



NEWS RELEASE
HONOLULU ETHICS COMMISSION
CITY & COUNTY OF HONOLULU

FOR IMMEDIATE RELEASE

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Honolulu Ethics Commission Approves \$50,000 Fine for Former Councilmember Romy Cachola's Alleged Ethics Violations

The Honolulu Ethics Commission approved a stipulation to settle the claims against former councilmember Romy Cachola for a \$50,000 civil fine. The penalty is based on the investigation by Commission staff that found that Councilmember Cachola:

1. Misused his Council position to collect \$9,450 from taxpayers for expenses related to a 2008 Nissan Pathfinder, even though he was already being fully reimbursed for the same expenses from the Friends of Romy Cachola -- his political campaign fund.
2. For at least six years routinely accepted dozens of unlawful gifts worth thousands from lobbyists. For the period 2008 through 2012, he accepted 44 prohibited gifts valued at \$3,820 consisting of meals at high-end restaurants, wine, and golf outings from lobbyists who had matters before the Council.
3. Failed to disclose his conflicts of interests that resulted from the prohibited gifts from lobbyists before voting on about 100 bills and resolutions related to rail transit, construction projects and rezoning that came before Council in the 2008 - 2012 period.

“This is the largest civil fine approved by the Commission,” noted Chuck Totto, the Commission’s Executive Director and Legal Counsel. It is based on several aggravating factors, including:

- Persistent Violations. Councilmember Cachola’s misconduct occurred over several years and on a monthly recurring basis;
- Prior Knowledge. Mr. Cachola was a councilmember for 12 years, during all of which he chaired or was a member of the Council committees responsible for developing ethics laws; he attended multiple ethics trainings; and he should have learned to avoid misusing City resources for political or personal benefit from the examples of former councilmembers Rene Mansho, Rod Tam and Nestor Garcia;

- Ignoring Commission Directives. Councilmember Cachola repeatedly disregarded the Commission's 2003 directive to him not to accept gifts in excess of \$200 from lobbyists; and
- Failure to Cooperate. Mr. Cachola ignored Commission subpoenas and discovery orders, and filed several meritless motions with the Commission and in circuit court.

“Public corruption is the use of public office for private gain, and this case is a perfect storm of public corruption” said Totto. He paraphrased the Commission's opinion that the “public, the Council and City officers and employees reasonably expected that Councilmember Cachola would use his position to advance the integrity of City government rather than flout the law and the Commission's directives. His recurring and self-enriching misconduct has eroded the public's trust and confidence in City government.”

In addition to approving the civil fine, the Commission is recommending that the Council hold its members accountable for vehicle allowance reimbursements. Also, Commission staff is tasked to train lobbyists in the ethics laws and propose revisions to the City's lobbying laws to regulate unlawful gifts.

Because the case was settled, the advisory opinion is not a decision on the facts and law resulting from a contested case hearing. Councilmember Cachola denies any violation of the City's ethics laws, and the settlement is not an admission of any wrongdoing on his part.

A copy of Advisory Opinion No. 2014-6 is attached.

The Commission speaks through its advisory opinions and staff is not allowed to comment on an opinion. Questions about the Commission or its process may be directed to Chuck Totto, Executive Director and Legal Counsel, at ctotto@honolulu.gov or 768-7786.

The Commission trains and advises the public, media and all City personnel regarding the City ethics laws. It also investigates alleged violations of and enforces those laws.

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