



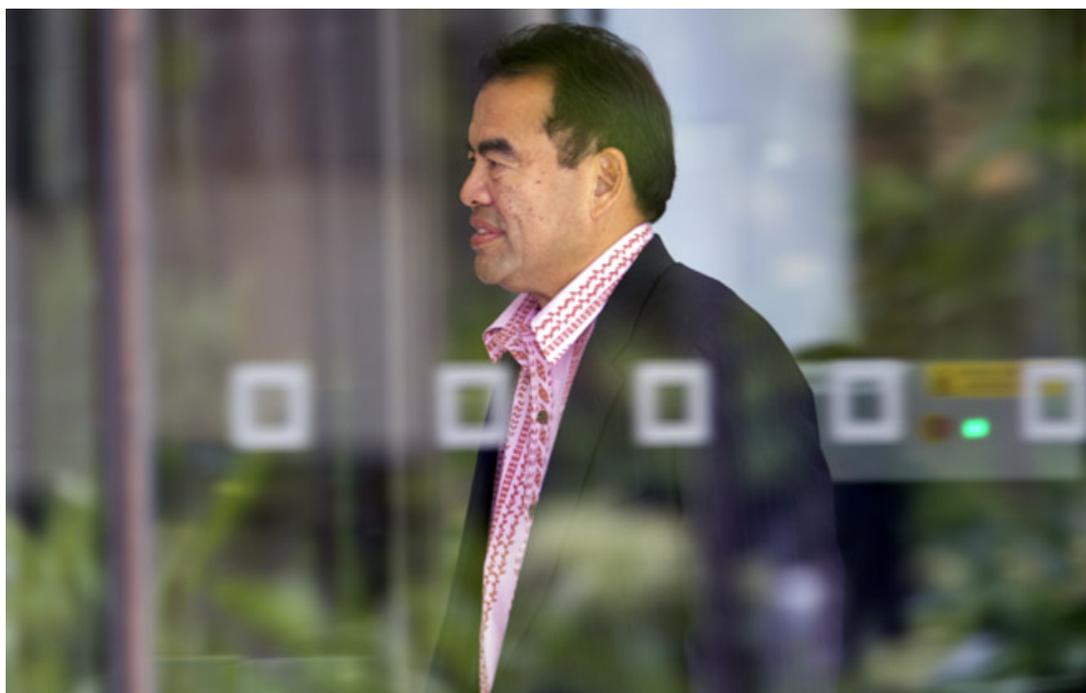
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## Hawaii News

# 2 Dems in Congress to reject fraud's cash

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GEORGE F. LEE / GLEE@STARADVERTISER.COM  
Albert Hee

U.S. Sen. Mazie Hirono and U.S. Rep. Tulsi Gabbard say they plan to reject political contributions made by embattled Honolulu telecommunications executive Al Hee, who was convicted in July of tax fraud after federal prosecutors accused him of skimming several million dollars from his company Waimana Enterprises to pay for lavish personal expenses, such as massages, jewelry and family vacations.

Company executives of Waimana Enterprises and its wholly owned subsidiary

Sandwich Isles Communications have donated more than a half-million dollars to Democratic leaders and the Democratic Party over the past decade and a half, according to campaign spending records, with some of the biggest contributions going to the late U.S. Sen. Daniel Inouye, former U.S. Rep. and Gov. Neil Abercrombie and former U.S. Rep. Colleen Hanabusa.

As political contributions poured in over the years, Hee's companies continued to receive hefty subsidies from the Federal Communications Commission to support Internet and phone service on Hawaiian homelands despite ongoing media scrutiny about the size of the subsidies. In 2013 the FCC reduced the level of subsidies after an audit concluded that the companies' corporate expenses were excessive and that large payments to affiliated companies owned by Hee or his family members were questionable.

On Friday the Hawaii Republican Party called on Democrats to return the political contributions in light of Hee's conviction and ongoing investigations into Sandwich Isles' operations and finances. GOP Chairman Fritz Rohlfing referred to the cycle of political contributions and ongoing government subsidies as "crony capitalism."

"Al Hee and Sandwich Isles played an integral part in perpetuating Hawaii's one-party political machine and used their political contributions to line their own pockets," Rohlfing said in a news release. "That's why the Hawaii Republican Party calls upon all of the politicians who received political campaign contributions from Sandwich Isles and its corrupt leadership to immediately return those contributions."

Rohlfing told the Honolulu Star-Advertiser that the Republican Party is asking only that contributions made by Hee be returned, noting that other company officials have not been found culpable in Hee's money scheme.

Gabbard received \$1,000 in direct contributions from Hee, according to federal campaign spending records. Alana Penarozza, Gabbard's finance director, said the congresswoman plans to return the money.

Hirono said she will donate the \$4,500 she received from Hee to Hawaii programs that provide meal assistance to the needy, while also calling the Republican Party's request a "distraction."

"Clearly, the Republican Party will stop at nothing to distract from their abysmal record of shutting down the government, hurting our small businesses, and holding the economy back," she said in a statement.

Neither U.S. Sen. Brian Schatz or U.S. Rep. Mark Takai received direct contributions from Hee, though Schatz did receive \$4,750 from other officials at Waimana and Sandwich Isles.

In addition to tens of thousands of dollars in political contributions made to Hawaii

Democrats over the years, company executives also donated heavily to the Hawaii Democratic Party and Democratic Party organizations in North Carolina, Ohio, Florida, Wisconsin, Iowa, New Hampshire, Pennsylvania and Virginia.

President Barack Obama received \$91,200 from Hee. Most of the money went to the Obama 2012 Victory Fund, according to campaign spending records.