

Statement of Kaiulani J. Lambert

On February 23, 2007, Kaiulani J. Lambert, employee of Bureau of Conveyances (BOC), Department of Land and Natural Resources (DLNR), State of Hawaii (SOH) was contacted by Hilton J. Lui. Upon contact Lambert was informed by Lui that he has been retained as an Investigator for the Hawaii State Ethics Commission whose Executive Director is Dan Mollway. Lambert advised her current address is 47-142 Iuiu Street, Kaneohe, HI 96744 and her work telephone number is 587-0135.

Lambert advised she did not need any Union representation for the interview.

Lambert advised she will be an employee of the BOC for 10 years in March of this year. She started on 3/17/97. Lambert started as a SR-11, and currently serves as a Receiving Clerk.

Lambert advised ever since she has been employed it had been a common practice for companies to give various items to the BOC. Lambert didn't think anything of it and no one said anything of it. Lambert added that most of the items were delivered during the Christmas holidays and items included gift baskets, cookies, coffee, cake, and gift certificates. These items were delivered when their customers came in and took it to Carl Watanabe's office. Items came from attorneys' offices, title companies and general patron who came in. Items were collected and numbers were put on them and during their office Christmas party and raffled off so that everybody got something. Lambert advised she participated on special projects where companies who the work was for bought lunch for everybody. This was mostly for title companies.

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Lambert did not have personal knowledge of people at the BOC who received something of value, but the hearsay was that trips were received by Carl Watanabe from Marriott who owned all of the time shares and who had the big projects. Lambert recalled here was a case where the BOC would have collected "big money" on one of the projects for Marriott but it was given away by Watanabe and the state lost big money on that. Lambert added that Marriott has a lot of recordings and their timeshares in particular. Each apartment has 52 weeks a year where different owners are assigned and money is being generated on the issuances of the certificates of title. Lambert added there was an instance where a whole book was not issued. The recording fee for certain projects is \$75 per unit plus the conveyance tax. The conveyance tax would be determined by how many weeks the purchase is for and the type of unit which is purchased. Marriott used all of the title companies where title companies would bid for their business.

Lambert advised that currently if Title Guaranty need a favor Sandra Furukawa would come to or contact Nicolene Gega-Chang who is the "backbone" and Gega-Chang would get Rexford Davis who would come in and correct stuff.

Lambert advised there one instance where something had to be fixed and they at the front said, "no." Lambert added the normal procedure is if there is a correction to be done you would have to do it by way of "amendment." Lambert explained if it is something that is simple and can be fixed like a page or so that is not too bad, but not a project, like if the endorsements is wrong on the whole thing. Lambert added title companies are insuring title therefore it is their responsibility that their documents are in recordable fashion. If it is a big mistake, to fix it you have to correct

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it by having it re-recorded. This is not something that you can do overnight and try and fix it at the final hour or maybe the next day. Lambert added she is also not agreeable by favoring one company over another. They should be fair of people across the board. Lambert added if there is something that is missing and they missed it they would accommodate the title company, so they would give the corrected page and it hasn't been scanned. Lambert added something they can fixed that day they can do it. Something that is fixed days later is against the law, totally.

Lambert was made aware recently that access to their main frame could be made from the outside. Since that time Lambert was made to change her password. Lambert advised she can still log on anyone's computer in their office and gain access. Lambert advised she can log on to any computer within her office to make changes.

Lambert advised she made a trip to Las Vegas with the people she used to hang with. Lambert advised she went with Nicolene Gega-Chang and her friend Angie made the arrangements. Lambert believed there was no connection to any title companies at all. Lambert added whether there was pay for be anyone else she does not know. Angie may have worked for First American Title at the time. Lambert paid for her trip in cash. Lambert advised the trip was in 1998. Lambert added Rexford Davis, Michelle Pang, Nicole Gega-Chang, Angie, and Faith who was working at the BOC at the time. Faith was Angie's sister. Lambert was not aware of whether the fees for the trip were supplemented by anyone.

Lambert was not aware of anyone who has taken trips whose travel, hotel, etc. was supplemented by someone else. Carl Watanabe is the only person at work who went on trips to conventions.

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