



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.  
WASHINGTON, D.C. 20543

THIS IS THE END OF TMR # 1311

Date Filmed 3-26-81 Camera No. --- 2

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 18, 1981

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

William F. Ragan  
Ragan & Mason  
900 Seventeenth Street, N.W.  
Washington, D.C. 20006

Re: MUR 1311

Dear Mr. Ragan:

On October 20, 1980, the Commission notified you of a complaint alleging that your client had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March 16, 1981, determined that on the basis of the information in the complaint and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles N. Steele".

Charles N. Steele  
General Counsel

31740235131



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

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William F. Ragan  
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Sincerely,

Charles N. Steele  
General Counsel

A handwritten signature in cursive script, appearing to read "CNS", enclosed in a circular scribble.

31010335130



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 18, 1981

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Winona E. Rubin  
Executive Director  
Alu Like Hawaiian Program  
2828 Paa Street, Suite 3035  
Honolulu, Hawaii 96819

Re; MUR 1311

Dear Ms. Rubin:

On October 15, 1980, the Commission notified you of a complaint alleging that your organization had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March 16, 1981, determined that on the basis of the information in the complaint and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele  
General Counsel

3170133



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Winona E. Rubin  
Executive Director  
Alu Like Hawaiian Program  
2828 Paa Street, Suite 3035  
Honolulu, Hawaii 96819

Re; MUR 1311

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The Commission, on March 16, 1981, determined that on the basis of the information in the complaint and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele  
General Counsel

317933134



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 18, 1981

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

E. Cooper Brown  
822 Ocean View Drive  
Honolulu, Hawaii 96816

Re: MUR 1311

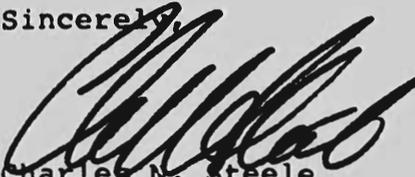
Dear Mr. Brown:

The Federal Election Commission has reviewed the allegations of your complaint dated October 8, 1980 and determined that on the basis of the information provided in your complaint and information provided by the Respondents, there is no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended (the "Act") has been committed.

Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,



Charles N. Steele  
General Counsel

31770035135



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

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822 Ocean View Drive  
Honolulu, Hawaii 96816

Re: MUR 1311

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Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

A handwritten signature in cursive script, appearing to read "CNS", enclosed in a hand-drawn oval.

Charles N. Steele  
General Counsel

31090335135

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 1311  
Daniel K. Inouye for '80 Committee )  
Alu Like Hawaiian Program )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 16, 1981 the Commission decided by a vote of 5-0 to take the following actions regarding MUR 1311:

1. Find NO REASON TO BELIEVE that the Alu Like Hawaiian Program violated any provisions of the FECA, as amended by reproducing a speech given by Senator Daniel K. Inouye in its monthly publication.
2. Find NO REASON TO BELIEVE that the Daniel K. Inouye for '80 Committee violated 2 U.S.C. § 434 by failing to report a contribution from the Alu Like Hawaiian Program for the republication of a speech.
3. Close the file in this matter.
4. Approve and send the letters to the respondents and the complainant (Attachment 4 to the First General Counsel's Report dated March 11, 1981.

Commissioners Aikens, Harris, McGarry, Thomson and Tiernan voted affirmatively in this matter.

Attest:

3-16-81  
Date

*Marjorie W. Emmons*  
Marjorie W. Emmons  
Secretary to the Commission

Received in Office of the Commission Secretary: 3-11-81, 5:01  
Circulated on 48 hour vote basis: 3-12-81, 11:00

31010:35137

March 11, 1981

MEMORANDUM TO: Marjorie W. Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 1311

Please have the attached First GC Report distributed  
to the Commission on a 48 hour tally basis. Thank you.

31010213133



- b) the Committee violated 2 U.S.C. § 434 by failing to report the money expended by Alu Like for the reproduction of the speech as a contribution.

FACTUAL AND LEGAL ANALYSIS

In response to the allegations, the Committee and Alu Like assert that the reproduction of the Senator's speech falls within the exemption afforded by 2 U.S.C. § 431(9)(B)(i) and 11 C.F.R. § 100.7(b)(2). These provisions state that the terms "contribution" and "expenditure" do not include any costs incurred in covering or carrying a news story, commentary, or editorial by any broadcasting station, newspaper, magazine, or other periodical publication unless such facilities are owned or controlled by any political party, party committee, or candidate (emphasis added).

The Committee and Alu Like explain that the reproduction of the speech qualifies as a news story and that the publication in which the speech appears, The Native Hawaiian, is a monthly publication which has been operative for five years. <sup>2/</sup> See Attachment 3, page 1. Respondents further explain that the facilities of The Native Hawaiian are not owned or controlled by any political party, political committee, or candidate.

Thus, inasmuch as the circumstances involving the reproduction of the speech satisfies the requirements of 2 U.S.C. § 431(9)(B)(i) and 11 C.F.R. § 100.7(b)(2), the costs incurred by Alu Like are exempt as contributions or expenditures.

Accordingly, complainant's allegation that the Committee violated 2 U.S.C. § 434 by failing to report the "contribution" from Alu Like becomes moot.

Complainant further suggests that since Alu Like receives federal funds through the CETA program, Alu Like unlawfully used federal funds in connection with a federal election. In its response, Alu Like clarifies that "although Alu Like is a major prime sponsor for Title III CETA funds, no CETA funds are used in the publication of The Native Hawaiian." Attachment 3, page 2.

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<sup>2/</sup> In fact, Alu Like points out that it afforded complainant, also a candidate for the Senate seat, equal space in its November, 1980 issue.

Additionally, Alu Like asserts that "although, Alu Like is a CETA training site for clerical positions, no CETA participant is or has ever been used in the production or preparation of The Native Hawaiian."

The Office of General Counsel therefore recommends that the Commission find no reason to believe that Alu Like violated any provisions of the FECA, as amended, by reproducing a speech given by Senator Daniel K. Inouye in its monthly publication, and that the Committee violated 2 U.S.C. § 434 by failing to report the costs incurred by Alu Like for the reproduction as a contribution.

#### RECOMMENDATIONS

1. Find no reason to believe that the Alu Like Hawaiian Program violated any provisions of the FECA, as amended by reproducing a speech given by Senator Daniel K. Inouye in its monthly publication.

2. Find no reason to believe that the Daniel K. Inouye for '80 Committee violated 2 U.S.C. § 434 by failing to report a contribution from the Alu Like Hawaiian Program for the republication of a speech.

3. Close the file in this matter.

4. Approve and send the attached letters to the respondents and the complainant.

#### Attachments

1. Complaint
2. Response from Daniel K. Inouye for '80 Committee
3. Response from Alu Like Hawaiian Program
4. Letters to Respondents and Complainant

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CCC 2957  
MUR 1311 4  
October 8, 1980

Federal Election Commission  
Office of General Counsel  
1325 K Street N.W.  
Washington, D.C. 20463

RE: Complaint requesting investigation into  
Senator Daniel Inouye's campaign activities

To Whom it may concern:

This complaint is against Daniel Inouye, U.S. Senator for the State of Hawaii and the Alu Like Native Hawaiian Program (Alu Like) for activities related to the U.S. Senate Campaign of Daniel Inouye.

Alu Like is a non-profit, tax deductible organization which also receives and administers federal funds under the Comprehensive Employment and Training Act (CETA), 29 USC §801 et seq.

Daniel Inouye, as a U.S. Senator from Hawaii, claims to be responsible for insuring the CETA funding for Alu Like (see attached article). He is obviously in a position to affect funding of this organization.

During the month of September, 1980, Senator Inouye spoke before a gathering of Hawaiian voters. A copy of his speech was subsequently supplied to Alu Like and published in its entirety in the September issue of "The Native Hawaiian." Senator Inouye is listed as a "contributor" on page 2 of the paper. (See article).

Senator Inouye is presently running for reelection to the U.S. Senate.

It is requested that an immediate investigation be made into this matter, and that prosecution or such other action as deemed appropriate be taken before November 4th for possible violations of the following:

(1) 2 USC §431(e) defines a political campaign contribution to include, among other things, gifts, subscriptions, "or anything of value" made for the purpose of influencing the election of any person to Federal Office. The reproduction in full of Inouye's speech is of great value to his reelection efforts and obviously contributes to his campaign.

An investigation is requested into whether federal CETA funds were utilized, directly or indirectly, by Alu Like in

Attachment 1  
Page 1

the reproduction and dissemination of Inouye's speech. If so, this would be an illegal use of federal funds in the campaign of an individual seeking reelection to federal office.

An investigation is also requested into whether this has been declared a campaign contribution by Senator Inouye.

(2) Alu Like, as a non-profit, tax-deductible organization, is prohibited from directly or indirectly participating in or intervening in any political campaign on behalf of any candidate. This is a prohibition against, among other things, "the publication or distribution of written or printed statements...on behalf of...such a candidate."

A determination is requested as to whether the actions of Alu Like constitute an illegal participation in or intervention in a political campaign on behalf of Senator Inouye.

I request an immediate investigation and prosecution if such is the proper remedy. Equal space for the Libertarian candidate and myself in a pre-November 4th issue of "The Native Hawaiian" is demanded as an equitable remedy.

*W.K.P.*

*E. Cooper Brown*  
E. COOPER BROWN

Subscribed and sworn to before me this, 18<sup>th</sup> day of October, 1980.

*Mahealani K. Fuentes*  
Notary Public, State of Hawaii

My commission expires: 11/5/83

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Weeder

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cccw  
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November 25, 1980

Mr. Charles N. Steele  
General Counsel  
U.S. Federal Election Commission  
1325 K Street, N.W.  
Washington, D. C. 20463

RE: MUR 1311

Dear Mr. Steele:

We are in receipt of your letter dated November 18, 1980 concerning a complaint filed before your Commission by E. Cooper Brown.

Please be informed that our Committee adopts and incorporates by reference the response to the identical complaint by William F. Ragan, Esq., counsel for Senator Daniel K. Inouye. A copy of Mr. Ragan's reply to the Commission dated November 4, 1980 is attached for your convenience. Based on the foregoing, we believe that Mr. Brown's complaint should be summarily dismissed.

Should any further questions arise, please feel free to contact us.

Very truly yours,

*K. Harry Tokushige*

K. Harry Tokushige, Treasurer  
Daniel K. Inouye For '80 Committee

Enclosure

cc: William F. Ragan, Esq. (w/ enclosure)  
Carolyn Weeder (w/ enclosure)

DEC 1 10 30 AM '80

RECEIVED  
FEB 10 1981  
COMMUNICATIONS SECTION

Attachment 2  
Page 1

31049235144

DONALD J. BRUNER  
 ROBERT T. BURBY, JR.  
 GARY D. CONRAD  
 FRANCIS W. FRAGER  
 GEORGE B. HARTSON, JR.  
 GENE C. LANGE  
 DONALD A. PALM  
 JOHN RAGAN  
 GEORGE A. ROBERTSON, JR.  
 PAUL J. WELLS  
 ANDREW A. WYMAN  
 WILLIAM F. RAGAN  
 EDWARD W. SMITH  
 JAMES W. STANTON  
 JOSEPH R. TENNANT  
 JOHN L. WARD

LAW OFFICES  
**RAGAN & MASON**  
 THE PARADISE BUILDING  
 800 SEVENTEENTH STREET, N.W.  
 WASHINGTON, D.C. 20004  
 (202) 556-4750  
 CABLE ADDRESS: RAGANMASON  
 TEL. 703-556-4750  
 TELETYPE: 703-556-4750

GEORGE B. BRONKHORST  
 OF GEORGETOWN  
 WASHINGTON, D.C. 20540  
 AND MEMBER OF THE BAR OF THE DISTRICT OF COLUMBIA  
 AND THE STATE OF MARYLAND

November 4, 1980

Mr. Charles N. Steele  
 General Counsel  
 U.S. Federal Election Commission  
 1325 K Street, N.W.  
 Washington, D. C. 20463

Dear Mr. Steele:

Re: MUR 1311

The attached memorandum constitutes the response of U.S. Senator Daniel K. Inouye in the above-captioned matter, received in the Senator's Washington office on October 20, 1980. It establishes that there has been no violation of the Federal Election Campaign Act, and that the complaint should be dismissed.

I look forward to hearing from you further on this matter in the near future.

Very truly yours,

RAGAN & MASON

  
 William F. Ragan

Enclosures

cc: Carolyn Weeder (w/enclosures)

31040235145

8

**RESPONSE OF U.S. SENATOR  
DANIEL K. INOUYE**

**MUR 1311**

31740235116

This memorandum constitutes the response of U.S. Senator Daniel K. Inouye to the complaint in the above-captioned matter. The complaint is primarily concerned with an article in a recent issue of The Native Hawaiian, a periodical of the organization Alu Like, which contained the text of one of Senator Inouye's recent speeches. Senator Inouye is a candidate for re-election to the United States Senate in the election to be held on November 4, 1980.

The complaint alleges, inter alia, that the article constituted a contribution to Senator Inouye's campaign which is required to be reported by Senator Inouye as such; that Alu Like, a grantee under the Comprehensive Employment and Training Act, violated Federal law if it used Federal funds to publish the issue of its periodical in question; and that by printing the speech it violated the law concerning its tax status as a non-profit organization.

As is detailed herein, it is clear that there has been no violation of the Federal Election Campaign Act or any other law in this matter, and that the subject complaint should be summarily dismissed.

The complaint is based entirely on the view that the printing of the speech constitutes a contribution to Senator Inouye's campaign under the Federal Election Campaign Act. This view is totally incorrect. The regulations of the Federal Election Commission which implement the Act provide,

"Any cost incurred in covering or carrying a news story, commentary or editorial by any broadcasting station, newspaper, or other periodical publication is not a contribution . . . ." 1/

A nearly identical provision states that neither does such a cost constitute a campaign expenditure for purposes of the Act. 2/

That this article is a news story or commentary within the purview of these provisions is beyond doubt. The Native Hawaiian is a montly publication and the sole regular publication of Alu Like, a non-profit, socially concerned organization of native Hawaiians which supports and seeks to promote native Hawaiian economic and social self-sufficiency. The periodical carries articles on issues and events of concern to native Hawaiians.

To provide some background on the speech which was reproduced in the September, 1980 issue, it was the

1/ 11 C.F.R. §100.7(b)(2).

2/ Id. §100.8(b)(2).

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speech that Senator Inouye gave to the Office of Hawaiian Affairs Candidate Conference on September 6, 1980. The Conference was sponsored by the Volunteers for the Office of Hawaiian Affairs, a private non-profit, nonpartisan organization. The Office of Hawaiian Affairs ("OHA") itself is a State Office which holds title to and manages certain property set aside for native Hawaiians, and performs numerous duties in connection with Federal funds and other Federal assistance. The Conference was intended to provide the candidates standing for election to the Board of Trustees of OHA, all of whom must be native Hawaiians, with basic information regarding the Office and its functions.

Many eminent individuals spoke at this nonpartisan event, including the Chief Justice of the State Supreme Court and the Majority Leader of the State House of Representatives. News media coverage of the event, including Senator Inouye's speech, was extensive. Copies of the Senator's speech were distributed at the Conference, and that the speech was covered by others in the media, in addition to The Native Hawaiian, is shown by the attached newspaper clippings [Ex. 2]<sup>3/</sup>. To illustrate the nature of The Native Hawaiian, the complete issue is attached [Ex. 1].

Consistent with Senator Inouye's role as a representative of Hawaii in Washington, and the many duties of

3/ Exhibit 2, Honolulu Advertiser, September 7, 1980; Honolulu Advertiser, Editorial, September 10, 1980.

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the Office regarding Federal assistance programs and other activities of the Federal Government, his speech focused upon Federal activities which directly impact the State and his efforts with regard to them. Without question, these matters are also of concern to Alu Like and to all native Hawaiians, and it was entirely consistent with the purpose of its periodical for the organization to reprint his speech therein. Senator Inouye had no prior communication with Alu Like concerning the reprinting of the speech, and he had no prior knowledge that it was going to do so.

Further supporting the contention that the publication of this speech did not constitute a campaign contribution or expenditure are the provisions of the regulations which define these terms as a gift of "anything of value made...for the purpose of influencing any election for Federal office. . . .<sup>4/</sup> In this connection, it should be noted that there is nothing in either Senator Inouye's speech or the accompanying text which states or implies that he is a candidate for election. Indeed there is no statement that any election for Federal office is about to occur. Hence the publication of this speech in these circumstances can hardly be considered to be an act done for the purpose of influencing an election for Federal office.

---

4/ 11 C.F.R. §100.7(a)(1), §100.8(a)(1). (Emphasis added)

61133:61011

Based upon the regulations of the Federal Election Commission quoted herein and the information relevant thereto that is provided above, it is clear that the printing of this speech in The Native Hawaiian did not constitute a campaign contribution or expenditure, and that it is not required that Senator Inouye report it as such in his campaign disclosure reports.

Among the allegations of possible violations of the law contained in the complaint, the only one which directly concerns Senator Inouye is the one concerning disclosure of the publication as a campaign contribution. Nevertheless, several comments on the allegations concerning the conduct of Alu Like are in order, because the rebuttal to them parallels at least in part the rebuttal to the allegation against Senator Inouye. The allegations against Alu Like are, first, that it violated Federal law if it used Federal funds to publish the issue in which the speech was printed, and, secondly, that it violated the terms of its tax status by reprinting the speech.

The following points should be made concerning these allegations. First, because neither of the allegations charge a violation of the Federal Election Campaign Act or any of the other statutes which the Federal Election Commission administers,<sup>5/</sup> it would appear that these allegations are beyond the purview of the Commission's jurisdiction.

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<sup>5/</sup> 2 U.S.C. §437c(b).

Att. 2 - Page 7

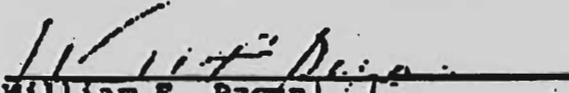
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Secondly, in any event, Alu Like did not violate any Federal law concerning the use of Federal funds for political activity, or political activity by a non-profit organization, because, as was established above, the printing of this speech did not constitute political activity of any sort.

Finally, the relief requested by the complainant includes a demand that The Native Hawaiian provide equal space for himself and the Libertarian Party candidate for the U.S. Senate prior to the election. To say the least, it is highly incongruous for a person to, on the one hand, assert that certain activity is illegal, and then, on the other, to demand that another party be required to engage in that very activity so as to benefit himself. Either the activity is illegal and may not be engaged in at all, or it is legal and may be engaged in as a party sees fit. Nevertheless, Alu Like, consistent with its position that the printing of such statements is permissible, has issued a statement offering to carry statements of other candidates in its periodical prior to the election [Ex. 3].

On the grounds cited herein, it is evident that the allegations of violations of the law contained in the complaint are without any basis whatsoever, and that the complaint should be dismissed.

Respectfully submitted,

  
 William F. Ragan  
 Attorney for U.S. Senator  
 Daniel K. Inouye

November 4, 1980

AH. 2- Page 8

31040335151

# HAWAIIAN

Volume IV No. 10

To Tell the Story of the Hawai'i People So That All May Come to Know the People of Aloha

September 1980

EXHIBIT 1

## Senator Inouye Reports On Hawaiian Record

Six years ago, as I was preparing for my 1974 reelection campaign, I met privately with a group of native Hawaiian leaders to discuss my legislative program for the coming term. Some of you were present at that meeting. The following items were among those discussed: Kahoolawe; economic assistance for native Hawaiians; special federal assistance for native Hawaiian education programs; and the native Hawaiian reparations bill. Today, I wish to report to you what has happened during the past six years to my native Hawaiian legislative program.

**KAHOO LAWE** — As a United States Senator and before that as your first congressman, I have naturally been concerned about our islands — all of the islands of our chain. Until a few years ago, however, Kahoolawe was considered by most as a former convict island with no value or significance. Except for the admittedly irritating noise and also the ever-present potential danger to commercial airline flights in the area, very few really gave the island of Kahoolawe much thought. There was no expressed concern of aloha aims or of the island's archaeological resources. Kahoolawe, in the eyes of most of us, was merely a wasteland, forgotten and ignored.

Today, this has all changed. We have experienced the birth of a new movement in Hawaii — a movement stimulated by a heightened interest in the golden days of the Hawaiian people and their unique civilization. This is a movement which has been described as the renaissance of Hawaiian values and culture. The Ohana played an important role in this renaissance. For all of us, Kahoolawe now has a new importance and spiritual meaning.

Eventually, I trust that we will be able to return the island of Kahoolawe to the people of Hawaii. The 1953 Executive Order that originally transferred Kahoolawe to the federal government specifically requires that when the Navy

decides that the island is not necessary for military purposes, it should be rendered safe and returned to the State of Hawaii.

Today, I am most pleased to be able to report that significant progress has been made towards this goal. I have been in direct contact with the highest levels of the Department of Defense, and the Department of the Navy has agreed to reduce and eventually phase out its use of live explosives on the island. The State of Hawaii and the Navy have formally agreed to undertake a number of cooperative programs, such as goat eradication and soil conservation projects. From all reports that I have received, these efforts are progressing more smoothly than even the most optimistic would have predicted.

A detailed archaeological survey of the island of Kahoolawe has now been completed and 171 significant historical sites have been nominated for inclusion in the National Register of Historic Places. Although some are disappointed that to date only 171 of 487 sites recommended for inclusion have actually been nominated, I am confident that our State's Historic Preservation officer will recommend additional sites. I urge you to make such action one of your higher priorities.

Finally, I was especially pleased to be able to announce that on August 21, 1980, my colleagues in the Senate Armed Services Committee acted favorably on legislation that I had introduced specifically directing the U.S. Department of the Navy to begin clearing Kahoolawe of explosives. The full Senate has endorsed this proposal and I am confident that by the end of this year, it will become public law.

Yes, during the past six years, we have been able to make significant advances towards our goal of eventually returning the island of Kahoolawe to the people of Hawaii.

**ECONOMIC ASSISTANCE FOR NATIVE HAWAIIANS** — During that meeting six years ago, I also promised to give a very high priority to ensuring that native Hawaiians become eligible for the various federal programs that have been developed focusing specifically on jobs and economic development. It was our judgment that one of the most important aspects of one's self-worth is the ability to be economically independent and to provide for one's family. Without good jobs and promise of a brighter economic future, we cannot expect our state's native Hawaiians to be a proud people. Accordingly, because of that concern, in 1977 I added an amendment that made native Hawaiians eligible under Title III of the Native American Employment and Training Programs of the Comprehensive Employment and Training Act. Under this provision, unemployed and underemployed Hawaiians would be given a chance to increase their employability through specific job training. As soon as the President signed that measure, I personally approached the highest authorities within the U.S. Department of Labor,



Daniel K. Inouye

concerning the implementation of this provision. I told them that although state or county governments were the usual contracting authority for the administration of CETA programs, in this particular case I thought that it would be more appropriate to select a native Hawaiian organization. The department was most interested and Ahr Like was subsequently selected and received a grant of \$2.6 million.

In 1978, I was able to add another provision that made native Hawaiians expressly eligible under the Comprehensive Employment and Training Act for special youth programs and services. Native Hawaiians were also included in a new program designed to encourage greater private sector participation in CETA job programs. Again, the Department of Labor agreed that Ahr Like would be the appropriate agency to administer these subsequent grants. I am quite proud to have been able to facilitate these steps to ensure that our state's native Hawaiians receive active federal assistance in obtaining meaningful employment.

**HAWAIIAN EDUCATION ACT** — There is no question in my mind, or in the minds of the leadership of the various native Hawaiian organizations with whom I have met, that education is the real key to the Hawaiians' future. It is shocking that even today 30 percent of our state's Hawaiians have less than a

high school education. There are continuous reports that many of those presently in high school are seriously considering dropping out.

In order to address this very real problem, I introduced the Native Hawaiian Education Act in the 95th Congress. It was time to call to the attention of the Congress and the nation, that your history and cultural heritage entitle you to be treated as other native Americans, and that the federal government has a unique responsibility to provide assistance.

To further this cause, I asked the Democratic leadership if I could serve on the Senate Select Committee on Indian Affairs, which has jurisdiction over all native American programs. I did not make this request lightly, as my daily schedule was already quite hectic. However, I am deeply committed to ensuring that the federal government accepts its responsibility for our nation's native Hawaiians and felt that only by getting on the committee would we have the best chance.

The Native Hawaiian Education Act passed the Senate in the final days of the 95th Congress and again in November of 1979 it passed the Senate unanimously. In the 95th Congress, the House of Representatives' Committee on Education and Labor failed to act on the bill. This year, in the 96th Congress, they did hold one

continued on page 3

AH. 2 - Page 9

THE NATIVE HAWAIIAN  
ALU LIKE INFORMATION OFFICE  
2028 Poo Street, Suite 3025  
Honolulu, HI 96819

# Kauwela at Kihohaha for Twenty

By Sister Mary Neab

Molokai's MIN (Most-in-Need) Project, funded by NIMH (National Institute for Mental Health) and administered by Ahi Like, thinks it reaped up a great summer. Twenty East End intermediate school age boys and girls — twelve to fourteen year olds — helped provide the input for a program which a number of Molokai agencies and people brought to life for the summer. And that's what the MIN Project is all about: agencies bearing what kids want and need, and then bending a little, if need be, to make it happen.

Agency representatives meet, twice monthly, as the MIN Ohana. In April the MIN facilitators, Zach Helm and Dodie Maaha, were hearing kids say they'd like jobs (but they were too young), they'd like canoe paddling, they'd like an organized program, but most of them felt Summer Fun was for "little kids" — not for them.

So the agencies put their heads — and resources — together and came up with Kauwela Imi Na Auao — a Summer of Knowledge Program — that was built into the County Summer Fun Program; administered by Queen Liliuokalani Children's Center (which also provided a van, supplied funding, and insurance). Many agencies contributed services for the County, which provided Harry Otsuka for a day in his tare lo'i, MEO provided Ernest Otsuka teaching coconut carving,

Earl Paleka and the Molokai Canoe Club provided use of their canoes.

University Extension provided nutrition and cooking classes twice a week, where learning to make pizza was a real winner. Ann Fontes of U.E. also provided twice-a-week sewing classes, and the opio wore sporting shorts, shirts and bags they made themselves.

Hankie Yamamoto went out to East End to teach the opio net-mending; Richard Tolleisen taught coconut weaving, and Gloria Sagnio, Iuhala weaving, with hats, baskets, fans, and place mats to show for the opio's efforts. Ahi Like's Bible Akutagawa provided all the background history for site trips to Iliihope Heiau and other East End points of interest, with swimming in the streams as a special bonus. Steve Lagare, a Molokai fireman, went out to teach soccer, on his days off. Reynold Dudoit taught hula, with Andy Dudoit providing guitar backup. Two trips to West End's Papehaku Beach were specially enjoyed.

The program was planned for twenty opio. Twenty two registered and nineteen finished — tired and happy!

Staffing of the day-to-day operation was also a joint effort. The Queen Liliuokalani Children's Center provided the over-all coordination and administration through its Unit Administrator, Mary Neab. The MIN Project contributed one



of its Facilitators, Zach Helm, to serve as program supervisor with additional supplies and funding OLCC applied to Ahi Like for two youth program aides and obtained the great help of Kalani Hiro (home from Hilo Community College) and Jennie Bishaw (just graduated from Molokai High School). The entire program was situated, as a special component of the Maui County Summer Fun Program, at Kihohaha Community Center, where Manny Kahaukawa was the County Summer Fun Supervisor, and County lunches were provided.

The staff for Kauwela Imi Na Auao participated in the County's orientation and training program in June and planned its own additional training bringing Leslie Fox from the hospital for First

Aid, and Betty Ann Rocha, Queen Liliuokalani Children's Cultural Consultant, for a session on the Hawaiian concepts of ALOHA, KOKUA, LOKAHI, LAULIMA, KULEANA, and HO'OMANAWANUI, the concepts at the core of the MIN Project. Staff and volunteers had time to deepen their understanding of the concepts. The opio were presented on their knowledge of the concepts when the program began. Everyone knew what KOKUA meant, but most of the rest of the concepts pulled a blank for the opio, as the program got underway.

By the end of the program, the results were different. Not only did most of the opio know what each concept meant, but they could give examples from their KAUWELA IMI NA'AUAO experience.

## Inouye Cites Hawaiian Record (continued)

bearing, but the chairman made it quite clear that he would again not act further on the measure.

As proposed, the Native Hawaiian Education Act provided for the establishment of special educational programs for native Hawaiian children in both the public and private school systems. I had included special teacher training and nurse practitioner initiatives in order to ensure that the families of the Hawaiian children would actively participate in their programs. Further, I included special fellowships for those Hawaiian youngsters interested in obtaining higher education degrees. I also included special assistance for adult Hawaiians as well.

We are pleased to share Senator Inouye's address recently given at the September VOHA candidate conference.

I would like to reemphasize that in attempting to enact the Hawaiian Education Act on its own merits, we were asking

the United States Congress to clearly state that native Hawaiians are native Americans and that with such status goes the right to special federal assistance due to their unique historical and cultural backgrounds. Although the United States Senate passed the Native Hawaiian education Act twice, I realized that there was very little likelihood that the House of Representatives could be convinced of its merits. Accordingly, I asked my colleagues, who were floor managing the Higher Education Assistance Act, if they would allow me to offer my bill as a special section of the omnibus education bill. They agreed and on June 23, 1980, the Senate unanimously accepted my amendment. Through this approach, we were able to bypass the committee in the House of Representatives and go directly to the conference committee. In so doing, the entire Hawaii Congressional delegation had agreed to take a very serious gamble. There is no question that our colleagues on the House side would be disturbed to learn that we had bypassed the traditional committee structure. However, the alternative was to admit defeat. As you therefore can imagine, the conference deliberations were extraordinarily difficult and our delegation, as a unit, took the unprecedented step of directly addressing our colleagues during the conference deliberations.

After many hours of give and take, the conferees finally agreed to establish a special national commission to study the unique educational problems and needs of native Hawaiians and to report back to the Congress with specific legislative recommendations. This nine-member commission will have an annual budget of \$500,000. To some, such a commission may seem insignificant. I personally feel, however, that it is a very significant step forward. For the first time, we will have a distinguished body looking at the hard data that exists about the status of educational programs for native Hawaiians and their needs.

I shall do my very best to ensure that the members of the commission are out-

standing individuals with an appreciation of the uniqueness of ~~modern American~~ people and our responsibility to them. The commission can be an excellent vehicle for developing concrete legislative recommendations for long-term institutional changes which our colleagues in the House of Representatives will have to listen to. For the first time, we have been able to make our case in Congress, and I am confident that the commission will make recommendations that both you and I will be most pleased to implement.

Finally, I would like to provide you with an update on the Native Hawaiian Reparations Bill.

**NATIVE HAWAIIAN REPARATIONS BILL** — Last week, the Hawaii Congressional delegation met with the leaders of the House Interior and Insular Affairs Committee to discuss the importance of the Native Claims Settlement Study commission Act, more commonly known as the Hawaiian Reparations Bill.

As with the Hawaiian Education Act, we were able to pass this bill in the Senate twice, but we have not been able to get anywhere in the House of Representatives. During our deliberations with the House Interior and Insular Affairs representatives, we came to the conclusion that it is possible to enact into public law a slightly modified proposal. It became evident that we have been so close to the issue that we have not fully appreciated the extent to which our House colleagues on the Mainland did not appreciate the uniqueness of the Hawaiian situation. Accordingly, the proposals by the House committee leaders, that we delete that portion of the preamble that expressly found that native Hawaiians had been treated unfairly, and that we also make the composition of the commission a more broad-based one, we felt had to be accepted. It will, therefore, become the responsibility of the commission to study the matter and to establish for the record that the Hawaiians are native American

Dear Sir,

I am a male Indian inmate at the U.S. Penitentiary at Lompoc California and am 22 years old. I would like to get to know a Hawaiian girl who could write to me.

You see, the folks I had writing quit writing a long time ago, and the loneliness is too much to bear at times.

I thought perhaps you could see a way to print this letter in your paper. I would appreciate you printing this letter for me.

Thank you,  
Ross Hanna  
#20637-148  
Box #W  
Lompoc, California 93438

Aloha,

I have just finished reading the July issue of the Native Hawaiian, and I am feeling a strong desire to help the beautiful people of Hawaii.

I am not of Hawaiian heritage, and have only lived on the island for three years, but I have a deep love for the land and the people here, and an honest anger toward the unfair treatment the Hawaiians have experienced. How wrong for greedy foreigners to take advantage of your trusting spirit of Aloha.

I haven't much money to offer, but I do have God-given talent as an artist, and I have the time and the desire to help, if you could lead me to an organization who could use a willing worker.

Mahalo Nui Loa,  
Donna Dalesandro

# More on Inouye Hawaiian Record

people who have been unfairly treated by the American government.

We will use the Hawaii National Park Bill, H.R. 7217, as the vehicle whereby the original Senate bill will once again be referred to the House for consideration. At that time, the modified reparations bill will be substituted and then referred back to the Senate. We are confident that our Senate colleagues will go along with our recommendations to accept the modified proposal and are hopeful that we shall have the Hawaii Native Claims Settlement Study commission mandated by this congress and signed into public law by President Carter.

It won't be easy — and it won't be everything we wanted — but we will make every effort to get a commission which will make recommendations to the next Congress for meaningful reparations.

I would now like to discuss several items that relate, not to the federal government, but instead, to our own state government and its relationship to our native Hawaiians. A few of the oldtimers in this room may recall that in the fall of 1954, just after the election, when the Democrats got together and agreed upon committee assignments and the leadership for the upcoming territorial legislative session, I found myself elected as the first Democratic Majority Leader of our Territorial House of Representatives. At the first Caucus of the organized Democrats, I submitted my legislative agenda for the session. At the top of the list was a non-legislative matter. I suggested that the time had come for the Territorial House to move out of Iolani Palace.

At the time of the infamous overthrow of Queen Liliuokalani and during her subsequent imprisonment in her own living quarters, the Committee of Safety, as they called themselves, designated the Throne Room as the meeting place for the House of Representatives. In all the history of the United States, never had we treated any vanquished people as the Committee of Safety treated the native Hawaiians. For example, we meticulously avoided the bombing of the Emperor's Palace in Tokyo. We made Kyoto, the religious capital of Japan, off limits to American attack. Throughout Europe we devastated cities, yet did everything possible to avoid destroying religious centers and buildings with great historic significance. When it was decided that it was strategically necessary to bomb the Abbey of Monte Cassino, we first sought the approval of the Vatican. After the war, we appropriated sufficient funds to fully restore the Abbey. But, for some reason, this respect for royalty and religious heritage did not apply to the native Hawaiians. I felt that our continued conduct of business in the Throne Room was a direct insult to the Hawaiian people and a blamish on the soul of Hawaii. I suggested that, if necessary, we could meet in a tent. There were a number of possibilities, but as history shows, I was outvoted. I did, however, win a partial victory. Up until that time, the Speaker of the House of Representatives was seated on the throne. But from our Legislature on, the Speaker of the House did not sit on the throne but on a dais below the throne.

I am pleased that Iolani Palace is being restored and that native Hawaiians will once again be able to see and appreciate that aspect of their rich cultural heritage.

Another matter that I wish to raise with you has been pending for decades. You are probably getting tired of hearing me repeat it, but I have long advocated that we should have compulsory courses in Hawaiian history and culture in our state's public school systems, on both the elementary and secondary levels.

Every child in Virginia knows about Robert E. Lee; every child in Texas has been in the glory and heroics of the Alamo. I believe that we owe it to the children of Hawaii to keep alive the richness of the Hawaiian heritage, to ensure that they learn of such things as the wisdom of Kaahumanu and the leadership of Kamehameha. The ancient Hawaiians had a system of laws truly related to nature and their environment. These were laws equal to those our conservationists and environmentalists are trying to achieve. We had laws which established certain seasons for fishing, for the gathering of fruits and berries, and for the planting of various agricultural products. Today, civilized man is only beginning to recognize the importance of these natural seasons.

The extraordinary voyage of the Hokuleia not only reminds the Hawaiian youth of the courage and foresight of their ancestors, but also gives them a sense of cultural pride for present day accomplishments. Our Hawaiian youths need to be reminded of how their ancestors traveled vast expanses of uncharted waters without knowing whether they would ever see their loved ones again. There are so many things that our young Hawaiians could be taught about their heritage.

But with each administration, whether it be Democrat or Republican, I have been told that while my ideas have merit, it cannot be done. At first there were no funds available. Then, I was told that there were not enough trained teachers. That does seem obvious, but I kept wondering why shouldn't we at least start. Why don't we begin with just one school, perhaps in Wainane or Nanakuli. Six years ago, Nanakuli High School had no teachers of Hawaiian ancestry. The principal was of Japanese ancestry, the teachers were all either Japanese, Chinese or Caucasian. There was one Filipino, who especially wanted to help native Hawaiians. On her own, she conceived the Hawaiian Cultural Studies Program. She conducted classes after school. She did not have any resources or formal books, so she used James Michener's HAWAII as her textbook. We may smile at her effort, but at least she tried. The

only Hawaiians at Nanakuli High School at that time were janitors, food service employees, or maintenance crew. There was one part-Samoan basketball coach. Just imagine what must have gone through the minds of the young Hawaiians who attended that school. Day after day they went to a school which, by its own structure, demonstrated the role of the Hawaiian in present day society. There were no successful role models to emulate, no successful Hawaiians to sit down and speak with. It must have been a very depressing life. Accordingly, I was extremely pleased to note that our State Department of Education has just decided to add classes in Hawaiian language and culture to our elementary school curriculum. This is a very good first step, and hopefully, a sign that change is underway.

I am glad that this has begun to change. The principal of Nanakuli High School is now of Hawaiian ancestry, and there are a number of teachers of Hawaiian or part-Hawaiian extraction.

Still, much more needs to be done. We must systematically provide opportunities so the young Hawaiians can be convinced that they do not have to fail — that they can be successful. For too long, all of us in Hawaii, including the Hawaiian community, have been giving our Hawaiian youth the clear message "If you are Hawaiian, you cannot succeed". This must change.

In a few weeks, our state's native Hawaiian people will be involved in a most important election, the election for the Office of Hawaiian Affairs, OHA.

In recent years, a number of new words and phrases have been added to the vocabulary of the politician: black power, brown power and women's rights. I sincerely hope that you realize that many concerned people, especially professional politicians, will be watching and studying the election process for the Office of Hawaiian Affairs with more than a casual interest. You are being provided with the opportunity that you have long sought.

This is your chance to flex your political muscle and show your strength. However, I warn you that if the turnout for the OHA election is a small one, you may set back your cause for generations. If your people do not turn out on election day, Hawaiian power will be said to be nothing but a paper tiger. It is just that simple.

If you want to convince our state's political leaders that Hawaiian power is real and that it is here to stay, you must demonstrate your political impact. This is no time for infighting, no time for backbiting. This is a time for unity of purpose: not only in spirit, but in reality. I sincerely hope that you will keep this in mind as you carry out your campaign.

## Alu Like OHA Candidate Forum Schedule Open to the Public

ROUND A			
Day	Date	Time	Place
Tuesday	September 16	7:00 pm	Hau'ula Elementary School
Wednesday	September 17	7:00 pm	Ewa Beach Community School Library
Thursday	September 18	7:00 pm	Lincoln Elementary School Cafeteria
ROUND B			
Day	Date	Time	Place
Tuesday	September 30	7:00 pm	Hau'ula Elementary School
Wednesday	October 1	7:00 pm	Ewa Beach Community School Library
Thursday	October 2	7:00 pm	Lincoln Elementary School Cafeteria
ROUND C			
Day	Date	Time	Place
Tuesday	October 7	7:00 pm	Hau'ula Elementary School
Wednesday	October 8	7:00 pm	Ewa Beach Community School Library
Thursday	October 9	7:00 pm	Lincoln Elementary School Cafeteria
ROUND D			
Day	Date	Time	Place
Tuesday	October 14	7:00 pm	Hau'ula Elementary School
Wednesday	October 15	7:00 pm	Ewa Beach Community School Library
Thursday	October 16	7:00 pm	Lincoln Elementary School Cafeteria
ROUND E			
Day	Date	Time	Place
Tuesday	October 21	7:00 pm	Hau'ula Elementary School
Wednesday	October 22	7:00 pm	Ewa Beach Community School Library
Thursday	October 23	7:00 pm	Lincoln Elementary School Cafeteria
ROUND F			
Day	Date	Time	Place
Tuesday	October 28	7:00 pm	Hau'ula Elementary School
Wednesday	October 29	7:00 pm	Ewa Beach Community School Library
Thursday	October 30	7:00 pm	Lincoln Elementary School Cafeteria

## OHANA RADIO

### OHANA

A Weekly visit with the Hawai'i people. Hawaiian Radio KCCN Sunday evenings, 7:30 p.m.

Hosts: Patricia Brandt, Ray Gurzynski, Winona Rubin, Llewella Zablan

### September

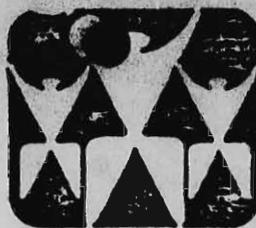
7— Patricia Brandt, National Island Women's Association

14— Lokomaika'iokalani Saakenberg, DOE Hawaiian Studies

21— Ronnie Bright — Extraordinary Drama Teacher

28— Volunteers for OHA— Steve Kuna — Looking at Issues and Concerns

Att. 2 - Page 11



# ALU LIKE

## WORKING TOGETHER

FOR YOUR INFORMATION

From Winona Rubin

ADMINISTRATIVE OFFICES  
2228 Pan Street, Suite 3035 Honolulu, Hawaii 96819  
Telephone: (808) 833-5871

October 8, 1980

Our September issue of The Native Hawaiian contained the text of Senator Daniel Inouye's speech delivered before OHA candidates at a workshop sponsored by the Volunteers for OHA last month at the Princess Kaiulani Hotel.

Many inquiries received at Alu Like focus on what our Congressional leaders are doing on behalf of native Hawaiians. Some of the questions name Senator Inouye and Congressman Akaka specifically.

Although it is our understanding that the equal time provisions for political candidates apply only to radio and television, we did follow through with invitations to other Senatorial hopefuls asking them the same questions that were asked of both Akaka and Inouye. Their responses are to be printed in the November issue that will be distributed during the last week of October.

Hence, Cooper Brown, Bud Shasteen and Kamuela Price have been sent invitations to respond to two basic questions that The Inouye text answered. What is your track record with respect to providing assistance to the Hawai'i community i.e. specifically people of Hawaiian descent? What have you done on behalf of native Hawaiians?

Alu Like is a non profit private social change organizations striving toward native Hawaiian economic and social self sufficiency. It's focus on native Hawaiian preference is, we believe, constitutionally correct.

We hope that the Senatorial hopefuls will be able to share their record of accomplishments made on behalf of our Hawaiian community and look forward to their participation in the November issue of The Native Hawaiian.

*A private, non-profit, social change organization, striving toward Native Hawaiian economic and social self-sufficiency.*

*E alu like mai kakou, E na 'oiwi o Hawai'i  
Let us work together, natives of Hawai'i*

Att. 2 - Page 12

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CONFIDENTIAL

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ADMINISTRATIVE OFFICES  
2828 Paa Street, Suite 3035 Honolulu, Hawaii 96819  
Telephone: (808) 833-5871

October 30, 1980

Mr. Charles N. Steele, General Counsel  
Federal Elections Commission  
1325 K Street, N.W.  
Washington, D.C. 20463

Dear Mr. Steele:

Aloha! This letter addresses the matter of MUR 1311 relative to a complaint against Alu Like by E. Cooper Brown.

In response to Mr. Brown's complaint included in your letter of October 15 which our office received on October 20 but which I reviewed upon my return from a mainland business trip on October 27, we have the following information.

The Native Hawaiian publication of the Alu Like organization was established five years ago in response to the needs assessment we conducted in the Hawaiian community in which one prominent need cited was that of the lack of timely information about issues affecting Hawaiians in this state. Since its beginning, The Native Hawaiian has printed statements and/or information from public and private individuals as those issues have been current.

The September 1980 issue of The Native Hawaiian was the first of two issues featuring the Office of Hawaiian Affairs (OHA) candidates — candidates in a non-partisan state election to be held on November 4. Senator Inouye's speech which was printed in The Native Hawaiian was delivered at a conference of the one hundred thirty-six OHA candidates and released by him to the media on that occasion. We printed the text as part of our coverage on OHA and some of the issues facing the candidates. The October issue of The Native Hawaiian provided the followup coverage for the remaining OHA candidates. For your information, earlier issues have contained the complete speeches of prominent Hawaiian persons such as Chief Justice William Richardson and Mr. Richard Lyman on the occasion of other major OHA events. It is our practice to list the names of persons whose articles are used in the content of the issue as "contributors" There has been no political contributions exchanged nor intended between Alu Like and Senator Inouye.

E alu like mai kakou, E na o'iwi o Hawai'i  
Let us work together, natives of Hawai'i

Att. 3 - Page 1

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Our employees are apprised of the Hatch Act through our written personnel policies and staff orientation sessions by our Human Resources Officer and by me. We enforce compliance strictly and provide clarification and monitoring, especially during election years. This year is no exception.

✓ Although Alu Like is a major prime sponsor for Title III CETA funds, no CETA funds are used in the publication of The Native Hawaiian. Although, Alu Like is a CETA training site for clerical positions, no CETA participant is or has ever been used in the production or preparation of The Native Hawaiian. This can be verified by our approved work plans, budget and audit documentation.

Mr. Brown did not provide us a copy of his written complaint but chose to go to the media with his allegations. His telephone contact with the editor of The Native Hawaiian demanded equal space in our October issue which had already gone to press and was ready for distribution. Although we realize that we need not provide equal space for Mr. Brown's request, we accelerated the publication of our November issue of The Native Hawaiian, so that we could include a statement by Mr. Brown and the Libertarian candidate, if he chose, on Hawaiian matters of interest to our readership. This early November issue containing Mr. Brown's statement will be distributed in the usual manner today.

Enclosed are the complete September 1980 and October 1980 issues of The Native Hawaiian to which I referred. We believe we are not in violation of the law and we appreciate the opportunity to respond to the complaint.

Sincerely,

*Winona E. Rubin*  
Winona E. Rubin  
Executive Director

WER/gw

cc: Piilani C. Desha, President  
Gard Kealoha, Information Officer

3179973157



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

William F. Ragan  
Ragan & Mason  
900 Seventeenth Street, N.W.  
Washington, D.C. 20006

Dear Mr. Ragan:

On October 20, 1980, the Commission notified you of a complaint alleging that your client had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March , 1981, determined that on the basis of the information in the complaint and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele  
General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

E. Cooper Brown  
822 Ocean View Drive  
Honolulu, Hawaii 96816

Re: MUR 1311

Dear Mr. Brown:

The Federal Election Commission has reviewed the allegations of your complaint dated October 8, 1980 and determined that on the basis of the information provided in your complaint and information provided by the Respondents, there is no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended (the "Act") has been committed.

Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele  
General Counsel

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page 2

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Winona E. Rubin  
Executive Director  
Alu Like Hawaiian Program  
2828 Paa Street, Suite 3035  
Honolulu, Hawaii 96819

Dear Ms. Rubin:

On October 15, 1980, the Commission notified you of a complaint alleging that your organization had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March , 1981, determined that on the basis of the information in the complaint and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele  
General Counsel

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November 25, 1980

Mr. Charles N. Steele  
General Counsel  
U.S. Federal Election Commission  
1325 K Street, N.W.  
Washington, D. C. 20463

RE: MUR 1311

Dear Mr. Steele:

We are in receipt of your letter dated November 18, 1980 concerning a complaint filed before your Commission by E. Cooper Brown.

Please be informed that our Committee adopts and incorporates by reference the response to the identical complaint by William F. Ragan, Esq., counsel for Senator Daniel K. Inouye. A copy of Mr. Ragan's reply to the Commission dated November 4, 1980 is attached for your convenience. Based on the foregoing, we believe that Mr. Brown's complaint should be summarily dismissed.

Should any further questions arise, please feel free to contact us.

Very truly yours,

K. Harry Tokushige, Treasurer  
Daniel K. Inouye For '80 Committee

Enclosure

cc: William F. Ragan, Esq. (w/ enclosure)  
Carolyn Weeder (w/ enclosure)

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DONALD J. BRUNNER  
ROBERT T. DEVOY, JR.  
GARY R. EDWARDS  
FRANCIS W. FRASER  
GEORGE B. HARTZOG, JR.  
GENE C. LANGE  
GERALD A. MALIA  
JOHN MASON  
EDWARD A. McDERMOTT, JR.  
PAUL J. McELIGOTT  
ANDREW A. NORMANDEAU  
WILLIAM F. RAGAN  
EDWARD M. SHEA  
JAMES V. STANTON  
JOSEPH R. TENNANT  
JOHN E. VARGO

*3004  
3041*

LAW OFFICES  
**RAGAN & MASON**  
THE FARRAGUT BUILDING  
800 SEVENTEENTH STREET, N. W.  
WASHINGTON, D. C. 20006

(202) 296-4750

CABLE ADDRESS: CONRALEGAL

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TELECOPIER: (202) 296-4110

GEORGE R. BROWNELL  
OF COUNSEL  
MEMBER NEW YORK BAR  
1348 AVENUE OF THE AMERICAS  
NEW YORK, N. Y. 10019  
(212) 768-3000

November 4, 1980

Mr. Charles N. Steele  
General Counsel  
U.S. Federal Election Commission  
1325 K Street, N.W.  
Washington, D. C. 20463

Dear Mr. Steele:

Re: MUR 1311

The attached memorandum constitutes the response of U.S. Senator Daniel K. Inouye in the above-captioned matter, received in the Senator's Washington office on October 20, 1980. It establishes that there has been no violation of the Federal Election Campaign Act, and that the complaint should be dismissed.

I look forward to hearing from you further on this matter in the near future.

Very truly yours,

RAGAN & MASON

*William F. Ragan*  
William F. Ragan

Enclosures

cc: Carolyn Weeder (w/enclosures)

Received by Carolyn Kay Weeder Date Nov. 4, 1980

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RECEIVED  
GENERAL COUNSEL

DONALD J. BRUNNER  
ROBERT T. DEVOY, JR.  
GARY R. EDWARDS  
FRANCIS W. FRASER  
GEORGE B. HARTZOG, JR.  
GENE C. LANGE  
GERALD A. MALIA  
JOHN MASON  
EDWARD A. McDERMOTT, JR.  
PAUL J. McELLAGOTT  
ANDREW A. NORMANDEAU  
WILLIAM F. RAGAN  
EDWARD M. SHEA  
JAMES V. STANTON  
JOSEPH P. TENNANT  
JOHN E. VARGO

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OF COUNSEL  
MEMBER NEW YORK BAR  
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NEW YORK, N. Y. 10019  
(212) 766-3000

November 4, 1980

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General Counsel  
U.S. Federal Election Commission  
1325 K Street, N.W.  
Washington, D. C. 20463

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Very truly yours,

RAGAN & MASON

*William F. Ragan*  
William F. Ragan

Enclosures

cc: Carolyn Weeder (w/enclosures)

3171075133

RESPONSE OF U.S. SENATOR  
DANIEL K. INOUE

MUR 1311

31040235164

This memorandum constitutes the response of U.S. Senator Daniel K. Inouye to the complaint in the above-captioned matter. The complaint is primarily concerned with an article in a recent issue of The Native Hawaiian, a periodical of the organization Alu Like, which contained the text of one of Senator Inouye's recent speeches. Senator Inouye is a candidate for re-election to the United States Senate in the election to be held on November 4, 1980.

The complaint alleges, inter alia, that the article constituted a contribution to Senator Inouye's campaign which is required to be reported by Senator Inouye as such; that Alu Like, a grantee under the Comprehensive Employment and Training Act, violated Federal law if it used Federal funds to publish the issue of its periodical in question; and that by printing the speech it violated the law concerning its tax status as a non-profit organization.

As is detailed herein, it is clear that there has been no violation of the Federal Election Campaign Act or any other law in this matter, and that the subject complaint should be summarily dismissed.

The complaint is based entirely on the view that the printing of the speech constitutes a contribution to Senator Inouye's campaign under the Federal Election Campaign Act. This view is totally incorrect. The regulations of the Federal Election Commission which implement the Act provide,

"Any cost incurred in covering or carrying a news story, commentary or editorial by any broadcasting station, newspaper, or other periodical publication is not a contribution . . . ." 1/

A nearly identical provision states that neither does such a cost constitute a campaign expenditure for purposes of the Act. 2/

That this article is a news story or commentary within the purview of these provisions is beyond doubt. The Native Hawaiian is a montly publication and the sole regular publication of Alu Like, a non-profit, socially concerned organization of native Hawaiians which supports and seeks to promote native Hawaiian economic and social self-sufficiency. The periodical carries articles on issues and events of concern to native Hawaiians.

To provide some background on the speech which was reproduced in the September, 1980 issue, it was the

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1/ 11 C.F.R. §100.7(b)(2).

2/ Id. §100.8(b)(2).

speech that Senator Inouye gave to the Office of Hawaiian Affairs Candidate Conference on September 6, 1980. The Conference was sponsored by the Volunteers for the Office of Hawaiian Affairs, a private non-profit, nonpartisan organization. The Office of Hawaiian Affairs ("OHA") itself is a State Office which holds title to and manages certain property set aside for native Hawaiians, and performs numerous duties in connection with Federal funds and other Federal assistance. The Conference was intended to provide the candidates standing for election to the Board of Trustees of OHA, all of whom must be native Hawaiians, with basic information regarding the Office and its functions.

Many eminent individuals spoke at this nonpartisan event, including the Chief Justice of the State Supreme Court and the Majority Leader of the State House of Representatives. News media coverage of the event, including Senator Inouye's speech, was extensive. Copies of the Senator's speech were distributed at the Conference, and that the speech was covered by others in the media, in addition to The Native Hawaiian, is shown by the attached newspaper clippings [Ex. 2]<sup>3/</sup>. To illustrate the nature of The Native Hawaiian, the complete issue is attached [Ex. 1].

Consistent with Senator Inouye's role as a representative of Hawaii in Washington, and the many duties of

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<sup>3/</sup> Exhibit 2, Honolulu Advertiser, September 7, 1980; Honolulu Advertiser, Editorial, September 10, 1980.

the Office regarding Federal assistance programs and other activities of the Federal Government, his speech focused upon Federal activities which directly impact the State and his efforts with regard to them. Without question, these matters are also of concern to Alu Like and to all native Hawaiians, and it was entirely consistent with the purpose of its periodical for the organization to reprint his speech therein. Senator Inouye had no prior communication with Alu Like concerning the reprinting of the speech, and he had no prior knowledge that it was going to do so.

Further supporting the contention that the publication of this speech did not constitute a campaign contribution or expenditure are the provisions of the regulations which define these terms as a gift of "anything of value made...for the purpose of influencing any election for Federal office. . . .<sup>4/</sup>" In this connection, it should be noted that there is nothing in either Senator Inouye's speech or the accompanying text which states or implies that he is a candidate for election. Indeed there is no statement that any election for Federal office is about to occur. Hence the publication of this speech in these circumstances can hardly be considered to be an act done for the purpose of influencing an election for Federal office.

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<sup>4/</sup> 11 C.F.R. §100.7(a)(1), §100.8(a)(1). (Emphasis added)

Based upon the regulations of the Federal Election Commission quoted herein and the information relevant thereto that is provided above, it is clear that the printing of this speech in The Native Hawaiian did not constitute a campaign contribution or expenditure, and that it is not required that Senator Inouye report it as such in his campaign disclosure reports.

Among the allegations of possible violations of the law contained in the complaint, the only one which directly concerns Senator Inouye is the one concerning disclosure of the publication as a campaign contribution. Nevertheless, several comments on the allegations concerning the conduct of Alu Like are in order, because the rebuttal to them parallels at least in part the rebuttal to the allegation against Senator Inouye. The allegations against Alu Like are, first, that it violated Federal law if it used Federal funds to publish the issue in which the speech was printed, and, secondly, that it violated the terms of its tax status by reprinting the speech.

The following points should be made concerning these allegations. First, because neither of the allegations charge a violation of the Federal Election Campaign Act or any of the other statutes which the Federal Election Commission administers,<sup>5/</sup> it would appear that these allegations are beyond the purview of the Commission's jurisdiction.

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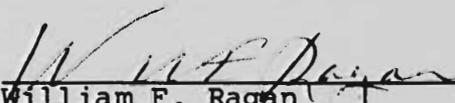
<sup>5/</sup> 2 U.S.C. §437c(b).

Secondly, in any event, Alu Like did not violate any Federal law concerning the use of Federal funds for political activity, or political activity by a non-profit organization, because, as was established above, the printing of this speech did not constitute political activity of any sort.

Finally, the relief requested by the complainant includes a demand that The Native Hawaiian provide equal space for himself and the Libertarian Party candidate for the U.S. Senate prior to the election. To say the least, it is highly incongruous for a person to, on the one hand, assert that certain activity is illegal, and then, on the other, to demand that another party be required to engage in that very activity so as to benefit himself. Either the activity is illegal and may not be engaged in at all, or it is legal and may be engaged in as a party sees fit. Nevertheless, Alu Like, consistent with its position that the printing of such statements is permissible, has issued a statement offering to carry statements of other candidates in its periodical prior to the election [Ex. 3].

On the grounds cited herein, it is evident that the allegations of violations of the law contained in the complaint are without any basis whatsoever, and that the complaint should be dismissed.

Respectfully submitted,

  
\_\_\_\_\_  
William F. Ragan  
Attorney for U.S. Senator  
Daniel K. Inouye

November 4, 1980

## Follow conscience, chief justice advises

By David Frank  
*Advertiser Staff Writer*

State Supreme Court Chief Justice William Richardson told candidates for trustees of the Office of Hawaiian Affairs to let "conscience" guide them to avoid conflicts while in office.

He called the primary purpose of the trust "the betterment of the conditions of native Hawaiians and Hawaiians."

The state statute which established OHA defines two groups of beneficiaries — native Hawaiians (full blooded Hawaiians) and Hawaiians (anyone of some Hawaiian blood), the justice noted.

The trustees must be exceedingly careful in making their decisions, since the best interest of one group of beneficiaries may not be in the best interest of the other group of beneficiaries. How to resolve these possible conflicts is a question that troubles me. All I can suggest to you is that you be aware of the possible conflict and act as your conscience guides you," Richardson said.

Under the OHA statute, he said, trustees can be sued by the trust's beneficiaries in "matters of misapplication of funds and resources in breach of fiduciary duty."

Richardson added, "This very definitely means that the actions of the trustees will be closely scrutinized. There will be those who will be unhappy about any decision the trustees make, so the

trustees are going to have to be strong and independent people."

Richardson, who is part-Hawaiian, expressed optimism about the newly created office. The powers granted to OHA trustees, he said, are extremely open: "(The Legislature) wanted to give them all the tools.

"Within these parameters, I see much room for real creativity and innovation. The first board of trustees will start OHA on a path that will directly affect over 130,000 Hawaiians and indirectly affect all of the people of our state. If you are chosen as an OHA trustee, you will have the trust and the future of all those people in your hands."

As established by the state Legislature, OHA will have at its disposal 20 percent of the money earned through the sale or lease of "ceded lands," the lands controlled by the Republic of Hawaii at the time it was annexed by the United States. Those lands were turned over to the state upon statehood.

At the start of OHA, the Legislature has estimated, the 20 percent figure will add up to about \$1 million.

In a speech following Richardson's, state Rep. Henry Peters discussed some problems regarding the fund which will be OHA's primary funding source. The biggest problem, he said, is that the state Department of Land and Natural Resources doesn't have a



**Chief Justice Richardson**  
*Warns of conflicts*

computerized, central inventory of the lands.

Because this was seen as an obstacle to funding OHA, he added, the Legislature provided — in its last session — money to improve the DLNR inventory.

In addition, Peters noted that the Legislature has no control over OHA's purse strings. "OHA does not need to come to the Legislature to ask for funds like other programs, under the permanent funding arrangement it has."

OHA does have to submit a proposed annual budget, but "the Legislature cannot reject OHA's budget or make changes as it can do with other program budgets," Peters said, although OHA is subject to annual government audits.



**Daniel Inouye**  
*"No time for infighting"*

## Public is invited to meet candidates

The public can meet many of the OHA candidates at a rally at Aloha Tower from 2 to 6 p.m. today.

Besides pupus and no-host cocktails, the rally will feature entertainers Loyal Garner, Danny Kakekahi, Olomana, Karen Keawehawai, Melveea Leed, and Frank Howett's Hula.

Tickets, \$2, can be purchased at the rally.

## Inouye to Hawaiians: It's time for unity

SUN SEP 7 1980 AD E

A small voter turnout in the upcoming election of trustees for the Office of Hawaiian Affairs may set back efforts of Hawaiians "for generations," said Sen. Daniel Inouye.

"If you want to convince the non-Hawaiian leaders of this state that Hawaiian power is real and that it is here to stay, you must demonstrate your political impact. This is no time for infighting, no time for backbiting. This is a time for unity of purpose — not only in spirit, but in reality.

"If your people do not turn out on election day, Hawaiian power will be said to be nothing but a paper tiger," Inouye told 79 OHA trustee candidates yesterday.

Inouye's speech was one of several addresses at an OHA candidate conference at the Princess Kaiulani Hotel. The conference, sponsored by the Volunteers for OHA, is being held to familiarize candidates with the new office.

OHA was created in 1978 by the state Constitutional Convention to coordinate services and programs for persons of Hawaiian ancestry. The office will be run by nine trustees chosen by voters of Hawaiian blood in a special election held in conjunction with the Nov. 4 general election. Some 25,000 persons already have registered to vote in the special election, and more are expected to sign up before the Oct. 6 deadline.

In other remarks, Inouye noted

progress on the Hawaii Native Claims Settlement Study Commission Act, the first step of which he said would be implemented at about the beginning of next year.

Although the reparations bill has not been able to pass the House of Representatives, Inouye said the bill would be passed after it is modified and attached to another bill.

The reparations bill met stiff opposition in the House, Inouye said, because House Interior and Insular Affairs Committee members objected strongly to a specific portion of the bill. That section expressly stated that Hawaiians had been treated unfairly, he said, adding that the section will be deleted.

Then, he predicted, the modified bill will be attached to the Hawaii National Parks Bill, pass both houses of Congress, and be signed into law later this year by President Carter.

Once passed, a commission would be formed to determine if the Hawaiian people have been "wronged," Inouye said, and decide appropriate reparations.

In late June, he noted, a joint congressional conference committee approved \$50,000 for a two-year study to determine if native Hawaiians have special education needs that are not being met by existing programs.

— By David Frank

EXHIBIT

Wednesday, September 10, 1980

## Our OHA challenge

Clearly the November election for the nine trustees who will run the new Office of Hawaiian Affairs is a major challenge and opportunity.

And that is true not only for those of Hawaiian blood eligible to cast ballots in that special election but for all others in the state as well.

THERE MAY BE some debate on how effective OHA will be in its assigned role as an official umbrella organization to oversee other Hawaiian programs, set up new ones, coordinate special activities and perhaps monitor and distribute land reparations, if and when awarded by Congress.

But there is no doubt OHA has great potential to be a major milestone for the upward mobility of Hawaiians and their programs in a homeland where they have too often lagged behind and experienced difficulties.

The beginning of OHA, therefore, is an opportunity that should not be lost, either out of apathy or useless argument.

IN THAT REGARD, there was a mixture of hopeful signs and good advice last weekend.

It is most impressive that the Friday deadline saw 138 candidates running for the four at-large and five seats from various islands.

There are so many, in fact, that most of them will face problems of getting their names known statewide, which is how all will be elected. With some 80 candidates running at-large, that will present voters with a formidable ballot in making choices.

But a large number of candidates was expected. The real question is how many people will sign up to vote in these races where only persons with some Hawaiian blood are eligi-

ble to run and cast ballots.

Registration has probably now topped 40,000, and some talk of having 50,000 adults of Hawaiian blood signed up by the October 6 deadline. But with some 90,000 Hawaiians eligible, the number could and should go higher. Much depends on the efforts of the candidates and their supporters in making that happen.

WED SEP 10 1980 AD F

WEEKEND PROGRAMS for OHA candidates and the public produced some timely warnings from both U.S. Senator Dan Inouye and Congressman Dan Akaka that a good election-day turnout is essential to show that Hawaiian power is not a paper tiger. Said Inouye:

"This is not a time for in-fighting, no time for backbiting. This is a time for unity of purpose — not only in spirit but in reality."

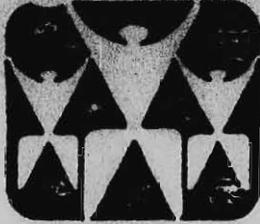
If that is first priority, it does not mean that there cannot and will not be debate later on the extent and direction of OHA's role. In that regard, U.S. Attorney Walter Heen, a part-Hawaiian, made some impressive points.

Heen said OHA cannot be a separate government and form of isolation. It must be used as a means to help Hawaiians back into and up the mainstream of a larger Hawaii society that is still evolving.

And he added: "All others in the community should in turn understand that in the end, any improvement in the lot of the Hawaiians generally will also help improve the lot of the entire populace. We must all work together."

BUT, IF THAT has to be a larger goal, the first step most needed now is for Hawaiians to sign up and vote November 4.

3 1 0 4 7 3 5 1 7 1



**ALU  
LIKE**  
**WORKING TOGETHER**

**FOR YOUR INFORMATION**  
From Wilma Rubin

ADMINISTRATIVE OFFICES  
2228 Pan Street, Suite 3035 Honolulu, Hawaii 96819  
Telephone: (808) 533-1871

October 8, 1980

Our September issue of The Native Hawaiian contained the text of Senator Daniel Inouye's speech delivered before OHA candidates at a workshop sponsored by the Volunteers for OHA last month at the Princess Kaiulani Hotel.

Many inquiries received at Alu Like focus on what our Congressional leaders are doing on behalf of native Hawaiians. Some of the questions name Senator Inouye and Congressman Akaka specifically.

Although it is our understanding that the equal time provisions for political candidates apply only to radio and television, we did follow through with invitations to other Senatorial hopefuls asking them the same questions that were asked of both Akaka and Inouye. Their responses are to be printed in the November issue that will be distributed during the last week of October.

Hence, Cooper Brown, Bud Shasteen and Kamuela Price have been sent invitations to respond to two basic questions that the Inouye text answered. What is your track record with respect to providing assistance to the Hawai'i community i.e. specifically people of Hawaiian descent? What have you done on behalf of native Hawaiians?

Alu Like is a non profit private social change organizations striving toward native Hawaiian economic and social self sufficiency. It's focus on native Hawaiian preference is, we believe, constitutionally correct.

We hope that the Senatorial hopefuls will be able to share their record of accomplishments made on behalf of our Hawaiian community and look forward to their participation in the November issue of The Native Hawaiian.

*A private, non-profit, social change organization, striving toward Native Hawaiian economic and social self-sufficiency.*

*E alu like mai kakou, E na 'oiwi o Hawai'i  
Let us work together, natives of Hawai'i*

3101035172

31040235173

LAW OFFICES

**RAGAN & MASON**

THE FARRAGUT BUILDING

900 SEVENTEENTH STREET, N. W.

WASHINGTON, D. C. 20006

**TO:**

**Mr. Charles N. Steele**

**General Counsel**

**U.S. Federal Election Commission**

**1325 K Street, N.W.**

**Washington, D. C. 02463**

BY HAND

FIRST CLASS MAIL

FIRST CLASS MAIL

31040335174

LAW OFFICES  
**RAGAN & MASON**  
THE FARRAGUT BUILDING  
900 SEVENTEENTH STREET, N. W.  
WASHINGTON, D. C. 20006

**TO:** Carolyn Weeder  
U.S. Federal Election Commission  
1325 K Street, N.W.  
Washington, D. C. 20463

BY HAND

FIRST CLASS MAIL

DONALD J. SWINNEY  
ROBERT T. SWEET, JR.  
DAVE D. EDWARDS  
FRANCIS W. FRASER  
GEORGE B. HARTSON, JR.  
GENE C. JAMES  
GERALD A. PALM  
JOHN RAGAN  
GORDON A. McDERMOTT, JR.  
PAUL J. McELLIOTT  
ANDREW A. McWHIRTER  
WILLIAM F. RAGAN  
TOMAS D. SHEN  
JAMES W. STANTON  
JOSEPH R. TENNANT  
JOHN L. VANCE

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GEORGE S. BROWNELL  
OF COUNSEL  
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WASHINGTON, D.C. 20006  
TEL. 703-522-0370

November 4, 1980

Mr. Charles N. Steele  
General Counsel  
U.S. Federal Election Commission  
1325 K Street, N.W.  
Washington, D. C. 20463

Dear Mr. Steele:

Re: MJR 1311

The attached memorandum constitutes the response of U.S. Senator Daniel K. Inouye in the above-captioned matter, received in the Senator's Washington office on October 20, 1980. It establishes that there has been no violation of the Federal Election Campaign Act, and that the complaint should be dismissed.

I look forward to hearing from you further on this matter in the near future.

Very truly yours,

RAGAN & MASON

*William F. Ragan*  
William F. Ragan

Enclosures

cc: Carolyn Weeder (w/enclosures)

31040235175

RESPONSE OF U.S. SENATOR  
DANIEL K. INOUE

MJR 1311

31010335175

This memorandum constitutes the response of U.S. Senator Daniel K. Inouye to the complaint in the above-captioned matter. The complaint is primarily concerned with an article in a recent issue of The Native Hawaiian, a periodical of the organization Alu Like, which contained the text of one of Senator Inouye's recent speeches. Senator Inouye is a candidate for re-election to the United States Senate in the election to be held on November 4, 1980.

The complaint alleges, inter alia, that the article constituted a contribution to Senator Inouye's campaign which is required to be reported by Senator Inouye as such; that Alu Like, a grantee under the Comprehensive Employment and Training Act, violated Federal law if it used Federal funds to publish the issue of its periodical in question; and that by printing the speech it violated the law concerning its tax status as a non-profit organization.

As is detailed herein, it is clear that there has been no violation of the Federal Election Campaign Act or any other law in this matter, and that the subject complaint should be summarily dismissed.

The complaint is based entirely on the view that the printing of the speech constitutes a contribution to Senator Inouye's campaign under the Federal Election Campaign Act. This view is totally incorrect. The regulations of the Federal Election Commission which implement the Act provide,

"Any cost incurred in covering or carrying a news story, commentary or editorial by any broadcasting station, newspaper, or other periodical publication is not a contribution . . . ." 1/

A nearly identical provision states that neither does such a cost constitute a campaign expenditure for purposes of the Act. 2/

That this article is a news story or commentary within the purview of these provisions is beyond doubt. The Native Hawaiian is a monthly publication and the sole regular publication of Alu Like, a non-profit, socially concerned organization of native Hawaiians which supports and seeks to promote native Hawaiian economic and social self-sufficiency. The periodical carries articles on issues and events of concern to native Hawaiians.

To provide some background on the speech which was reproduced in the September, 1980 issue, it was the

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1/ 11 C.F.R. §100.7(b)(2).

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speech that Senator Inouye gave to the Office of Hawaiian Affairs Candidate Conference on September 6, 1980. The Conference was sponsored by the Volunteers for the Office of Hawaiian Affairs, a private non-profit, nonpartisan organization. The Office of Hawaiian Affairs ("OHA") itself is a State Office which holds title to and manages certain property set aside for native Hawaiians, and performs numerous duties in connection with Federal funds and other Federal assistance. The Conference was intended to provide the candidates standing for election to the Board of Trustees of OHA, all of whom must be native Hawaiians, with basic information regarding the Office and its functions.

Many eminent individuals spoke at this nonpartisan event, including the Chief Justice of the State Supreme Court and the Majority Leader of the State House of Representatives. News media coverage of the event, including Senator Inouye's speech, was extensive. Copies of the Senator's speech were distributed at the Conference, and that the speech was covered by others in the media, in addition to The Native Hawaiian, is shown by the attached newspaper clippings [Ex. 2]<sup>3/</sup>. To illustrate the nature of The Native Hawaiian, the complete issue is attached [Ex. 1].

Consistent with Senator Inouye's role as a representative of Hawaii in Washington, and the many duties of

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3/ Exhibit 2, Honolulu Advertiser, September 7, 1980; Honolulu Advertiser, Editorial, September 10, 1980.

3174023178

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Further supporting the contention that the publication of this speech did not constitute a campaign contribution or expenditure are the provisions of the regulations which define these terms as a gift of "anything of value made...for the purpose of influencing any election for Federal office. . . .<sup>4/</sup> In this connection, it should be noted that there is nothing in either Senator Inouye's speech or the accompanying text which states or implies that he is a candidate for election. Indeed there is no statement that any election for Federal office is about to occur. Hence the publication of this speech in these circumstances can hardly be considered to be an act done for the purpose of influencing an election for Federal office.

---

4/ 11 C.F.R. §100.7(a)(1), §100.8(a)(1). (Emphasis added)

3171023179

Based upon the regulations of the Federal Election Commission quoted herein and the information relevant thereto that is provided above, it is clear that the printing of this speech in The Native Hawaiian did not constitute a campaign contribution or expenditure, and that it is not required that Senator Inouye report it as such in his campaign disclosure reports.

31040275130

Among the allegations of possible violations of the law contained in the complaint, the only one which directly concerns Senator Inouye is the one concerning disclosure of the publication as a campaign contribution. Nevertheless, several comments on the allegations concerning the conduct of Alu Like are in order, because the rebuttal to them parallels at least in part the rebuttal to the allegation against Senator Inouye. The allegations against Alu Like are, first, that it violated Federal law if it used Federal funds to publish the issue in which the speech was printed, and, secondly, that it violated the terms of its tax status by reprinting the speech.

The following points should be made concerning these allegations. First, because neither of the allegations charge a violation of the Federal Election Campaign Act or any of the other statutes which the Federal Election Commission administers,<sup>5/</sup> it would appear that these allegations are beyond the purview of the Commission's jurisdiction.

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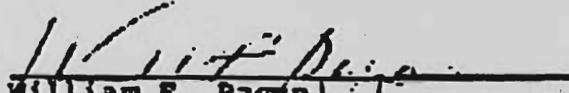
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Secondly, in any event, Alu Like did not violate any Federal law concerning the use of Federal funds for political activity, or political activity by a non-profit organization, because, as was established above, the printing of this speech did not constitute political activity of any sort.

Finally, the relief requested by the complainant includes a demand that The Native Hawaiian provide equal space for himself and the Libertarian Party candidate for the U.S. Senate prior to the election. To say the least, it is highly incongruous for a person to, on the one hand, assert that certain activity is illegal, and then, on the other, to demand that another party be required to engage in that very activity so as to benefit himself. Either the activity is illegal and may not be engaged in at all, or it is legal and may be engaged in as a party sees fit. Nevertheless, Alu Like, consistent with its position that the printing of such statements is permissible, has issued a statement offering to carry statements of other candidates in its periodical prior to the election [Ex. 3].

On the grounds cited herein, it is evident that the allegations of violations of the law contained in the complaint are without any basis whatsoever, and that the complaint should be dismissed.

Respectfully submitted,

  
William F. Ragan  
Attorney for U.S. Senator  
Daniel K. Inouye

November 4, 1980

31040235181

9 1 7 1 0



**FIRST CLASS**

K. Harry Tokushige  
420 Lawelawe Street  
Honolulu, Hawaii 96821

Mr. Charles N. Steele  
General Counsel  
U.S. Federal Election Commission  
1325 K Street, N.W.  
Washington, D. C. 20463

**FIRST CLASS**

**CERTIFIED**

No. 177606

**MAIL**

RETURN RECEIPT REQUESTED

RECEIVED

911408

80 DEC 1 09:57

COO  
2441

30 DEC 1 11:27

GENERAL COUNSEL

November 25, 1980

Mr. Charles N. Steele  
General Counsel  
U.S. Federal Election Commission  
1325 K Street, N.W.  
Washington, D. C. 20463

RE: MUR 1311

Dear Mr. Steele:

We are in receipt of your letter dated November 18, 1980 concerning a complaint filed before your Commission by E. Cooper Brown.

Please be informed that our Committee adopts and incorporates by reference the response to the identical complaint by William F. Ragan, Esq., counsel for Senator Daniel K. Inouye. A copy of Mr. Ragan's reply to the Commission dated November 4, 1980 is attached for your convenience. Based on the foregoing, we believe that Mr. Brown's complaint should be summarily dismissed.

Should any further questions arise, please feel free to contact us.

Very truly yours,



K. Harry Tokushige, Treasurer  
Daniel K. Inouye For '80 Committee

Enclosure

cc: William F. Ragan, Esq. (w/ enclosure)  
Carolyn Weeder (w/ enclosure)

31040335193

DONALD J. BRUNER  
ROBERT S. GUYER, JR.  
GARY D. GUNNAGE  
FRANCIS W. FALGER  
GEORGE B. HARTZOG, JR.  
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November 4, 1980

31040235194

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*William F. Ragan*  
William F. Ragan

Enclosures

cc: Carolyn Needer (w/enclosures)

RESPONSE OF U.S. SENATOR  
DANIEL K. INOUE

MUR 1311

91040135195

This memorandum constitutes the response of U.S. Senator Daniel K. Inouye to the complaint in the above-captioned matter. The complaint is primarily concerned with an article in a recent issue of The Native Hawaiian, a periodical of the organization Alu Like, which contained the text of one of Senator Inouye's recent speeches. Senator Inouye is a candidate for re-election to the United States Senate in the election to be held on November 4, 1980.

The complaint alleges, inter alia, that the article constituted a contribution to Senator Inouye's campaign which is required to be reported by Senator Inouye as such; that Alu Like, a grantee under the Comprehensive Employment and Training Act, violated Federal law if it used Federal funds to publish the issue of its periodical in question; and that by printing the speech it violated the law concerning its tax status as a non-profit organization.

As is detailed herein, it is clear that there has been no violation of the Federal Election Campaign Act or any other law in this matter, and that the subject complaint should be summarily dismissed.

The complaint is based entirely on the view that the printing of the speech constitutes a contribution to Senator Inouye's campaign under the Federal Election Campaign Act. This view is totally incorrect. The regulations of the Federal Election Commission which implement the Act provide,

"Any cost incurred in covering or carrying a news story, commentary or editorial by any broadcasting station, newspaper, or other periodical publication is not a contribution . . . ." 1/

A nearly identical provision states that neither does such a cost constitute a campaign expenditure for purposes of the Act. 2/

That this article is a news story or commentary within the purview of these provisions is beyond doubt. The Native Hawaiian is a monthly publication and the sole regular publication of Alu Like, a non-profit, socially concerned organization of native Hawaiians which supports and seeks to promote native Hawaiian economic and social self-sufficiency. The periodical carries articles on issues and events of concern to native Hawaiians.

To provide some background on the speech which was reproduced in the September, 1980 issue, it was the

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1/ 11 C.F.R. §100.7(b)(2).

2/ Id. §100.8(b)(2).

speech that Senator Inouye gave to the Office of Hawaiian Affairs Candidate Conference on September 6, 1980. The Conference was sponsored by the Volunteers for the Office of Hawaiian Affairs, a private non-profit, nonpartisan organization. The Office of Hawaiian Affairs ("OHA") itself is a State Office which holds title to and manages certain property set aside for native Hawaiians, and performs numerous duties in connection with Federal funds and other Federal assistance. The Conference was intended to provide the candidates standing for election to the Board of Trustees of OHA, all of whom must be native Hawaiians, with basic information regarding the Office and its functions.

Many eminent individuals spoke at this nonpartisan event, including the Chief Justice of the State Supreme Court and the Majority Leader of the State House of Representatives. News media coverage of the event, including Senator Inouye's speech, was extensive. Copies of the Senator's speech were distributed at the Conference, and that the speech was covered by others in the media, in addition to The Native Hawaiian, is shown by the attached newspaper clippings [Ex. 2]<sup>3/</sup>. To illustrate the nature of The Native Hawaiian, the complete issue is attached [Ex. 1].

Consistent with Senator Inouye's role as a representative of Hawaii in Washington, and the many duties of

3/ Exhibit 2, Honolulu Advertiser, September 7, 1980; Honolulu Advertiser, Editorial, September 10, 1980.

3104033187

the Office regarding Federal assistance programs and other activities of the Federal Government, his speech focused upon Federal activities which directly impact the State and his efforts with regard to them. Without question, these matters are also of concern to Alu Like and to all native Hawaiians, and it was entirely consistent with the purpose of its periodical for the organization to reprint his speech therein. Senator Inouye had no prior communication with Alu Like concerning the reprinting of the speech, and he had no prior knowledge that it was going to do so.

Further supporting the contention that the publication of this speech did not constitute a campaign contribution or expenditure are the provisions of the regulations which define these terms as a gift of "anything of value made...for the purpose of influencing any election for Federal office. . . . <sup>4/</sup> In this connection, it should be noted that there is nothing in either Senator Inouye's speech or the accompanying text which states or implies that he is a candidate for election. Indeed there is no statement that any election for Federal office is about to occur. Hence the publication of this speech in these circumstances can hardly be considered to be an act done for the purpose of influencing an election for Federal office.

---

4/ 11 C.F.R. §100.7(a)(1), §100.8(a)(1). (Emphasis added)

3104027103

Based upon the regulations of the Federal Election Commission quoted herein and the information relevant thereto that is provided above, it is clear that the printing of this speech in The Native Hawaiian did not constitute a campaign contribution or expenditure, and that it is not required that Senator Inouye report it as such in his campaign disclosure reports.

Among the allegations of possible violations of the law contained in the complaint, the only one which directly concerns Senator Inouye is the one concerning disclosure of the publication as a campaign contribution. Nevertheless, several comments on the allegations concerning the conduct of Alu Like are in order, because the rebuttal to them parallels at least in part the rebuttal to the allegation against Senator Inouye. The allegations against Alu Like are, first, that it violated Federal law if it used Federal funds to publish the issue in which the speech was printed, and, secondly, that it violated the terms of its tax status by reprinting the speech.

The following points should be made concerning these allegations. First, because neither of the allegations charge a violation of the Federal Election Campaign Act or any of the other statutes which the Federal Election Commission administers,<sup>5/</sup> it would appear that these allegations are beyond the purview of the Commission's jurisdiction.

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<sup>5/</sup> 2 U.S.C. §437c(b).

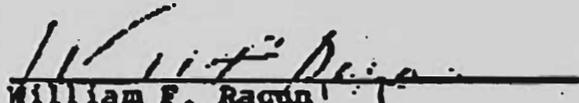
31010235189

Secondly, in any event, Alu Like did not violate any Federal law concerning the use of Federal funds for political activity, or political activity by a non-profit organization, because, as was established above, the printing of this speech did not constitute political activity of any sort.

Finally, the relief requested by the complainant includes a demand that The Native Hawaiian provide equal space for himself and the Libertarian Party candidate for the U.S. Senate prior to the election. To say the least, it is highly incongruous for a person to, on the one hand, assert that certain activity is illegal, and then, on the other, to demand that another party be required to engage in that very activity so as to benefit himself. Either the activity is illegal and may not be engaged in at all, or it is legal and may be engaged in as a party sees fit. Nevertheless, Alu Like, consistent with its position that the printing of such statements is permissible, has issued a statement offering to carry statements of other candidates in its periodical prior to the election [Ex. 3].

On the grounds cited herein, it is evident that the allegations of violations of the law contained in the complaint are without any basis whatsoever, and that the complaint should be dismissed.

Respectfully submitted,

  
William F. Ragan  
Attorney for U.S. Senator  
Daniel K. Inouye

November 4, 1980

31710235190

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RECEIVED

80DEC 1 10:53

POST OFFICE



K. Harry Tokushige  
 420 Lawelawe Street  
 Honolulu, Hawaii 96821

Ms. Carolyn Weeder  
 U.S. Federal Election Commission  
 1325 K Street, N.W.  
 Washington, D. C. 20463

POST OFFICE

RECEIVED  
GENERAL COUNSEL

6007  
3209

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611950

NOV 3 10:04



ADMINISTRATIVE OFFICES  
 2828 Paa Street, Suite 3035 Honolulu, Hawaii 96819  
 Telephone: (808) 833-5871

October 30, 1980

Mr. Charles N. Steele, General Counsel  
 Federal Elections Commission  
 1325 K Street, N.W.  
 Washington, D.C. 20463

Dear Mr. Steele:

Aloha! This letter addresses the matter of MUR 1311 relative to a complaint against Alu Like by E. Cooper Brown.

In response to Mr. Brown's complaint included in your letter of October 15 which our office received on October 20 but which I reviewed upon my return from a mainland business trip on October 27, we have the following information.

The Native Hawaiian publication of the Alu Like organization was established five years ago in response to the needs assessment we conducted in the Hawaiian community in which one prominent need cited was that of the lack of timely information about issues affecting Hawaiians in this state. Since its beginning, The Native Hawaiian has printed statements and/or information from public and private individuals as those issues have been current.

The September 1980 issue of The Native Hawaiian was the first of two issues featuring the Office of Hawaiian Affairs (OHA) candidates — candidates in a non-partisan state election to be held on November 4. Senator Inouye's speech which was printed in The Native Hawaiian was delivered at a conference of the one hundred thirty-six OHA candidates and released by him to the media on that occasion. We printed the text as part of our coverage on OHA and some of the issues facing the candidates. The October issue of The Native Hawaiian provided the followup coverage for the remaining OHA candidates. For your information, earlier issues have contained the complete speeches of prominent Hawaiian persons such as Chief Justice William Richardson and Mr. Richard Lyman on the occasion of other major OHA events. It is our practice to list the names of persons whose articles are used in the content of the issue as "contributors" There has been no political contributions exchanged nor intended between Alu Like and Senator Inouye.

E alu like mai kakou. E na o'iwi o Hawai'i  
 Let us work together, natives of Hawai'i

31040273102

Mr. Charles Steele  
October 30, 1980  
Page 2

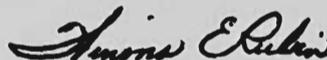
Our employees are apprised of the Hatch Act through our written personnel policies and staff orientation sessions by our Human Resources Officer and by me. We enforce compliance strictly and provide clarification and monitoring, especially during election years. This year is no exception.

Although Alu Like is a major prime sponsor for Title III CETA funds, no CETA funds are used in the publication of The Native Hawaiian. Although, Alu Like is a CETA training site for clerical positions, no CETA participant is or has ever been used in the production or preparation of The Native Hawaiian. This can be verified by our approved work plans, budget and audit documentation.

Mr. Brown did not provide us a copy of his written complaint but chose to go to the media with his allegations. His telephone contact with the editor of The Native Hawaiian demanded equal space in our October issue which had already gone to press and was ready for distribution. Although we realize that we need not provide equal space for Mr. Brown's request, we accelerated the publication of our November issue of The Native Hawaiian, so that we could include a statement by Mr. Brown and the Libertarian candidate, if he chose, on Hawaiian matters of interest to our readership. This early November issue containing Mr. Brown's statement will be distributed in the usual manner today.

Enclosed are the complete September 1980 and October 1980 issues of The Native Hawaiian to which I referred. We believe we are not in violation of the law and we appreciate the opportunity to respond to the complaint.

Sincerely,

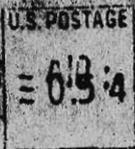


Winona E. Rubin  
Executive Director

WER/gw

cc: Piilani C. Desha, President  
Gard Kealoha, Information Officer

3104023103



31040235194

**FROM**  
**ALU LIKE, INC.**  
2828 PAA STREET, #3035  
HONOLULU, HAWAII 96819

---

**To:** Mr. Charles N. Steele, General Counsel  
Federal Election Commission  
1325 K Street, N.W.  
Washington, D.C. 20463

**RETURN POSTAGE GUARANTEED**

DANIEL K. INOUE  
HAWAII

GCC#  
3161

PLEASE STATE FEDERAL BUILDING  
PHONE 602, 520 ALA MOANA BLDG, 7400  
HONOLULU, HAWAII 96820  
(808) 546-7800

# United States Senate

ROOM 105, RUSSELL SENATE BUILDING  
WASHINGTON, D.C. 20510  
(202) 224-3224

October 28, 1980

Mr. Charles N. Steele  
General Counsel  
U.S. Federal Election Commission  
1325 K Street, N.W.  
Washington, D.C. 20463

Dear Mr. Steele:

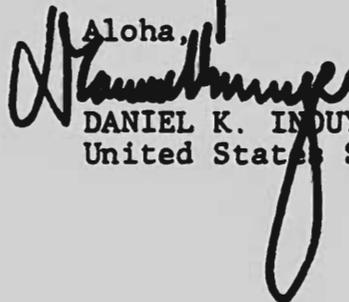
Re: MUR 1311

This is to advise that I am represented in the above-cited matter by William F. Ragan, Esquire, whose address and telephone number are as follows:

Ragan and Mason  
900 - 17th Street, N.W.  
Suite 1200  
Washington, D.C. 20006  
(202)296-4750

I hereby authorize such counsel to receive any notifications and other communications from the Commission regarding this case.

Aloha,



DANIEL K. INOUE  
United States Senator

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10/28/80  
007-58

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United States Senate

WASHINGTON, D.C. 20510

OFFICIAL BUSINESS

*David K. Louge*  
U.S.S.

Mr. Charles N. Steele  
General Counsel  
U. S. Federal Election Commission  
1325 K Street, N.W.  
Washington, D. C. 20463

MEMORANDUM

TO: ~~Elissa T. Garr~~ *KAGCNS*  
FROM: Carolyn Weeder *[Signature]*  
RE: MUR 1311- Additional Letter of Notification of Receipt  
of Complaint to Be Sent.

On October 15, 1980, the Docket sent letters to the respondents of MUR 1311, as were indicated by me. Those parties named as respondents were Senator Inouye and the Alu Like Hawaiian Program. However, the DKI for '80 Committee should have been identified and notified as a respondent as well at that time.

In that the DKI for '80 Committee is a respondent in this matter, I am requesting that the attached letter to the Committee be sent at this time, and that a 15 day response period for this respondent be calculated from this date.

Additionally, the "Due Dates" on the weekly reports due sheet should be adjusted accordingly with respect to this MUR.

Thank You.

31010:33107



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 18, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

K. Harry Tokushige, Treasurer  
Daniel K. Inouye for '80 Committee  
420 Lawelawe Street  
Honolulu, Hawaii 96821

Re: MUR 1311

Dear Mr. Tokushige:

On October 15, 1980, the Federal Election Commission notified Senator Inouye of a complaint filed against him. In that the allegations of the complaint also concern possible reporting violations of the Federal Election Campaign Act of 1971, as amended, on the part of your committee, a copy of the complaint is enclosed for your response.

We have numbered this matter MUR 1311. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against your committee in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(4)(B) and §437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public.

If you intend to be represented by counsel in this matter, please advise the Commission by sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

910103173

Letter to: K. Harry Tokushige  
Page Two

If you have any questions, please contact Carolyn Weeder, the staff member assigned to this matter at (202) 523-4529. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

  
Charles N. Steele  
General Counsel

Enclosures

1. Complaint
2. Procedures

cc: William F. Ragan, Counsel for Senator Daniel K. Inouye

3104033100

1. The following service is requested (check one): <input checked="" type="checkbox"/> REGISTERED MAIL <input type="checkbox"/> REGISTERED MAIL WITH RETURN RECEIPT Show to whom and date delivered.		2. ARTICLE ADDRESSED TO: K. Harry Tokushige	
<input checked="" type="checkbox"/> RESTRICTED DELIVERY Show to whom and date delivered.		3. ARTICLE DESCRIPTION, REGISTERED NO., CERTIFIED NO., INSURED AMT. beatty	
<input type="checkbox"/> RESTRICTED DELIVERY Show to whom, date, and address of delivery. (CONSULT POSTMASTER FOR FEES)		4. I have received the article described above. SIGNATURE <input checked="" type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent K. Harry Tokushige	
5. ADDRESS (Completed only if requested)		6. UNABLE TO DELIVER BECAUSE:	
DATE OF DELIVERY 4/24/80		1311-Weeder	

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 15, 1980

SPECIAL DELIVERY  
RETURN RECEIPT REQUESTED

The Honorable Daniel Inouye  
United States Senate  
105 Russell Senate Office Building  
Washington, D.C. 20510

Re: MUR 1311

Dear Senator Inouye:

This letter is to notify you that on October 8, 1980, the Federal Election Commission received a complaint which alleges that you have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 1311. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing, that no action should be taken against you in connection with this matter. You may respond to the allegations made against you within 15 days of receipt of this letter. The complaint may be dismissed by the Commission prior to receipt of the response if the alleged violations are not under the jurisdiction of the Commission or if the evidence submitted does not indicate that a violation of the Act has been committed. Should the Commission dismiss the complaint, you will be notified by mailgram. If no response is filed within the 15 day statutory requirement, the Commission may take further action based on available information.

You are encouraged to respond to this notification promptly. In order to facilitate an expeditious response to this notification, we have enclosed a pre-addressed, postage paid, special delivery envelope.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

3104033270

The Honorable Daniel Inouye  
Page Two

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission, in writing, that you wish the matter to be made public.

If you intend to be represented by counsel in this matter, please advise the Commission by sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Carolyn Weeder, the staff member assigned to this matter at (202)523-4529.

Sincerely,



Charles N. Steele  
General Counsel

Enclosures

Complaint  
Procedures  
Envelope

PS Form 3811, Apr. 1977

RETURN RECEIPT REGISTERED, INSURED AND CERTIFIED MAIL

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one):  
 Show to whom and date delivered. \_\_\_\_\_  
 Show to whom, date, and address of delivery. \_\_\_\_\_  
 RESTRICTED DELIVERY  
Show to whom and date delivered. \_\_\_\_\_  
 RESTRICTED DELIVERY  
Show to whom, date, and address of delivery. \_\_\_\_\_  
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:  
*Hon. Daniel Inouye*

3. ARTICLE DESCRIPTION:  
REGISTERED NO. | CERTIFIED NO. | INSURED NO.  
| *946934* |  
(Always obtain signature of addressee or agent)

I have received the article described above.  
SIGNATURE  Addressee  Authorized agent  
*Nona Hades*

4. DATE OF DELIVERY

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: \_\_\_\_\_ CLERK'S INITIALS \_\_\_\_\_

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1980

1311 Weeder

☆GPO: 1977-0-248-585

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 15, 1980

SPECIAL DELIVERY  
RETURN RECEIPT REQUESTED

ALu Like Native Hawaiian Program  
2828 Paa Street, Suite 3035  
Honolulu, Hawaii 96819

Re: MUR 1311

Dear Sirs:

This letter is to notify you that on October 8, 1980, the Federal Election Commission received a complaint which alleges that your organization violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 1311. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing, that no action should be taken against your organization in connection with this matter. You may respond to the allegations made against you within 15 days of receipt of this letter. The complaint may be dismissed by the Commission prior to receipt of the response if the alleged violations are not under the jurisdiction of the Commission or if the evidence submitted does not indicate that a violation of the Act has been committed. Should the Commission dismiss the complaint, your organization will be notified by mailgram. If no response is filed within the 15 day statutory requirement, the Commission may take further action based on available information.

You are encouraged to respond to this notification promptly. In order to facilitate an expeditious response to this notification, we have enclosed a pre-addressed, postage paid, special delivery envelope.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

810403302





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 15, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

E. Cooper Brown  
822 Ocean View Drive  
Honolulu, Hawaii 96816

Dear Mr. Brown:

This letter is to acknowledge receipt of your complaint of October 8, 1980, against Senator Daniel Inouye and the Alu Like Native Hawaiian Program which alleges violations of the Federal Election campaign laws. A staff member has been assigned to analyze your allegations. The respondents will be notified of this complaint within 24 hours and a recommendation to the Federal Election Commission as to how this matter should be initially handled will be made 15 days after the respondents' notification. You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Please be advised that this matter shall remain confidential in accordance with 2 U.S.C § 437g(a)(4)(B) and § 437g(a)(12)(A) unless the respondent notifies the Commission in writing that they wish the matter to be made public.

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1. The following service is requested (check one). <input type="checkbox"/> Show to whom and date delivered. <input checked="" type="checkbox"/> Show to whom, date, and address of delivery. <input type="checkbox"/> RESTRICTED DELIVERY <input type="checkbox"/> Show to whom and date delivered. <input type="checkbox"/> RESTRICTED DELIVERY <input type="checkbox"/> Show to whom, date, and address of delivery. \$ (CONSULT POSTMASTER FOR FEES)		2. ARTICLE ADDRESSED TO: <i>E. Cooper Brown</i>		3. ARTICLE DESCRIPTION: REGISTERED NO. <i>1503</i> CERTIFIED NO. <i>1503</i> INSURED NO. (Always obtain signature of addressee or agent) I have received the article described above. SIGNATURE <i>[Signature]</i> <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent		4. DATE OF DELIVERY <i>10/15/80</i>		5. ADDRESS (Complete only if requested) <i>1503</i>		6. UNABLE TO DELIVER BECAUSE <i>1311 Wecker</i>		CLERK'S INITIALS	
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mur 1311

October 8, 1980

Federal Election Commission  
Office of General Counsel  
1325 K Street N.W.  
Washington, D.C. 20463

RE: Complaint requesting investigation into  
Senator Daniel Inouye's campaign activities

To Whom it may concern:

This complaint is against Daniel Inouye, U.S. Senator for the State of Hawaii and the Alu Like Native Hawaiian Program (Alu Like) for activities related to the U.S. Senate Campaign of Daniel Inouye.

Alu Like is a non-profit, tax deductible organization which also receives and administers federal funds under the Comprehensive Employment and Training Act (CETA), 29 USC §801 et seq.

Daniel Inouye, as a U.S. Senator from Hawaii, claims to be responsible for insuring the CETA funding for Alu Like (see attached article). He is obviously in a position to affect funding of this organization.

During the month of September, 1980, Senator Inouye spoke before a gathering of Hawaiian voters. A copy of his speech was subsequently supplied to Alu Like and published in its entirety in the September issue of "The Native Hawaiian." Senator Inouye is listed as a "contributor" on page 2 of the paper. (See article).

Senator Inouye is presently running for reelection to the U.S. Senate.

It is requested that an immediate investigation be made into this matter, and that prosecution or such other action as deemed appropriate be taken before November 4th for possible violations of the following:

(1) 2 USC §431(e) defines a political campaign contribution to include, among other things, gifts, subscriptions, "or anything of value" made for the purpose of influencing the election of any person to Federal Office. The reproduction in full of Inouye's speech is of great value to his reelection efforts and obviously contributes to his campaign.

An investigation is requested into whether federal CETA funds were utilized, directly or indirectly, by Alu Like in

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U.S.

the reproduction and dissemination of Inouye's speech. If so, this would be an illegal use of federal funds in the campaign of an individual seeking reelection to federal office.

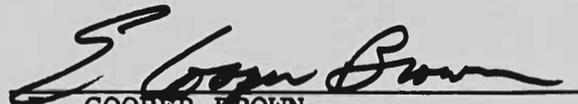
An investigation is also requested into whether this has been declared a campaign contribution by Senator Inouye.

(2) Alu Like, as a non-profit, tax-deductible organization, is prohibited from directly or indirectly participating in or intervening in any political campaign on behalf of any candidate. This is a prohibition against, among other things, "the publication or distribution of written or printed statements...on behalf of...such a candidate."

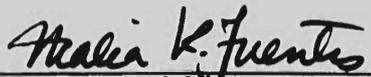
A determination is requested as to whether the actions of Alu Like constitute an illegal participation in or intervention in a political campaign on behalf of Senator Inouye.

I request an immediate investigation and prosecution if such is the proper remedy. Equal space for the Libertarian candidate and myself in a pre-November 4th issue of "The Native Hawaiian" is demanded as an equitable remedy.

*WKS*

  
E. COOPER BROWN

Subscribed and sworn to before me this 18th day of October, 1980.

  
Notary Public, State of Hawaii

My commission expires: 11/5/83

31010133075

E. Cooper Brown  
822 Ocean View Drive  
Honolulu, Hawaii 96816

Federal Election Commission  
Office of General Counsel  
1325 "K" Street, N.W.  
Washington, D.C. 20463



80 OCT 14 7:1:29

61040273207



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 1311

Date Filmed 3-26-81 Camera No. --- 2

Cameraman SPC

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