi, and Stanley Yim. ■

cal reporter Ross Anderson, referred to her experience with escalating rents in a building now owned by Hawaii state senator Stan Koki.

Anderson's article notes that Seattle's "tenants' rebellion" is spreading as rising property values push rents upwards.

Feinman told her audience that her rent has gone up three times, a total of nearly 50%, in the last 18 months. The most recent increase came after the building was acquired by Koki. Feinman said that she pays \$555 a month for a 400-square foot unfurnished apartment and, along with 16 other senior citizens living in the building, feels that rising rents may force her out. "So where the hell do I go?"

### Unanticipated ramifications

Senator Koki told *Hawai'i Monitor* that he had purchased the older building in Seattle's Capitol Hill district with proceeds from a real-estate sale in Hawaii.

Koki, a Republican representing the Kailua-Kaneohe area of O'ahu, said that he made "a very good deal on the property" but "did not anticipate the social ramifications."

Koki said that after necessary renovations, rent increases were necessary "in order to be able to make it work as an investment." But Koki said that he had rejected the rent increases suggested by the property manager as too severe. "We cut it back to half or less than half of the rent increases that the property manager thought we could get," he said.

Koki said that he had instructed the property manager to meet with each individual elderly tenant to determine their circumstances, and that in some cases rents were not increased after all. Other tenants agreed to be relocated within the building in exchange for lower rents.

Koki said that "we are working things out," but said that rents would continue to gradually increase in order to cover the costs of the building deal. ■

## **Political parties raise, spend nearly \$2 million**

from page 3

The party also hired consultants to provide training and advice to Republican candidates.

### **Planning chief & party pollster**

One of the key elements of the targeting effort was the in-house polling organized and supervised by Don Clegg. At the time the polling effort began, Clegg was director of Honolulu's Department of General Planning, and he later transferred to head the Department of Land Utilization.

The Republic Party reports spending over \$54,000 on its polls. Campaign Spending Commission records show that the polls involved more than \$20,000 in telephone charges and about \$34,000 for "casual wages" paid and refreshments provided to poll workers. Additional funds were spent for the computerized telephone lists of registered voters.

The polls were apparently designed to measure public opinion on social and political issues as well as gauging voter reaction to potential Republican candidates.

The polls covered the federal races for U.S. House and Senate, as well as state and county races.

The polls involved up to 20 telephone callers at a time, who were paid from party funds.

The poll results were used initially to select candidates for targeting by identifying those with the best chances of winning. Later results were also used to assist candidates in their campaign efforts.

### **Democrats late, go national**

Unlike the Republicans, who began their election planning and fundraising in mid-1989, the Democratic Party was quite slow in getting its campaign activities started. By September 22, 1990, the day of the primary election, the Democrats had raised only \$60,785, including \$31,610 carried over from 1989, and had spent just \$44,701.

The bulk of this pre-primary spending, \$35,000, went to a Washington, D.C. firm, The Clinton Group, as a down payment on a

phonebank operation, and another \$7,000 went to the Democratic Party itself for office operating expenses.

Party chairman Dennis O'Connor told *Hawai'i Monitor* that "we were late because there wasn't

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### **Transfers from Governor Waihee's campaign accounted for 49% of all funds raised by the Democratic Party in 1990.**

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any money." Heavy fundraising by Governor Waihee's campaign and by Senator Akaka left other Democratic candidates, and the Party itself, with a difficult fundraising task.

O'Connor said that after an unsuccessful local fundraising event, the Democrats finally got moving by "going on a national basis" and drawing support from political action committees interested in the outcome of the Akaka-Saiki race.

More than 90% of Democratic Party funds were raised and spent in the short six-week period between the primary and the general elections.

### **Democratic Party contributors**

Governor John Waihee was by far the largest contributor to the Democratic Party effort. Waihee transferred a total of \$376,612.54 from his own campaign fund to the party coffers, including a \$200,000 payment on October 19. Waihee's campaign alone accounted for 49% of all funds raised by the Democratic Party.

The Washington D.C.-based Association of Trial Lawyers of America PAC contributed \$100,000 during the month of October, while the Democratic Congressional Cam-

paign Committee sent \$40,000.

According to the Almanac of Federal PACs: 1990, the lawyers group is "a professional society whose 70,000 members are lawyers who represent plaintiffs in worker's compensation, product liability and all types of personal injury suits."<sup>1</sup>

Other Federal PACs making substantial contributions to the Democratic Party effort were the Teamster's Drive Political Fund (\$10,000), the T.I.P. Education Fund of the Hotel Employees & Restaurant Employees International Union (\$5,000), Democrats for the 90's (\$5,000), and the Seafarers Political Activity Donation (\$2,000).

According to the Almanac of Federal PACs, Democrats for the 90's was formed by Pamela Harriman in 1980 to help the party regain control of the U.S. Senate.

Additional labor contributions came from the national office of the American Federation of State, County and Municipal Employees (\$5,000), the National Education Association PAC (\$5,000), the American Federation of Government Employees (\$1,000), and the Machinists Nonpartisan Political League, affiliated with the International Association of Machinists and Aerospace Workers (\$5,000).

The local labor movement also came through with financial support for the Democratic Party. The State AFL-CIO's COPE contributed \$13,000, as did the Hawaii Building & Construction Trades Council. Other union contributors were the Hawaii Laborers PAC (\$2,000), ILWU PAC (\$2,000), HGEA (\$2,000). The Hawaii Credit Union League State PAC contributed \$5,000.

Sandra Ferry of Cambridge, Massachusetts and Blanchette H. Rockefeller of New York City each gave \$10,000 to the Hawaii Democrats, while Marion Merckell Dow, Inc. of Kansas City, Missouri gave \$7,500. Peter B. Bedford, head of Bedford Properties, contributed \$15,000 as did The Lusk Companies, which has developments in central Oahu. ■

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<sup>1</sup> Edward Zuckerman, *Almanac of Federal PACs: 1990*. Amward Publications, Inc. Washington, D.C. (1990).

# Follow-up

## EXPECTED COMMISSION BILLS VANISH, BUT OTHER MEASURES BEAT DEADLINE

The members of the Campaign Spending Commission learned at their regular meeting held on February 6th that no legislation had been introduced on their behalf, despite staff assurances made the previous month.

The announcement by the Commission's executive director, Jack Gonzales, came five days after the deadline for introducing bills to be considered during this legislative session.

Gonzales said that although no Commission bills had been written, the concerns of Commission members had been communicated to key legislators and at least some of them were expected to be incorporated into bills.

However, at the prior meeting, Gonzales had presented a number of specific proposals, some of which received Commission approval. Other proposals were to be drafted and faxed to Commission members for review in time to be introduced before the deadline.

Some members appeared surprised by the lack of Commission-backed legislation. Commission member Linda Rosehill, also a lobbyist for Amfac/JMB Hawaii, said that she was particularly disturbed that the Commission failed to take advantage of its stature as an administrative agency, which is normally believed to give proposals a boost in the competition for legislative approval.

Rosehill said the failure was "incredible, because as a lobbyist, its always strongest to get your proposal in the administration package."

Gonzales responded that "basically, I've just gone with what worked in the past." He said that prior attempts by the Commission to push its own

legislative proposals had met with resistance, leading to the adoption of an indirect approach.

Rosehill appeared unconvinced, and commented that "its just an unusual lobbying or strategic tactic."

Gonzales said that the legislature now appears unlikely to implement major amendments to the campaign spending law this year. "We've had some discussions" with legislators, he said, "and now there's some talk that maybe we shouldn't do it this year."

He also told the Commissioners that their request for additional funds "got chopped out way before" and isn't in the administration's budget request. Gonzales had previously announced a request for \$80,000 in order to contract for professional assistance needed to increase enforcement efforts.

At least one proposal suggested by the Commission did make it into a bill introduced by Senators Randy Iwase, Russell Blair, and Mike McCartney. Senate Bill 1446 provides, in part, that any contributions to a candidate over the \$2,000

limit would have to be paid to the Hawaii election campaign fund instead of being returned to the contributor. The bill also proposes a number of relatively minor "house-keeping" changes.

While a deputy attorney general in the mid-1970's, Iwase had worked on issues relating to the Campaign Spending Commission and had drafted at least one major opinion dealing with campaign laws.

Another Senate bill would impose an administrative fine against contributors who exceed the contribution limit. SB 762, introduced by Republican Mary George and Democrat Russell Blair, would allow a fine equal to three times the amount of the excess contribution, and would have the fine deposited with the Hawaii election campaign fund. Blair, as chair of the Senate Judiciary Committee, has significant influence over the fate of any campaign spending legislation.

A package of bills introduced by Senator George propose a wide-ranging set of changes to the campaign spending laws, including a prohibition on corporate and union contributions and increased public disclosure by PACs and candidates.

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## Monitoring in brief...

“Somebody else accused me of not getting out 7,000 walkers. Well, I can't get out seven walkers. I was surprised to see two by the driveway today asking for me to resign. I stopped and asked them where the hell they were in November when I needed people to hold signs.”

Republican chairman  
D.G. “Andy” Anderson

“I don't know of any politician who doesn't believe the ‘if’ philosophy. If I had had more money, if I had gotten that union to help me, if I had had the party support, if, if, if. And I've been there myself. Its never the truth. The hard nosed, honest truth, that he, she lost because the community, the voters, believed the other person was better.”

“Andy” Anderson

“That's what we got from 15,000 members in the state...an average of about 13 cents per member per month for the last sixteen and a half months. That's the grassroots financial support received by the Republican Party of Hawaii.”

Walt Decker, party treasurer

A dispute between the leadership of the Republican Party of Hawaii and some dissident party members has provided a rare, candid glimpse of discussion and debate within the Republican Central Committee.

Minutes, tape recordings, and transcripts of a December 1990 Central Committee meeting have been made public by two party members who have gone to court over the dispute .

“I happen to believe that Pat Saiki would have won were it not that Danny Akaka's more likable. When I see Dan Akaka, he and I hug each other. I've never hugged Pat Saiki once.”

State Senator Rick Reed

“Our system is a sad one, really. Were not judged on how much heart we have, or how smart we are, or how much we care. The lousy facts are we live in a state dominated with entrenched, incumbent democrats who promise one thing at election time and do exactly what they want once elected. Turning around 35 years of one-party domination just isn't going to happen in one election year.”

“Andy” Anderson

“There are some in this room today that would defeat and not vote for Frank Fasi if he runs again in two years. And legitimately so. Okay? I don't think there's anybody more disappointed in what I thought was a true friend and an ally than Frank Fasi. He hurt me in my gubernatorial race and he hurt Fred in his. But I don't consider running him down the tubes and defeating him a victory for Republicans.”

“Andy” Anderson

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