

## Statement of Complaint against Friends of Kaniela Ing

**Violation No. 1.** To qualify for matching state funds, Friends of Kaniela Ing reported \$1920 in allegedly eligible contributions and according to the [Maui News](#) article dated July 23, 2012, a copy of which is attached as Exhibit A, the Friends of Kaniela Ing received “about \$1900” in matching funds under the State public campaign funding program.

Three of the contributions accounted for as “eligible” are from contributors who gave in excess of \$100 to the Friends of Kaniela Ing. These contributions were therefore not eligible to be counted towards the matching funds. The three contributions incorrectly listed as ‘eligible’ are:

6/18/2012	Halverson, Rich Ing, Matthew	\$50.00	Gave \$462 total
6/18/2012	K.	\$75.00	Gave \$300 total
6/13/2012	Winer, Andrew	\$100.00	Gave \$200 total

The record of these contributions is attached as Exhibit B.

The reporting of the contributions violated HRS 11-428(5). Due to the inclusion of this false information in campaign spending reports, Friends of Kaniela Ing has received \$225 to which they were not entitled.

Pursuant to, HRS 11-410(1), treble damages should be assessed yielding a fine of \$775. As provided under HRS 11-401(a), complainant further asks that the Commission require Friends of Kaniela Ing to produce relevant books, papers, documents, or objects to the commission office.

**Violation No. 2.** As reported to the CSC, cash payments from Friends of Kaniela Ing to the candidate, Mark K Ing, total \$5923.76. No loans to the campaign have been reported.

Treasurer’s Guidebook for Candidate and Noncandidate Committees--2012 Elections, Page II-5, based on HRS 11-371(b), [explains as follows](#):

Sometimes the candidate, volunteer or employee might make expenditures on behalf of the candidate committee. The advances are not considered loans if:

- These expenditures do not exceed \$1,500 within a thirty (30) day period;
- Reimbursement is subject to documentation that includes a dated receipt as well as a written description of the name and address of each payee, and amount, date, and purpose of each expenditure; and
- The committee makes the reimbursement within forty-five (45) days of the expenditure.

Friends of Kaniela Ing has not provided dated receipts or “a written description of the name and address of each payee, and amount, date, and purpose of each expenditure.” In the absence of dated receipts, it is impossible to determine whether reimbursement was made

to Ing within 45 days. It is also impossible to determine whether the expenses were legitimate campaign expenses.

In addition, the following three payments combine to exceed \$1500 in a 30-day period:

Ing, Mark K.	6/25/2012	Advertising	Facebook Ads	212.45
Ing, Mark K.	7/10/2012	Printing	Printing	1040.61
Ing, Mark K.	7/16/2012	Postage/Mailing	Mailing	1291.54

These expenditures violate HRS 11-372.

In accord with HRS 11-410(1), treble damages should be assessed yielding a fine of \$7633.80. As provided under HRS 11-401(a), complainant also asks that the Commission require Friends of Kaniela Ing to produce relevant books, papers, documents, or objects to the commission office.

**Violation No. 3.** Friends of Kaniela Ing has not filed any "[Intent to Hold a Fundraiser](#)" reports. Friends of Kaniela Ing has nonetheless held three fundraising events and is planning a fourth, according to the Friends of Kaniela Ing website, <http://kanielaing.com/events/>. Copies of the relevant website pages are attached as Exhibit C. This is a violation of HRS § 11-342.

In accord with HRS 11-410(1), an administrative fine of \$1000 should be levied for each of the four "Intent to Hold" violations. As provided under HRS 11-401(a), complainant also asks that the Commission require Friends of Kaniela Ing to produce relevant books, papers, documents, or objects to the commission office.

**Violation No. 4.** For the three events already held, expenses have been recorded only for a January 24, 2012 event at the Pacific Club in Honolulu. The other two fundraising events are:

- "Kaniela Farewell - Pau Hana, Happy Hour Event January 27, 2012" at the Hukilau in the Executive Center Hotel in Downtown Honolulu. According to the online announcement, "We got Hukilau booked for the early evening on aloha Friday to help you wind down after the week." This implies expenses were incurred. No expenses were reported (Violation of HRS 11-337).
- "Kaniela Ing: Unplugged!" Pau Hana Friendraiser @ Three's Bar and Grill Wednesday, 4/25 (4:00p-7:00p). No expenses are recorded for this event (Violation of HRS 11-337).

Evidence of these events is attached as Exhibit C.

In accord with HRS 11-410(1), an administrative fine of \$1000 or three times the unlawful expenditure should be levied for each of the two "failure to report" violations. As provided under HRS 11-401(a), complainant also asks that the Commission require Friends of Kaniela Ing to produce relevant books, papers, documents, or objects to the commission office.