

Audiobook version of 'Broken Trust' revisits the powerful Bishop Estate

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Nearly 20 years ago, the book "Broken Trust" shared an account of what led to the overhaul of the Bishop Estate, now known as Kamehameha Schools. ... The Bishop Estate trustees, who controlled billions of dollars, had lost their way. The groundswell that followed was dramatic. The IRS threatened to rescind the estate's tax-exempt status, and a group of community leaders stepped up to say enough. They marched in numbers — and the rest is history.

"Broken Trust" has been [released as a free e-book and, more recently, as a free audiobook](#), thanks to Kamehameha Schools. ... One of the book's authors, retired University of Hawai'i law professor Randall "Randy" Roth, spoke to The Conversation alongside Louise Keali'iloma King Lanzilotti. Her father, the late federal judge Samuel P. King, was the co-author.



From left to right: HPR's Louise Keali'iloma King Lanzilotti, The Conversation host Catherine Cruz and retired University of Hawai'i law professor Randall "Randy" Roth

"I've read the book several times. It's even more shocking when you hear it aloud. I would know that a chapter would end on a high note because it always did—it was very well-written book. But sometimes I would just go, 'oh my goodness, it's even worse than I thought,'" Lanzilotti said. ...

Interview Highlights

On why Bishop Estate trustees were not formally questioned or criticized

RANDY ROTH: There was a price to pay. The trustees themselves were known as being very vindictive. You didn't want to cross them. But they had their tentacles in the executive branch, the legislative branch and the judicial branch. ... It was only when members of the Kamehameha Schools 'ohana—the alumni in particular—took a stand ... these folks were so courageous.

On how the IRS forced changes at the Bishop Estate

ROTH: I was absolutely convinced that these trustees were going to lose the tax-exempt status of this charitable trust. ... and that would hurt all the children and future generations of children that should be benefiting from Princess Pauahi's Trust. It's interesting that when everything came apart for those trustees and they were kicked out, it was because a federal agency, the Internal Revenue Service, had forced the action. It was as if [members of the local judiciary] were paralyzed. It was like they just couldn't make the decision to remove these trustees. The IRS didn't have the power to do that themselves, but they made the local judiciary an offer it couldn't refuse. The IRS said either you remove these trustees immediately or we're going to send you a bill for a billion dollars and \$100 million a year going forward ... in other words, we're going to take away the tax-exempt status. The IRS had never done that to a charitable trust [before then] and they haven't done it again since then. Some of my scholar friends have sharply criticized the IRS—and it was an almost unbelievable flexing of muscle. But at the time, it was either that or the status quo was going to continue.



[The Conversation](#)

[Randall Roth on the role of willful blindness in 'Public Corruption in the Land of Aloha'](#)

On accountability for the breaches of trust

ROTH: After the IRS forced the local courts to remove the trustees and get the trust back on the right path, there was virtually no accountability for a world record of breaches of trust ... nor for shortcomings in the judiciary, especially for the justices who shouldn't have been picking trustees in any event, and then when they did, they were doing it on a total politicized basis. ... There also were lawyers that, I believe, enabled, facilitated, protected those trustees. ... I guess it makes sense that the people in power at the time just kind of brushed it under the rug and said we

want to look forward, not back, we want closure and healing — where what we needed was transparency and accountability.

On her family's relationship with Bishop Estate over the decades

LOUISE KEALI‘ILOMA KING LANZILOTTI: My grandfather was a Bishop Estate trustee, and back in the day, in the '50s, the Bishop Estate trustees were dedicated to doing what the mission of the Bishop Estate was, which was to provide education for children. And as the state grew and grew and grew and into the '70s and '80s, it started becoming much more political. They were named by the Supreme Court, as was said in the will, but they were named by the Supreme Court. But yeah, being with my dad, I would see people being chosen for Bishop Estate, and he would just shake his head. There were some appoints at which he did speak up a little bit. He was involved in a couple lawsuits to get things done there. But he did not go to Kamehameha. He was not an alumnus, but he was watching out over this estate because Grandpa had been there and because it was important to him. ... But then, as it became more and more obvious that, you know, they were taking a lot of money, they were not really taking care of the students, the community got involved, and they got involved over Lokelani Lindsey, who was a trustee that was supposed to be in charge of education, which is not really the role of the estate. The trustees are overseeing the estate, right... So she was micromanaging. And so the people got very upset, and they had a march.

On accountability at Hawai‘i institutions

ROTH: The IRS forced a lot of important changes to the trust and I think the people who've been in charge of [Princess Pauahi's trust] since then have taken those changes very seriously, and from what I can tell they're not doing anything nearly like what the trustees who were kicked out had been doing. I'm not as sure that people involved in government agencies — whether it's the executive branch, legislative branch, or judiciary — I'm not as sure that there's been significant change there. When I read [Ali Silvert's "Mailbox Conspiracy"](#) I saw how obvious it had to have been within the police department and the prosecutor's office that there was very serious wrongdoing going on over an extended period of time, yet there were zero whistleblowers.... It's almost like they thought the apparent wrongdoers had too much clout to be questioned, which is word for word what The Wall Street Journal had said about the Bishop Estate trustees.

LANZILOTTI: We must keep learning from what happened, and we must keep trying to live well. And to me, living well means living honestly and trying to make the world a better place. So, you know, we have to keep moving ahead no matter what, that's what I say. And this book gives you a lot of good examples of people who acted really well while everyone else was acting badly.

ROTH: And these weren't people who ran big organizations or held government positions. These were regular people.

This interview aired on [The Conversation](#) on July 3, 2024.