MAR 1 3 2013

SENATE CONCURRENT RESOLUTION

URGING THE PRESIDENT AND CONGRESS TO REACH AN AGREEMENT ON AN APPROPRIATIONS BILL TO ADDRESS THE CURRENT FISCAL CRISIS AND MITIGATE ITS NEGATIVE IMPACT ON THE MILITARY AND THE DEPARTMENT OF DEFENSE CIVILIAN POPULATION IN HAWAII AND ACROSS THE NATION.

WHEREAS, Hawaii has a historic relationship with United States national security and strategy in the Asian Pacific region that extends back to the days of the Hawaiian Kingdom; and

WHEREAS, the United States' military and strategic role in Hawaii developed when the United States needed a coaling station to service its naval ships transiting the Pacific Ocean during the Spanish-American War fought in the Philippines in 1898 and the Philippine-American War that immediately followed; and

WHEREAS, in the early 1900s, the United States began to forward deploy its Navy, Marines, and Army to Hawaii; and

WHEREAS, the Army Air Corps brought the first aviators to Hawaii from the West Coast of the United States, which paved the way for air mail delivery to the islands; and

WHEREAS, following the attack on Pearl Harbor in 1941, Hawaii became the transit station for hundreds of thousands of United States service men and women during World War II until 1945, and then the Korean War during the early 1950s, and the Vietnam War during the period from 1960 to 1972; and

WHEREAS, the use of Hawaii as a primary forward-deployed base for the United States in the Asian Pacific region has continued during the recent wars in Iraq and Afghanistan; and

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22 23 WHEREAS, in bolstering its military presence in Hawaii, the United States has invested in an assortment of world-class military infrastructure in the State; and

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WHEREAS, Hawaii serves as the headquarters for United States military operations in the Pacific and is central to the United States' security strategy in the Asian Pacific region; and

WHEREAS, the United States Pacific Command, the nation's largest combatant command, is located in Honolulu; and

 WHEREAS, the Pacific Command is joined in the State by the headquarters for the United States Pacific Fleet at Pearl Harbor, where the Pacific Submarine Force and Pearl Harbor Naval Shipyard are based; Pacific Air Forces at Hickam, where the Hawaii Air National Guard's C-17, KC-135, and F-22 aviation units are located; United States Army Pacific at Fort Shafter; Marine Forces Pacific at Camp Smith; and the Coast Guard's Pacific region operation at Sand Island; and

WHEREAS, other important resources include the 25th Infantry Division at Schofield Barracks and Wheeler Field; Third Marine Regiment at Marine Corps Base Hawaii; High Speed Computing Center on Maui; and Hawaii Army National Guard's 29th Combat Infantry Brigade and Combat Aviation unit at Kalaeloa and Wheeler Field; and

WHEREAS, currently, Schofield Barracks, Fort Shafter, Hickam Field, Pearl Harbor, Camp Smith, Tripler Army Medical Center, and Marine Corps Base Hawaii are in full operation; and

WHEREAS, the varied and extensive United States military presence in Hawaii remains critical as the United States and our allies in the Pacific confront the security challenges posed by instability in parts of Africa and the Middle East; unrest in Pakistan and India; terrorist cells operating in Southeast Asia; continued division of the Korean peninsula and North Korea's proliferation of nuclear weapons and ballistic missiles; and China's surge in military capabilities, challenges along its borders, and assertiveness in controlling the vital economic sea lanes of the South China Sea; and

WHEREAS, these growing threats to the security of the region have caused the United States to shift its focus and reaffirm Hawaii's crucial role in the United States' security strategy for the Pacific; and

WHEREAS, Hawaii's forward-deployed units, coupled with those based in Japan, South Korea, and Guam, serve as highly visible deterrent forces to the nation's adversaries; and

WHEREAS, this strategy of deterrence has contributed to the relative peace and stability in the Asian Pacific region since the end of the Vietnam War in 1975; and

WHEREAS, Hawaii's forward-deployed forces enable rapid response and aid to nations affected by natural disasters and are an essential element enabling commerce and trade to thrive; and

WHEREAS, the military presence in Hawaii not only drives our state economy but also provides safety, security, and peace on a global level; and

WHEREAS, in Hawaii, the military's presence is a critical component of the State's economy, with the direct and indirect impacts of defense spending estimated at more than \$14.7 billion and accounting for more than 102,000 jobs that report aggregate annual household incomes totaling \$8.7 billion; and

WHEREAS, defense communities throughout the United States are bracing for the severe reductions in military spending that are likely to result from the terms of the Budget Control Act of 2011, also known as sequestration; and

WHEREAS, sequestration has recently come into effect, and the Pentagon and service branches will be detailing the specific implications in the weeks to come; and

WHEREAS, nationwide, Hawaii is expected to suffer from the most severe cuts in defense spending on a per capita basis; and

WHEREAS, the military's influence in Hawaii's economy is profound, second only to tourism; and

SCR HMS 2013-2655

WHEREAS, the 19,728 Department of Defense personnel anticipated to be furloughed represent 3.2 percent of Hawaii's jobs, making it the most affected state in the nation, with Virginia following as the second most affected; and

WHEREAS, although Hawaii has a strong interest in preventing this severe negative impact to its economy, the State is in fierce competition with all other United States defense communities, such as San Diego, in protecting against the loss of military presence; and

WHEREAS, over the years, Hawaii's strategic location in the Pacific Ocean justified the higher costs of supplies, labor, and other operating costs; however, the current fiscal realities, coupled with the advanced capabilities of modern high-tech weapon systems, may soon override the State's strategic location in future basing decisions; and

WHEREAS, federal spending on procurement, salaries, and wages accounts for 15.8 percent of Hawaii's gross domestic product; and

WHEREAS, the United States Army has already announced that it is mandated to cut spending by \$287 million in the Pacific by September 30, 2013; the United States Navy has indicated that it will likewise reduce its expenditures by \$110 million; and the Pacific Air Forces has projected a \$103 million reduction in operations and maintenance spending; and

WHEREAS, the Pentagon has already announced that budget cuts will largely focus on civilian pay, base operations and training, and reductions in defense contracts; and

WHEREAS, as a result, Department of Defense civilians may be furloughed up to 22 days by September 30, 2013, amounting to a 20 percent loss in pay; and

WHEREAS, the Pentagon has included a base realignment and closure commission in its budget, which increases the distinct possibility of at least one Base Realignment and Closure (BRAC) proceeding; and

WHEREAS, at a hearing of the United States House Armed Services Committee on March 5, 2013, the Appropriations

SCR HMS 2013-2655

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 Committee indicated that a defense bill for Fiscal Year 2013 and a MILCON/VA budget have been approved, which will likely be helpful to provide some relief to the armed services as they strive to complete the fiscal year with minimum damage to operations; and

WHEREAS, in Hawaii, defense contractors will be affected by sequestration; while details are currently unavailable regarding how severe the impact will be, some contractors have already taken steps to reduce their workforce over the past few months, and others are sure to follow in the weeks ahead; and

WHEREAS, as defense contracts are cancelled or suspended, the State should expect small businesses that provide supplies and services to experience cuts, as well; and

WHEREAS, there is much uncertainty surrounding the exact implications that sequestration has had or will have on Hawaii's economy; and

WHEREAS, much more critical, but less discussed, is the possible federal shutdown on March 27, 2013, when the current continuing resolution expires; and

WHEREAS, the Honolulu Star-Advertiser published an article on March 7, 2013, entitled "Top Brass Unsettled by Slashes in Funding," which characterized sequestration as a long, steady, and painful decline in funding over the next ten years; emphasized the severe deleterious effect these financial cuts will have on Hawaii's economy; and suggested that there is potential for some stability and predictability if Congress crafts an appropriations bill; and

WHEREAS, by passing an appropriations bill, Congress can provide a framework for states and government agencies to better manage these serious impacts of sequestration; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2013, the House of Representatives concurring, that the President and Congress are urged to reach an agreement for an appropriations bill to address the current fiscal crisis and mitigate its negative impact on the military and Department of Defense civilian employees in Hawaii and across the nation; and



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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the President of the United States, Majority Leader of the United States Senate, Speaker of the United States House of Representatives, and members of Hawaii's Congressional delegation.

OFFERED BY: