

---

---

# 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 liaisons 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:

18 "CHAPTER



## MILITARY AFFAIRS LIAISON

1  
2       § -1 Military affairs liaison special fund; nonprofit  
3 entity; duties. (a) There is established the military affairs  
4 liaison special fund as a separate fund of a nonprofit entity  
5 having a board of directors and qualifying under section  
6 501(c)(6) of the Internal Revenue Code of 1986, as amended,  
7 into which shall be deposited general fund appropriations. The  
8 adjutant general, with the concurrence of the governor and in  
9 accordance with law, shall select the nonprofit entity based  
10 upon the proven record of accomplishment of the nonprofit entity  
11 in military affairs liaison in promoting and dealing with the  
12 military and administering a similar special fund. Moneys in  
13 the special fund shall be administered by the nonprofit entity  
14 and expended for the purposes of this chapter.

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



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 If the selection of the entity is rescinded, moneys in  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

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

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



1 and resources needed by the military to fulfill its  
2 missions in defending and securing the United States  
3 against all enemies;

4 (7) Support the military in complying with federal and  
5 state laws on protecting and preserving Hawaii's  
6 natural resources, cultural sites, and artifacts;

7 (8) Promote programs and activities to enhance the quality  
8 of life for military personnel and their families; and

9 (9) Expend funds from the military affairs liaison special  
10 fund for the purposes of this chapter."

11 SECTION 3. There is appropriated out of the general  
12 revenues of the State of Hawaii the sum of \$ or so  
13 much thereof as may be necessary for fiscal year 2009-2010 and  
14 the same sum or so much thereof as may be necessary for fiscal  
15 year 2010-2011 for deposit into the military affairs liaison  
16 special fund.

17 SECTION 4. This Act shall take effect upon its approval  
18 except that section 3 shall take effect on July 1, 2009.

19

INTRODUCED BY:

*Francis I. Taylor*  
*Chase*

*James W. King*

HB LRB 09-1824.doc



JAN 28 2009

**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.

