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# A BILL FOR AN ACT

RELATING TO MILITARY AFFAIRS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the presence of the  
2 United States military in Hawaii contributes to maintaining the  
3 peace and stability of the Asia-Pacific region. Further,  
4 Hawaii's economy benefits from this presence in that the  
5 military expends approximately \$5,600,000,000 annually in Hawaii  
6 and provides employment opportunities to approximately one  
7 hundred twenty-five thousand residents. Next to tourism,  
8 military expenditures are currently the largest source of  
9 revenues to Hawaii's economy.

10           The purpose of this Act is to establish a military affairs  
11 liaison special fund to support a nonprofit entity to serve as  
12 liaison in matters relating to the military, and to provide  
13 oversight for the military's presence in Hawaii and the impact  
14 defense spending has on Hawaii's economy.

15           SECTION 2. The Hawaii Revised Statutes is amended by  
16 adding a new chapter to be appropriately designated and to read  
17 as follows:



## 1 "CHAPTER

## 2 MILITARY AFFAIRS LIAISON

3 § -1 Military affairs liaison special fund; nonprofit  
4 entity; duties. (a) There is established the military affairs  
5 liaison special fund as a separate fund of a nonprofit entity  
6 having a board of directors and qualifying under Section  
7 501(c)(6) of the Internal Revenue Code of 1986, as amended,  
8 into which shall be deposited general fund appropriations. The  
9 adjutant general, with the concurrence of the governor and in  
10 accordance with law, shall select the nonprofit entity based  
11 upon the proven record of accomplishment of the nonprofit entity  
12 in military affairs liaison in promoting and dealing with the  
13 military and administering a similar special fund. Moneys in  
14 the special fund shall be administered by the nonprofit entity  
15 and expended for the purposes of this chapter.

16 (b) Notwithstanding that the military affairs liaison  
17 special fund is established within a private nonprofit entity,  
18 the department of budget and finance shall have oversight  
19 authority over the fund and may make periodic financial audits  
20 of the fund; provided that the director of finance may contract  
21 with a certified public accountancy firm for this purpose. The  
22 adjutant general, with the concurrence of the governor, in their



1 sole discretion may rescind the selection of the nonprofit  
2 entity. If the selection of the entity is rescinded, moneys in  
3 the special fund shall revert back to the State and shall be  
4 deemed to be state general funds.

5 (c) The nonprofit entity shall serve as liaison for the  
6 State in matters relating to the military in Hawaii. The  
7 nonprofit entity shall have the following duties and  
8 responsibilities:

- 9 (1) Serve as an advocate for the military and small  
10 businesses desiring to do business with the military  
11 and other federal agencies where military affairs are  
12 concerned;
- 13 (2) Promote a strong and viable partnership between the  
14 state and county governments and the military  
15 commands;
- 16 (3) Build rapport with installation commanders and  
17 military communities;
- 18 (4) Facilitate business-development opportunities for  
19 small businesses in defense and other federal  
20 contracting involving military or defense issues;
- 21 (5) Participate in discussions regarding the schooling of  
22 military children in Hawaii's public schools;



- 1           (6) Facilitate coordination with the state and county
- 2                   governments and private owners in providing the lands
- 3                   and resources needed by the military to fulfill its
- 4                   missions of defending and securing the United States
- 5                   against all enemies;
- 6           (7) Support the military in complying with federal and
- 7                   state laws that protect and preserve Hawaii's natural
- 8                   resources, cultural sites, and artifacts;
- 9           (8) Promote programs and activities to enhance the quality
- 10                   of life for military personnel and their families; and
- 11           (9) Expend funds from the military affairs liaison special
- 12                   fund for the purposes of this chapter."

13           SECTION 3. There is appropriated out of the general

14 revenues of the State of Hawaii the sum of \$                   or so

15 much thereof as may be necessary for fiscal year 2009-2010 and

16 the same sum or so much thereof as may be necessary for fiscal

17 year 2010-2011 for deposit into the military affairs liaison

18 special fund.

19           SECTION 4. This Act shall take effect on July 1, 2020.



**Report Title:**

Military Affairs Liaison Special Fund; Nonprofit Entity

**Description:**

Creates the military affairs liaison special fund within a nonprofit entity to support the nonprofit entity's duties as the state liaison in matters relating to the military. Requires adjutant general, with the governor's concurrence, to select the nonprofit entity. Appropriates funds to the special fund. Takes effect July 1, 2020. (HB1831 HD2)

