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Statement of
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Department of Business, Economic Development & Tourism

before the
**HOUSE COMMITTEE ON VETERANS, MILITARY, & INTERNATIONAL AFFAIRS,
& CULTURE AND THE ARTS**

Wednesday, January 30, 2013
8:30 a.m.

State Capitol, Conference Room 312

in consideration of

HB580
Relating to Military Personnel and Their Families.

Chair Takai, Vice Chair Ito and Members of the Committee on Veterans, Military & International Affairs, & Culture and the Arts.

HB No. 580 amends Chapter 201, HRS, to: 1) create a center for transition, immersion, and education for military members and their families during their relocation to Hawaii; and 2) creates a special fund to receive fees, appropriations, and matching funds from the Federal Department of Defense.

The Department of Business, Economic Development and Tourism offers the following comment. Active duty military and their dependents are the responsibility of the Federal Department of Defense. DBEDT does not have the resources or expertise to deliver the services described in this measure. DBEDT defers to other appropriate state agencies for further comments on this measure.

Thank you for the opportunity to offer comments on this bill.

Testimony to the House Committee on Veterans, Military and International Affairs, and Culture and the Arts

Wednesday, January 30, 2013

8:30 AM

Conference Room 312

RE: HOUSE BILL NO.580, RELATING TO MILITARY PERSONNEL AND THEIR FAMILIES

Chair Takai, Vice Chair Ito, and members of the committee.

My name is Charles Ota and I am the Vice President for Military Affairs at The Chamber of Commerce of Hawaii (The Chamber). I am here to state The Chamber's *support of* House Bill No. 580, Relating to Military Personnel and Their Families.

The measure proposes to create a center for transition, immersion, and education for military members and their families during their relocation to Hawaii, and appropriates funds for the center.

The measure recognizes the vital role of Hawaii in serving as the strategic forward base for military operations in the Pacific, and the favorable impacts that military members and their families have in Hawaii's economy, work force, and community.

The military-related community represents more than 25% of the state population, and defense spending is the second major source of revenues to the state and the major source of good paying jobs in Hawaii. We must take care of this important transitory group, just as the tourism industry takes steps to educate and immerse visitors to Hawaii.

1. Annual defense spending now amounts to about \$8.8 billion. This includes \$2.4 billion in defense contracts to hundreds of Hawaii-based small businesses.

2. Defense spending has direct and indirect impacts amounting to more than \$14.7 billion into Hawaii's economy annually.
3. The impacts of defense spending account for creating more than 102,000 jobs that report combined household incomes totaling over \$8.7 billion annually. This represents about 16.5% of Hawaii's workforce.
4. The total military-related population includes nearly 50,000 active duty military personnel and about 67,000 military family members, 18,400 US DoD civilian employees, 9,300 Hawaii National Guard and Reserve members, and some 118,000 veterans (including 16,000 military retirees).

As stated in the measure, it behooves the state to ensure that military members relocating to Hawaii receive a proper indoctrination to living in Hawaii. This higher level of education and support will add needed activities to properly welcome military members to Hawaii and ensuring that they avoid the challenges that make the transition intolerable.

The proposed program would add greatly to the military's positive perception of the attractiveness of being assigned to Hawaii. This is especially important in facing the fiscal demands that being placed on the US Department of Defense (DoD) today. The military's family support programs will likely be among the budget line items that are to be impacted by budget cuts.

These pending defense spending cuts, coupled with Hawaii's high cost of operations/living, could force reductions in operational, training, and quality of life programs that will definitely impact the attractiveness of Hawaii continuing to serve as a forward operating base in the Pacific. What this means is that the perceived benefits of Hawaii's strategic forward location in the mid-Pacific could be overridden by the realities of a reduced budget.

The measure proposes to place the proposed program under DBEDT. Please note that the Military Affairs Council (MAC) of The Chamber of Commerce of Hawaii serves as the designated liaison for the state in matters relating to the military. The Hawaii State Department of Defense provides oversight for the MAC, rather than DBEDT.

We suggest that the measure be approved for further discussion to include the benefits that could be derived from placing the function under the state DOD office rather than DBEDT.

In light of the benefits the proposed program could have in enhancing the attractiveness of Hawaii in continuing to serve as a strategic forward base for military operations in the Pacific, we recommend the measure be approved for further discussion.

Thank you for the opportunity to testify.

This testimony is in support of HB580. For the record I am both a military spouse, and Reserve Marine that has experienced numerous military moves or “permanent changes of station” and can attest to the difficulties of relocating and adjusting to a new environment.

HAWAII IS DIFFERENT

Hawaii is different than any other duty station in that it is part of the United States, but thousands of miles away from the mainland, friends, families, and resources that are normally available to the military family. The move to Hawaii is especially strenuous on families because of the time it takes to get children enrolled into the school system, the time it takes for vehicles and household goods to arrive on island, and the lack of available military housing that is available for arriving families.

Many times families are living in temporary housing and have to move numerous times before they can settle in a household. Additionally, families have to pay out of pocket to ship an additional vehicle to the island because it is not included in the federal funding for military moves. The process of pet quarantine, vaccination requirements, and pet transportation to island is also both a cost and burden on moving families. This is the first impression that a family and military members have of Hawaii, and many times it is not a good one. It does not have to be this way; a simple place that one can go to for information, questions, and support would greatly assist the moving military member and their families.

A HOME AWAY FROM HOME

The vision for this center is to create both a “home away from home” for service members and a gateway for interaction and connectivity for the people of Hawaii to

truly get to know and understand their neighbors and hopefully...their ohana that share the island. Imagine, you are an eighteen-year-old service-member from Nebraska, you have never left home before and you find yourself on a beautiful island in the middle of the Pacific Ocean. Though the beaches are spectacular and everyone seems nice—you sorely miss your family. This Christmas you will be eating in the chow hall with all your other buddies that also could not afford to fly home for the holidays. Or, imagine you are a mother of three children of various ages and have just moved to Hawaii, your husband is deployed for the next 6 months and you would like to learn more about the cultural aspects of the island—but are not sure where to start, or what is available. Your time is strapped because you are still moving boxes, trying to find a dentist, hairdresser, babysitter, maintenance person you can call when there is trouble, and still learning your way around the island. Where do you go?

BENEFITS FOR HAWAIIAN CITIZENS

This center is not solely for the service members of Hawaii, it can also be an educational and outreach venue to the people of Hawaii as well. Military members have many skills and resources that can be shared with the public such as navigation and orientation skills that can help supplement boys and girl scouts and other youth group programs; sports fields, swimming pools and recreation centers where youth, young adult and adults can participate in intramural sport teams and provide a venue for interaction between “locals” and service members; the center can also be a learning center where the armed service members can share their stories of various operations, disaster relief and humanitarian missions that were

conducted in the Pacific-many times in the home countries of the various Diaspora that make up the Hawaiian Islands. The possibilities are endless, and having a place and means where both service members and Hawaii citizens can meet and start these programs and relationships would be beneficial for the society as a whole.

WHY SHOULD FUNDING BE A JOINT EFFORT?

Due to the strategic geographical location of Hawaii, there are more service members per square inch on this island than most other places. Military members all pay GET, and military bases, vendors, suppliers, and contractors make up numerous civilian jobs that employ Hawaii citizens. As an active revenue maker for the state of Hawaii, the cost of this center should not be solely the responsibility of Federal agencies, but it should be shared with the state of Hawaii. Not only because military members are also citizens that should benefit from the tax revenue that we pay into, but also because the center will not only be for military members—it would be open to, and hopefully utilized for all community members—and therefore a state asset as well as a military institution.

CONCLUSION

Will this center mitigate all the problems and stresses of moving, assimilating, and being separated from family on the mainland? No. But it undoubtedly will make living on the island on a more welcoming and accommodating place, and a place where not only military members can learn about the culture and history of the people of Hawaii...but also a place where residents of Hawaii can learn more about the military, its service members, and the many places that they originated from and call “home.” This center can be so much more than just an administrative aid to help

those that move here; it can be a bridge that connects two very different silos of society and help build relationships that would otherwise have no other means to do so.

vmitestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, January 28, 2013 8:03 PM
To: vmitestimony
Cc: becky_dreyer@yahoo.com
Subject: Submitted testimony for HB580 on Jan 30, 2013 08:30AM

HB580

Submitted on: 1/28/2013

Testimony for VMI on Jan 30, 2013 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Rebecca Dreyer	Individual	Support	No

Comments: I am writing this testimony to provide a couple examples in support of HB580. My first example is in line with the center helping with the transition of vehicles to the island. It would be of much help to have a contact that provides assistance with getting the necessary paperwork and documents together before heading to the DMV. I know my husband had a difficult time registering our vehicle when first arriving to the island. Each state runs differently when it comes to vehicle registration, so it would be a nice to have a facility to help with this transition. My next point is an example of how partnerships can be made between military units and local organizations. This also comes from personal experience. At our previous duty station, Camp Pendleton, CA, the military units had what I would describe as "host" cities who would put on events for the military member and their families. One event that stands out the most for myself is when a fire station hosted Thanksgiving dinner. The firefighters and their families provided and cooked the entire meal for the military members and their dependents who were away from home during the holidays.. We ate dinner in the actual firehouse, talked with the firefighters and their families, watched football, got to experience what happens when they get an emergency call and even got to take pictures on the firetruck. It is one of my nicest Thanksgiving memories. They were all so welcoming. This is just one example of how local organizations can help the military members and their families feel a sense of home while stationed on the island.

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LATE TESTIMONY

WRITTEN ONLY

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON VETERANS, MILITARY & INTERNATIONAL
AFFAIRS, & CULTURE AND THE ARTS
ON
HOUSE BILL NO. 580

January 30, 2013

RELATING TO MILITARY PERSONNEL AND THEIR FAMILIES

House Bill No. 580 establishes a Center for Transition, Immersion, and Education Special Fund into which shall be deposited the funds from fees received from operating the center, appropriations made by the Legislature, matching funds from the federal Department of Defense, interest income, and any other revenues designated for the fund; and for which the special funds are to be used for administering the Center for Transition, Immersion, and Education for military members and their families. House Bill No. 580, also appropriates an unspecified amount of general funds in FY 14 and FY 15 for the creation of the center.

While the Department of Budget and Finance does not take any position on the policy establishing a center for military members and their families during their relocation to Hawaii, as a matter of general policy, the department does not support the creation of special funds which do not meet the requirements of Section 37-52.3, HRS. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to House Bill No. 580, it is difficult to determine whether the special fund will be self-sustaining.

I encourage the Legislature to scrutinize the fiscal and operational plan for this program to ensure that it does conform to the requirements of Section 37-52.3, HRS.