



**The Chamber of  
Commerce of Hawaii**

Since 1850

30 January 2014

The Honorable David Ige  
Senator, District 16  
Chairman, Senate Committee on Ways and Means  
State Capitol, Room 208  
Honolulu, HI 96813

Dear Senator Ige:

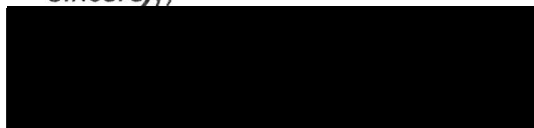
Forwarded herewith is a copy of FY15 Grant In Aid (GIA) request submitted to Representative Ty Cullen on behalf of the Military Affairs Council (MAC) of Hawaii, which serves as the liaison for the state in matters relating to protecting, enhancing, and advancing the U.S. military's forward deployed presence in Hawaii. The MAC requests your support for approval of the GIA.

Hawaii's defense industry has grown to become the second major source of revenues to the state. Total defense expenditures account for generating \$14.7 billion into Hawaii's economy and creating upwards of 100,000 jobs for the workforce that report annual household incomes totaling \$6.8 billion.

Sequestration mandated by the Budget Control Act of 2011 is forcing the military to trim its budgets by \$487 billion to nearly \$1.0 trillion by 2021. This will result in significant decreases in the size of the U.S. armed services and in expenditures for military programs, to include the military commands in Hawaii.

We respectfully request approval of this GIA request to enable the state to successfully compete against other defense communities on the mainland and protect Hawaii from adverse actions that would reduce the military's presence.

Sincerely,



Sherry Menor-McNamara  
President & Chief Executive Officer

*Thanks for your support,  
Sen. Ige!*

House District \_\_\_\_\_

Senate District \_\_\_\_\_

THE TWENTY-SEVENTH LEGISLATURE  
APPLICATION FOR GRANTS AND SUBSIDIES  
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): \_\_\_\_\_

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual: The Chamber of Commerce of Hawaii

Dba: Military Affairs Council

Street Address: 1132 Bishop Street, Suite 402

Mailing Address: 1132 Bishop Street, Suite 402  
Honolulu, HI, 96813

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name Charles M. Ota \_\_\_\_\_

Title Vice President, Military Affairs \_\_\_\_\_

Phone # 808-545-4300 \_\_\_\_\_

Fax # 808-545-4369 \_\_\_\_\_

e-mail charles@cochawaii.org \_\_\_\_\_

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION
- FOR PROFIT CORPORATION
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

STATE GRANT IN AID TO SHARE COSTS INCURRED BY THE MILITARY AFFAIRS COUNCIL IN SERVING AS THE LIAISON FOR THE STATE IN MATTERS RELATING TO THE MILITARY AND IN PROVIDING OVERSIGHT FOR THE STATE'S DEFENSE INDUSTRY.

4. FEDERAL TAX ID #: \_\_\_\_\_

5. STATE TAX ID #: \_\_\_\_\_

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$ 564,450 \_\_\_\_\_

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
- EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$ \_\_\_\_\_ NONE \_\_\_\_\_  
 FEDERAL \$ \_\_\_\_\_ NONE \_\_\_\_\_  
 COUNTY \$ \_\_\_\_\_ NONE \_\_\_\_\_  
 PRIVATE/OTHER \$ \_\_\_\_\_ NONE \_\_\_\_\_

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

SHERRY MENOR-McNAMARA  
\_\_\_\_\_  
AUTHORIZED SIGNATURE

PRESIDENT/CEO \_\_\_\_\_  
NAME & TITLE

DATE SIGNED

## Application for Grants and Subsidies

*If any item is not applicable to the request, the applicant should enter "not applicable".*

### I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

1. A brief description of the applicant's background;

**The Military Affairs Council (MAC) was established in 1985 to provide oversight for an emerging defense industry that was becoming a major component of Hawaii's economy. It is now the state's second major source of revenues next to tourism, accounting for generating \$14.7 billion into Hawaii's economy and creating more than 100,000 job opportunities for the workforce with reported household incomes exceeding \$8.6 billion annually.**

**The MAC has successfully served to protect, enhance and advance the military's presence in Hawaii. It advocates on behalf of the military and provides statewide oversight for the multi-billion dollar defense industry. This includes promoting the military value of Hawaii continuing to serve as the strategic forward U.S. base from which to command and control military operations in the Pacific.**

**The MAC is comprised of key business, government, and civic leaders, to include retired senior military flag and general officers, and has established enduring and viable relationships with US military commanders and defense officials in Hawaii and Washington, D.C.**

**Listed below are the major projects handled by the MAC over the years:**

1. **The MAC spearheaded the state's effort to gain the approval of the U.S. Secretary of the Department of Defense to transfer the decommissioned battleship USS Missouri to Hawaii and establish the Battleship Missouri Memorial at Pearl Harbor. The Battleship Missouri Memorial now stands with the Battleship Arizona Memorial in Pearl Harbor as the "bookends" marking the beginning and the end of World War II. Both Pearl Harbor memorials are now among Hawaii's leading visitor attractions.**
2. **Assisted in enabling Hawaii to survive three base realignment and closure (BRAC) proceedings mandated by Congress during the 1990s.**

**These efforts limited BRAC actions in Hawaii to the directed closure of Naval Station Barber's Point in 1993.**

- 3. The MAC assisted in local efforts to gain the approval of the US Navy to use the national historic aviation landmarks on Ford Island and in establishing the Pacific Aviation Museum (PAM) at Pearl Harbor to commemorate the history of military and commercial aviation in the Pacific. The PAM has now entered phase two of its four phase plan to restore Pearl Harbor's aviation landmarks.**
- 4. The MAC led lobbying efforts to end Hawaii's antiquated animal quarantine law that required incoming pets of military personnel to endure an extremely difficult 6-month rabies screening process. The state finally passed legislation in 2004 that prescribed new procedures that allow for the timely release of pets upon arrival. The benefits of the new quarantine procedures are now enjoyed by all Hawaii residents and other non-military personnel as well, including tourists.**
- 5. The MAC successfully led local efforts to save the state's largest industrial complex at the Pearl Harbor Naval Shipyard from closure and realignment in 2005. The state was notified that the BRAC Commission had placed the shipyard on the proposed BRAC list at the last minute, leaving the MAC with less than 30 days to protect it from closure. The MAC developed the state's testimony that was signed by Governor Linda Lingle. The testimony was successful in removing the shipyard from the closure list, saving 4,500 civilian jobs with excellent pay and benefits and an industrial complex that pumps \$875,000,000 annually into the state's economy.**
- 6. Despite a wave of budget cuts and force realignment actions mandated by the Budget Control Act of 2011, the MAC has strived to protect and preserve the continued presence of the largest and most diverse combatant commands in the world, the U.S. Pacific Command, and the Pacific component commands for the Army, Navy, Air Force, Marine Corps, and Coast Guard. These efforts will provide needed oversight to protect the second major source of revenues to the state and employment opportunities for over 100,000 residents.**

2. The goals and objectives related to the request;

**This request is submitted to sustain the continued operation of the Military Affairs Council (MAC) and protect Hawaii from defense budget cutbacks and base closure and realignment actions that would have severe negative impacts on the state's \$14.7 billion defense industry and the more than 100,000 defense related jobs for our resident workforce.**

Sequestration resulting from the Budget Control Act of 2011 is requiring the Pentagon to reduce the budgets for the armed services by nearly a trillion dollars by 2021. This will force the Pentagon to reduce the size of the armed services and realign its forces worldwide, to include actions aimed at realigning and rebalancing the active and reserve/guard components. This places all Army, Navy, Marine Corps, Air Force, and Coast Guard commands in Hawaii, including the Hawaii Army National Guard, the Hawaii Air National Guard, and all Hawaii-based Reserve units, at risk in being reduced in size or realigned outside the state.

Defense communities throughout the Nation are faced with these same concerns and have taken steps to protect themselves against adverse actions that would devastate state economies. There is much state lobbying ongoing and political influence being directed at Pentagon officials and senior military commanders.

For example, a scenario of immediate concern locally is an option for the Army to relocate 25<sup>th</sup> Infantry Division units on Schofield Barracks to Ft Lewis, Washington and/or Ft Richardson, Alaska. This concern is based on the comparative higher costs associated with maintaining units in Hawaii and existing limitations on the availability of required training areas. The Army bases in Washington and Alaska are reportedly receptive to this option and have the base capacity and required training areas to accommodate such a move. The loss of the 25<sup>th</sup> Infantry Division and its 16,000 Soldiers, plus their families, should be of great concern to Hawaii, especially the adjacent communities of Wahiawa, Mililani, and the North Shore.

Moreover, both Ft Lewis and Ft Richardson are co-located with U.S. Air Force bases that already have C-17s to support the Army, and could absorb the C-17s currently based at Hickam under the Hawaii Air National Guard (HIANG). These air transports were made available to support the Army in Hawaii, but could be relocated to Washington and Alaska. This would have negative impacts on the HIANG and Hawaii.

3. State the public purpose and need to be served;

Hawaii's multi-billion dollar defense industry is the catalyst in growing Hawaii's economy and a leading source of high paying jobs for the workforce. This GIA will ensure that the MAC is able to continue its work in protecting and preserving the defense industry's significant contributions to the state's economy and workforce.

While the direct and indirect impacts are concentrated primarily in defense communities on O`ahu, defense spending extends to Kauai, Maui, and Hawaii Island and filters down to all communities in the state. For example,

**the military accounts for most of the jobs on Kauai outside of the county government.**

**The loss of Army presence on O`ahu would directly impact the communities of Wahiawa/Mililani/North Shore. Decreases in Navy/Air Force presence would directly impact Pearl City/Aiea/Halawa/Moanalua, and Marines would impact Kaneohe/Kailua/Waimanalo. But the indirect impacts of these losses would extend to such places as the Ala Moana Shopping Center, Waikiki, Laie, and other locations, including the neighbor islands.**

**This would have serious impacts on revenues and jobs at shopping malls, retailers, restaurants/bars, hotels, auto dealers, airlines, food distributors, schools, entertainment centers, etc.**

**Furthermore, the MAC worked closely with Hawaii's CODEL to protect against military realignment and rebalancing actions that could cause serious impacts on our economy and workforce. However, with the death of U.S. Senator Daniel Inouye and retirement of U.S. Senator Akaka, Hawaii has lost the level of political seniority that could influence decisions in Congress and the Pentagon.**

**The MAC is aware of the increasing political challenges posed by competing defense communities on the mainland. To meet the challenges, the MAC is being transformed to strengthen its capabilities in enhancing Hawaii's strategic value to the military. This includes opening membership on the MAC to a statewide audience, reaching out to business and labor and any community group that desires to actively and financially support programs and activities aimed at meeting challenges posed by competing defense communities.**

**The MAC recognizes that it will take total community effort across the state and has opened participation to any business, union, or any other community group that desires to actively and financially support programs and activities aimed at meeting the challenges posed by competing states.**

4. Describe the target population to be served; and

**A broad segment of the business sector, local governments, and resident workforce on O`ahu, Kaua`i, Hawai`i, and Maui are directly impacted by the military's presence in Hawai`i.**

**This includes the large prime defense contractors such as Boeing, Northrop Grumman, BAE Systems, Lockheed Martin, Raytheon, General Dynamics, etc, as well as the hundreds of local general contractors, suppliers, retailers, manufacturers and other small businesses that rely on sales and contracting**

**opportunities from defense spending and the thousands of residents that are employed in the jobs created.**

5. Describe the geographic coverage.

**Defense spending is primarily centered on O`ahu and extends to Kauai, Hawaii Island, and Maui.**

## **II. Service Summary and Outcomes**

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request.

1. Describe the scope of work, tasks and responsibilities;

**The scope of the work for the MAC encompasses the state of Hawaii and extends to agencies and officials on the U.S. mainland, especially in Washington, D.C., that have influence on defense programs, events, and activities. This includes the Hawaii Business Roundtable, Pacific Resource Partnership, The Chamber of Commerce of Hawaii, Hawaii's state/county/federal government leadership, Hawaii's military commands, and other business and labor organizations.**

**The MAC serves to protect, enhance, and advance Hawaii's key role as the strategic forward deployed U.S. base from which to command and control military operations in the Asia Pacific. The MAC also provides oversight for Hawaii's multi-billion dollar defense industry and serves as the advocate for the military. In doing so, the MAC:**

- Meets regularly with the senior commanders for the US Pacific Command, US Pacific Fleet, Pacific Air Forces, US Army Pacific, Marine Forces Pacific, 14th Coast Guard District, and Hawaii's National Guard, and their subordinate commands such as the 25<sup>th</sup> Infantry Division, Third Marine Regiment, Pearl Harbor Naval Shipyard, Submarine Forces Pacific, and Naval Surface Group, Mid-Pacific.**
- Ensures positive base-community relations in communities surrounding military bases and promotes federal contracting and employment opportunities.**
- Conducts conferences and informational briefings for senior military commanders to discuss and update Hawaii's government and business leaders on security issues in the Asia Pacific and status of military presence in Hawaii.**
- Administers the affairs of the O`ahu Council that meets at the call of the Governor of Hawaii and/or the Commander of the US Pacific**

**Command. Membership includes the State Senate President; State House Speaker; Mayor of the City and County of Honolulu; Commanders of the US Pacific Fleet, Pacific Air Forces, US Army Pacific, Marine Forces Pacific, 14<sup>th</sup> Coast Guard District, and Hawaii National Guard; Chair of the Hawaii Business Roundtable; Chair of the Chamber's Board of Directors; President/CEO of The Chamber of Commerce of Hawaii; and Vice President of Military Affairs.**

- **Conducts the annual Hawaii Military Appreciation Month during the month of May to demonstrate Hawaii's appreciation for all that the military does to make Hawaii a safer and better place.**
- **Sends a delegation to Washington, DC, whenever required to protect, enhance, and advance Hawaii's key role in the Nation's security strategy for the Asia Pacific. The MAC delegation would meet with senior defense officials and the service secretaries and military chiefs in the Pentagon; Hawaii's Congressional delegation; professional staffers on the US Senate and House Armed Services Committees; and other defense and security officials.**

2. The applicant shall provide a projected annual timeline for accomplishing the results or outcomes of the service;

**The following is the timeline for accomplishing the MAC program:**

- **The Executive Committee of the Military Affairs Council meets on a regular basis at least six times annually to ensure that the military is provided with the resources necessary to fulfill its missions and have access to a good quality of life for its members and their families. The MAC establishes sub-committees to address topics of concern to the military, state, or local defense communities. The sub-committees meet at least six times annually.**
- **Conducts a conference in January for senior commanders and defense officials to meet with Hawaii's government and business leaders to discuss security concerns in the Asia Pacific and to provide an update on the status of military forces in Hawaii.**
- **Review proposed legislation being considered by the Legislature and provide appropriate testimony on bills and resolutions that impact or could potentially impact the military.**
- **Conduct annual visits with senior commanders in Hawaii to determine the priority topics that require action by the state or counties, or by Hawaii's congressional delegation.**
- **Plans a program of activities in support of Hawaii Military Appreciation Month during the month of May.**
- **At the call of the Co-Chairs, facilitate meetings of the O`ahu Council.**



3. The applicant shall describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and

**The work of MAC sub-committees is monitored and evaluated by the Executive Committee, which includes the MAC Chair and Co-Chair, a retired senior military advisor, and the Chairs of the sub-committees. The MAC Chair and/or the MAC Executive Committee meets with the Governor of Hawaii as required to discuss concerns that require the Governor's attention.**

4. The applicant shall list the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

**To the extent possible, the MAC will complete the events and programs specified in Section II regardless of the level of appropriation granted by the state. The MAC will evaluate the effectiveness of the events and programs and submit a summary report to the expending state agency as required.**

### III. Financial

#### Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.

**See attached.**

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2014-2015.

| Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Total Grant |
|-----------|-----------|-----------|-----------|-------------|
| \$141,112 | \$141,112 | \$141,112 | \$141,114 | \$564,450   |

3. The applicant shall provide a listing of all other sources of funding that they are trying to obtain for fiscal year 2014-2015.

In past years, the MAC was funded largely by the dues revenues paid by members of The Chamber of Commerce and private sector donations. The state periodically provided small financial grants of around \$25,000 whenever grant funds were available.

This GIA is being requested because Hawaii's defense industry has morphed into a \$14.7 billion statewide defense industry, the second major source of revenues to the state next to tourism. Moreover, the U.S. Department of Defense is undergoing a near trillion dollar cut to its budget, as mandated by the Budget Control Act of 2011, and is forced to take drastic measures that will surely impact defense communities throughout the U.S.

The GIA will enable the MAC to protect the state from the challenges being posed by competing defense communities on the mainland and deny any action that would result in severe reductions in military spending.

The MAC has no other government funding source.

4. The applicant shall provide a listing of all state and federal tax credits that have been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.

Not Applicable.

#### **IV. Experience and Capability**

##### **A. Necessary Skills and Experience**

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

The MAC has successfully accomplished its work serving as the state liaison for matters relating to the military since 1985. The MAC is led by Hawaii's top business leaders and high ranking retired flag and general military officers who elected to retire in Hawaii. Its major accomplishments include:

- Successfully competing against other US ports in 1985 to have the decommissioned battleship USS Missouri home-ported at Pearl Harbor to complement the USS Arizona Memorial as fitting historic tributes that mark the beginning and ending of World War II.

- **Successfully coordinated the actions of four Base Realignment and Closure (BRAC) Commissions mandated by Congress during the 1990s and limited impact to Hawaii with only the closure of Naval Air Station-Barber's Point.**
- **Successfully led efforts that resulted in revising Hawaii's antiquated animal quarantine law in 2004 that now allows pets entering Hawaii to be released upon arrival rather than being locked in quarantine for 6 months.**
- **Successfully secured private sector funding to develop Hawaii's testimony that saved the Pearl Harbor Naval Shipyard from closure during proceedings of the 2005 BRAC Commission. This action precluded the forced closure of Hawaii's largest industrial center, saving 4,500 civilian engineering and skilled technical jobs for residents.**
- **The MAC has been successful in protecting, enhancing, and advancing Hawaii's strategic military value in being the forward deployed U.S. base from which to command and control military operations in the Asia Pacific. The success of this U.S. security strategy has resulted in peace and stability and enabling commerce and trade to thrive throughout the region that now accounts for more than half of the global economy. Defense spending in Hawaii has been the stabilizing force in the economy following 9/11 and prevailing through the economic downturn from 2008, and has grown to become the second major source of revenues to the state, next to tourism.**

**The MAC remains the state's only agency dedicated to protect, enhance, and advance the presence of forward deployed combat ready forces in Hawaii. It serves to protect against the loss of any military commands or programs to military bases outside of Hawaii and provides oversight for the \$14.7 billion defense industry.**

## **B. Facilities**

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable.

**The military affairs program receives program support through the use of facilities and services available at the offices of The Chamber of Commerce of Hawaii. No additional facilities are required. The facilities meet ADA requirements.**

## **V. Personnel: Project Organization and Staffing**

**V. Personnel: Project Organization and Staffing**

**A. Proposed Staffing, Staff Qualifications, Supervision and Training**

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

**The military affairs program is directed by the Vice President, Military Affairs and added a Program Director in February 2013, and receives administrative support from the Chamber staff and volunteers. The incumbents are retired U.S. Air Force officers. The Vice President restarted the military affairs program in 1998 after the program was forced to discontinue in 1996 due to a lack of operating funds.**

**State funding as provided by this GIA would provide for continuity of this critical component of the state's economy.**

**B. Organization Chart**

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.

**The Vice President, Military Affairs is functionally aligned under the President/CEO of The Chamber of Commerce of Hawaii, and receives direction from the Chair of the MAC Executive Committee. The Program Director is functionally aligned under the Vice President, Military Affairs.**

**C. Compensation**

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position.

There are two salaried employees under Military Affairs:

**Vice President, Military Affairs: \$70,000**

**Program Director: \$45,000**

**VI. Other**

**A. Litigation**

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

**Not Applicable.**

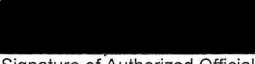
**B. Licensure or Accreditation**

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

**Not Applicable.**

**BUDGET REQUEST BY SOURCE OF FUNDS**  
(Period: July 1, 2014 to June 30, 2015)

Applicant: Military Affairs Council

| <b>BUDGET CATEGORIES</b>             | <b>Total State Funds Requested (a)</b> | <b>(b)</b>   | <b>(c)</b>     | <b>(d)</b> |
|--------------------------------------|--|--|----------------|------------|
| <b>A. PERSONNEL COST</b>             |  |  |                |            |
| 0                                    | 120,000                                | 130,000  |                |            |
| 2. Payroll Taxes & Assessments       | 16,627                                 | 22,725   |                |            |
| 3. Fringe Benefits                   | 27,823                                 | 33,575   |                |            |
| <b>TOTAL PERSONNEL COST</b>          | <b>164,450</b>                         | <b>186,300</b>   |                |            |
| <b>B. OTHER CURRENT EXPENSES</b>     |  |  |                |            |
| 1. Airfare, Inter-Island             |  |  |                |            |
| 2. Insurance                         |  |  |                |            |
| 3. Lease/Rental of Equipment         |  |  |                |            |
| 4. Lease/Rental of Space             |  |  |                |            |
| 5. Staff Training                    |  |  |                |            |
| 6. Supplies                          |  |  |                |            |
| 7. Telecommunication                 |  |  |                |            |
| 8. Utilities                         |  |  |                |            |
| 9. Government Relations-Washingto,DC | 250,000                                | 100,000  |                |            |
| 10. Community Engagement             | 25,000                                 | 25,000   |                |            |
| 11. Research and Reprinting          | 25,000                                 | 40,000   |                |            |
| 12. Legal Services                   | 25,000                                 | 50,000   |                |            |
| 13. Travel                           | 25,000                                 | 42,500   |                |            |
| 14. MAC Programs and Projects        | 50,000                                 | 225,000  |                |            |
| 15                                   |  |  |                |            |
| 16                                   |  |  |                |            |
| 17                                   |  |  |                |            |
| 18                                   |  |  |                |            |
| 19                                   |  |  |                |            |
| 20                                   |  |  |                |            |
| <b>TOTAL OTHER CURRENT EXPENSES</b>  | <b>400,000</b>                         | <b>482,500</b>   |                |            |
| <b>C. EQUIPMENT PURCHASES</b>        |  |  |                |            |
| <b>D. MOTOR VEHICLE PURCHASES</b>    |  |  |                |            |
| <b>E. CAPITAL</b>                    |  |  |                |            |
| <b>TOTAL (A+B+C+D+E)</b>             | <b>564,450</b>                         | <b>668,800</b>   |                |            |
| <b>SOURCES OF FUNDING</b>            |  | Budget Prepared By:  |                |            |
| (a) Total State Funds Requested      |  | Charles M. Ota   | 545-4300, X320 |            |
| (b) Private Funds                    | 668,800                                | Name (Please type or print)  | Phone          |            |
| (c)                                  |  |  | 1/2/14         |            |
| (d)                                  |  | Signature of Authorized Official   | Date           |            |
| <b>TOTAL BUDGET</b>                  | <b>668,800</b>                         | Sherry Menor-McNamara  | President/CEO  |            |
|                                      |  | Name and Title (Please type or print)  |                |            |

## BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Military Affairs Council

Period: July 1, 2014 to June 30, 2015

| POSITION TITLE                     | FULL TIME EQUIVALENT | ANNUAL SALARY<br>A | % OF TIME ALLOCATED TO GRANT REQUEST<br>B | TOTAL STATE FUNDS REQUESTED<br>(A x B) |
|------------------------------------|----------------------|--------------------|---|--|
| Vice President, Military Affairs   | Full Time            | \$70,000.00        | 100.00%                                   | \$ 70,000.00                           |
| Program Director, Military Affairs | Full Time            | \$45,000.00        | 100.00%                                   | \$ 45,000.00                           |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
|                                    |                      |                    |   | \$ -                                   |
| <b>TOTAL:</b>                      |                      |                    |   | 115,000.00                             |
| <b>JUSTIFICATION/COMMENTS:</b>     |                      |                    |   |  |
|                                    |                      |                    |   |  |

# BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Military Affairs Council

Period: July 1, 2014 to June 30, 2015

| DESCRIPTION<br>EQUIPMENT | NO. OF<br>ITEMS | COST PER<br>ITEM | TOTAL<br>COST | TOTAL<br>BUDGETED |
|--------------------------|-----------------|------------------|---------------|-------------------|
| Not Applicable           |                 |                  | \$ -          |                   |
|                          |                 |                  | \$ -          |                   |
|                          |                 |                  | \$ -          |                   |
|                          |                 |                  | \$ -          |                   |
|                          |                 |                  | \$ -          |                   |
| <b>TOTAL:</b>            |                 |                  |               |                   |
| JUSTIFICATION/COMMENTS:  |                 |                  |               |                   |

| DESCRIPTION<br>OF MOTOR VEHICLE | NO. OF<br>VEHICLES | COST PER<br>VEHICLE | TOTAL<br>COST | TOTAL<br>BUDGETED |
|---------------------------------|--------------------|---------------------|---------------|-------------------|
| Not Applicable                  |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
| <b>TOTAL:</b>                   |                    |                     |               |                   |
| JUSTIFICATION/COMMENTS:         |                    |                     |               |                   |



## BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Military Affairs Council

Period: July 1, 2014 to June 30, 2015

| FUNDING AMOUNT REQUESTED |  |               |                       |                    |                                      |              |
|--------------------------|--|---------------|-----------------------|--------------------|--------------------------------------|--------------|
| TOTAL PROJECT COST       | ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS |               | STATE FUNDS REQUESTED | OF FUNDS REQUESTED | FUNDING REQUIRED IN SUCCEEDING YEARS |              |
|                          | FY: 2012-2013                                | FY: 2013-2014 | FY:2014-2015          | FY:2014-2015       | FY:2015-2016                         | FY:2016-2017 |
| PLANS                    | N/A  | N/A           | N/A                   | N/A                | N/A                                  | N/A          |
| LAND ACQUISITION         | N/A  | N/A           | N/A                   | N/A                | N/A                                  | N/A          |
| DESIGN                   | N/A  | N/A           | N/A                   | N/A                | N/A                                  | N/A          |
| CONSTRUCTION             | N/A  | N/A           | N/A                   | N/A                | N/A                                  | N/A          |
| EQUIPMENT                | N/A  | N/A           | N/A                   | N/A                | N/A                                  | N/A          |
| TOTAL:                   |  |               |                       |                    |                                      |              |
| JUSTIFICATION/COMMENTS:  |  |               |                       |                    |                                      |              |

**DECLARATION STATEMENT OF  
APPLICANTS FOR GRANTS AND SUBSIDIES PURSUANT TO  
CHAPTER 42F, HAWAII REVISIED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
  - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
  - c) Agrees not to use state funds for entertainment or lobbying activities; and
  - d) Allows the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant or subsidy.
  
- 2) The applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is incorporated under the laws of the State; and
  - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.
  
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
  - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawaii Revised Statutes, for grants or subsidies used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant or subsidy was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant or subsidy used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Military Affairs Council  
(Typed Name of Individual or Organization)



(Signature)

1/31/14  
(Date)

Sherry Menor-McNamara

President/CEO