



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Hawaii Republican Party and Mary Smart, in)
her official capacity as treasurer; Cam)
Cavasso 4 Congress and Sandra Lee Ahn, in)
her official capacity as treasurer; Melba)
Cavasso; Mikio Izuka; Shirlene Ostrov;)
Miriam Hellreich; Celyn Chong Kee; Greg)
Lussier; David Ross; Steve Yoder; Gary)
Grimmer; Andresen Blom; Pam Smith)

MUR 7572

**STATEMENT OF REASONS OF
COMMISSIONERS ELLEN L. WEINTRAUB AND STEVEN T. WALTHER**

This matter involved two individual donors who used the Hawaii Republican Party (“HRP”) as a conduit to make excessive contributions to the Cavasso Committee. Each donor made the maximum contribution to the Cavasso Committee. Then, Melba Cavasso and Mikio Izuka contributed \$2,500 and \$7,320, respectively, to HRP. While the contributions were made to HRP, the available record demonstrates that they were impermissibly earmarked for the Cavasso Committee. One of the donors stated that he was simply following the candidate’s instruction, which was to send two checks, one for \$2,700 for the Cavasso Committee and another for \$7,300 to HRP. During the 2018 election cycle, the contribution limit for individuals was \$2,700 per election.¹ It was made clear to the donor that any amount given to HRP would pass through to the Committee.²

To ensure that contributors do not circumvent their individual contribution limits, the Federal Election Campaign Act and Commission regulations prohibit persons from using intermediaries to skirt the contribution limits. Specifically, “all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate.”³ Contributions earmarked for a candidate

¹ See Fed. Election Comm’n, *Archive of Contribution Limits*, available at <https://transition.fec.gov/info/contriblimitschart1718.pdf>.

² First. Gen. Counsels Rpt., MUR 7572, at 4 (citing Izuka Resp. at 1.). While the donor indicates that he was asked to make a \$7,300 contribution, HRP states that it received a contribution for \$7,320. Party Resp. at 3-6.

³ 52 U.S.C. § 30116(a)(8).

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Statement of Commissioners Ellen L. Weintraub and Steven T. Walther

through a conduit or intermediary are treated as contributions from the original contributor to that candidate, and are reportable as such.⁴

HRP claimed payments to the Cavasso Committee's vendors by HRP were coordinated party expenditures.⁵ Reviewing this record, the Office of General Counsel concluded: "On balance, the available information suggests that the donors may have implicitly or explicitly directed that their contributions to HRP be earmarked for the Cavasso Committee."⁶ The complaint and responses provided sufficient information to find reason to believe that the donors, campaign, and state party committee violated the law. We so voted.⁷ Although the amount in violation was not large, state party committees are not unsophisticated or small-time participants in our political system. The federal campaign finance system depends on such major players upholding the highest standards and rigorously complying with the law. The Commission should ensure that they do so.

December 10, 2021
Date



Ellen L. Weintraub
Commissioner

December 10, 2021
Date



Steven T. Walther
Commissioner

⁴ See 52 U.S.C. § 30116(a)(8); 11 C.F.R. § 110.6(a).

⁵ *Id.* at 4 (citing Cavasso Joint Resp. at 1-2.)

⁶ *Id.* at 11.

⁷ See Certification, MUR 7572 (Hawaii Republican Party, *et al.*), dated Nov. 2, 2021. We also voted to take no action at this time on allegations that HRP failed to maintain records relating to this matter and to the allegations that the Executive Committee members violated the Act. *Id.*