
HOUSE CONCURRENT RESOLUTION

URGING THE GOVERNOR TO CEASE THE QUESTIONABLE USE OF PUBLIC-SERVICE ANNOUNCEMENTS FOR HER OWN POLITICAL CAMPAIGNING PURPOSES.

1 WHEREAS, in the realm of politics, situations often arise
2 where moral and ethical conduct may be construed in many
3 different shades of gray because the nature of rules and
4 regulations leave room for varying interpretation; and
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6 WHEREAS, Governor Linda Lingle and her administration have
7 pushed the envelope of these blurry lines of ethical parameters
8 in order to use State resources for her own political agenda;
9 and
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11 WHEREAS, in October 2003, Governor Lingle formed an
12 advisory group called Citizens Achieving Reform in Education
13 (CARE) to push her education initiatives; and
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15 WHEREAS, on December 31, 2003, CARE registered federally
16 and locally as a private non-profit corporation; and
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18 WHEREAS, a week later, CARE applied to the Internal Revenue
19 Service for a tax-exempt status as a social welfare
20 organization; and
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22 WHEREAS, despite registering as a private, non-governmental
23 entity, CARE continued to maintain extremely close ties with the
24 Lingle administration; and
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26 WHEREAS, according to a *Honolulu Star-Bulletin* article
27 entitled "Lingle's group may be breaking ethics laws," dated
28 April 11, 2004, reporter Rob Perez wrote that CARE raised
29 \$80,000 while using state resources; and
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1 WHEREAS, the article continued:

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3 *"The administrator listed on CARE's*
4 *website is a member of the governor's staff.*
5 *Her desk is in the governor's policy office.*
6 *The phone number listed for CARE is a*
7 *government number. The group's mailing*
8 *address and "initial principal office"*
9 *listed on the Dec. 31 incorporation papers*
10 *are the Office of the Governor. Its website*
11 *(care.hawaii.gov) is maintained by Lingle's*
12 *staff and is hosted on the state's main*
13 *website. And CARE's e-mail contact is a*
14 *government employee";*

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16 and

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18 WHEREAS, in response to Mr. Perez's findings, Dan Mollway,
19 Executive Director of the Hawaii State Ethics Commission, stated
20 that generally, the State's ethics laws prohibit state resources
21 from being used for private organizations; and

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23 WHEREAS, Mr. Mollway stated:

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25 *"If the question is, under the ethics*
26 *code, can a state official provide state*
27 *resources to a private organization that*
28 *lobbies or is engaged in political*
29 *activities, the answer is no.";*

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31 and

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33 WHEREAS, while keeping direct ties with the Governor's
34 office, CARE raised money to push the Administration's education
35 initiatives; and

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37 WHEREAS, according to that same article, Mr. Perez reported
38 that CARE spent at least \$13,000 for radio commercials that
39 urged constituents to put pressure on their legislators to
40 support the Administration's bills; and

1 WHEREAS, the Governor's blatant use of state resources to
2 promote and lobby her initiatives has led to complaints filed
3 with the State Ethics Commission; and
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5 WHEREAS, despite this, it would appear that her activities
6 continue to raise questions as to whether they are above ethical
7 reproach; and
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9 WHEREAS, in an article entitled "Lingle radio ads
10 challenged", which appeared in the *Honolulu-Star Bulletin* on
11 April 3, 2005, reporter Richard Borrecca wrote that Governor
12 Lingle was drawing criticism not for what she was saying in a
13 new round of radio address, but because stations were
14 broadcasting them as public-service announcements; and
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16 WHEREAS, Mr. Borrecca continued:
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18 *"In the one-minute radio spots, Lingle*
19 *gives updates on issues before the*
20 *Legislature, stresses her administration's*
21 *position and urges the public to call their*
22 *lawmakers to support her position. . .*
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24 *"Speaking of her bills to extend tax*
25 *credits and increase the standard deduction*
26 *on income taxes, Lingle says in one radio*
27 *spot, 'The Legislature should pass these tax*
28 *cuts so you can keep more of the money you*
29 *earn. . .'"*;
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31 and
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33 WHEREAS, the Legislature asserts that these radio spots do
34 not serve a public purpose, and amount to nothing more than
35 political campaigning; and
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1 WHEREAS, public-service announcements are meant to increase
2 public awareness of important social issues and should not be
3 biased nor contain political messages or covert propaganda; and
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5 WHEREAS, while the Legislature acknowledges that public-
6 service announcements that are beneficial to the public are a
7 legitimate use of state money, using state resources for
8 campaigning and personal political purposes is improper,
9 unethical, and possibly criminal; and
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11 WHEREAS, the Governor's public-service announcements were
12 used to serve only the Administration's and not the people's
13 best interests; and
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15 WHEREAS, the Governor's questionable practice of using
16 public funds for self-promotion and self-aggrandizement has led
17 to the introduction of House Bill No. 3234, which if enacted
18 would prohibit public officials from appearing in public-service
19 announcements; and
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21 WHEREAS, on February 1, 2006, the Governor and Lieutenant
22 Governor issued a press release stating that:
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24 *". . . they will not participate in any*
25 *Public Service Announcements (PSA) in 2006*
26 *for any state departments (i.e. Department*
27 *of Human Services, Department of Health,*
28 *etc.), as well as any Boards which they*
29 *represent (i.e. American Legacy Foundation,*
30 *Pearl Harbor Memorial Fund, Aloha United*
31 *Way, National Advisory Council of the*
32 *Substance Abuse and Mental Health Services*
33 *Administration (SAMHSA), etc.).";*
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35 and
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37 WHEREAS, similar issues involving the Bush Administration's
38 media spending have been the basis for the introduction of
39 similar legislation at the Federal level; and
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1 WHEREAS, pursuant to these concerns, H.R. 373 was
2 introduced by Representatives Delauro, Waxman, Miller,
3 McDermott, and Slaughter on January 26, 2005, to prohibit the
4 unauthorized expenditure of funds for publicity or propaganda
5 purposes; and
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7 WHEREAS, according to SECTION 2 of the bill, investigations
8 in 2004 and 2005 by the Government Accountability Office (GAO)
9 revealed that appropriated funds had been used in more than one
10 Federal agency to fund "covert propaganda" that was "misleading
11 as to source"; and
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13 WHEREAS, these investigations uncovered more than \$1.6
14 billion in public relations and media spending by the Bush
15 Administration over the last two and a half years; and
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17 WHEREAS, to conduct its study, GAO surveyed seven federal
18 departments (the Department of Commerce, the Department of
19 Defense, the Department of Health and Human Services, the
20 Department of Homeland Security, the Department of the Interior,
21 the Department of the Treasury, and the Department of Veterans
22 Affairs), and obtained information on their contracts with
23 public relations firms, advertising agencies, media
24 organizations, and individual members of the media during 2003,
25 2004, and the first two quarters of 2005; and
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28 WHEREAS, the GAO found that:
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- 30 (1) Over two and a half years, the Bush Administration
31 spent more than \$1.6 billion in taxpayer dollars on
32 343 contracts with public relations firms, advertising
33 agencies, media organizations, and individual members
34 of the media;
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- 36 (2) The Bush Administration spent \$1.4 billion on 137
37 contracts with advertising agencies, \$197 million on
38 54 contracts with public relations firms, \$15 million
39 on 131 contracts with media organizations, and almost
40 \$100,000 on eight contracts with individual members of
41 the media; and
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1 (3) \$50 million worth of media spending, on 76 contracts,
2 was not awarded through the competitive bidding
3 process;

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5 and

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7 WHEREAS, the GAO's findings led to the passage of Federal
8 legislation to ensure that advertising and public relations
9 campaigns paid with Federal appropriations are unbiased and
10 factual, and do not contain a political message or covert
11 propaganda; and

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13 WHEREAS, in light of the Governor's public relations
14 activities in Hawaii, the Legislature believes that similar
15 legislation in our State is warranted; now, therefore,

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17 BE IT RESOLVED by the House of Representatives of the
18 Twenty-third Legislature of the State of Hawaii, Regular Session
19 of 2006, the Senate concurring, that the Governor is urged to
20 cease the unethical use of public-service announcements for her
21 own political campaigning purposes; and

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23 BE IT FURTHER RESOLVED that the Auditor is requested to
24 perform a comprehensive audit of the Lingle Administration's use
25 of public funds for public service-announcements, and submit a
26 report to the Legislature at least twenty days prior to the
27 convening of the Regular Session of 2007 which shall include,
28 but not be limited to lists of correspondence, contracts and
29 subcontracts, including information on:

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31 (1) Task orders of existing contracts;
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33 (2) The number and type of contracts and subcontracts made
34 with public relation firms, advertising agencies,
35 media organizations, and individual members of the
36 media for which obligations have been incurred;
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38 (3) Summaries of the purpose and scope of work to be
39 performed under each contract and subcontract;
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41 (4) The total amounts of obligations incurred on each
42 contract and subcontract by fiscal year;

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- (5) The type of advertisements that were run;
- (6) The organization or department the ads were affiliated with; and
- (7) The kinds of public funds (i.e. federal, revolving, special, etc.) were used for media or public relations, including funds that were earmarked or appropriated for other purposes;


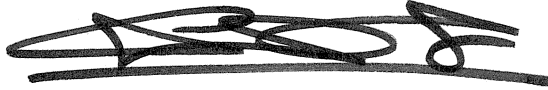

and

BE IT FURTHER RESOLVED that the State Procurement Office, in conjunction with the Attorney General, is requested investigate whether state procurement laws may have been violated through the issuance of contracts for public relations-type activities since January 1, 2002, and submit a report of the findings to the Legislature at least twenty days prior to the convening of the Regular Session of 2007; and

BE IT FURTHER RESOLVED that the State Ethics Commission is requested to investigate whether any of the Governor's media and public relations spending have violated State ethics laws, and submit a report to the Legislature at least twenty days prior to the convening of the Regular Session of 2007; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, the Auditor, the Administrator of the State Procurement Office, the Attorney General, and the Executive Director of the State Ethics Commission.

OFFERED BY:

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