
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 for Hawaii's economy.

10 The purpose of this Act is to establish a military affairs
11 liaison trust fund to support a nonprofit corporation in its
12 duties as liaison in matters relating to the military and to
13 provide oversight for the military's presence in Hawaii and the
14 impact that 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 trust fund; established;
4 military affairs liaison; duties. (a) There is established the
5 military affairs liaison trust fund as a separate fund of a
6 Hawaii nonprofit corporation selected pursuant to subsection
7 (g). Moneys received from the state, county, or federal
8 government, private contributions of cash and other property,
9 and the income and capital gains earned by the fund shall
10 constitute the trust fund assets.

11 (b) The nonprofit corporation shall be authorized to
12 expend moneys from the trust fund for the purposes of this
13 chapter.

14 (c) The purpose of the trust fund is to support the
15 nonprofit corporation in its duties as the state liaison in
16 matters relating to the military. Those duties shall include:

17 (1) Serving as an advocate for the military and small
18 businesses desiring to do business with the military
19 and other federal agencies;

20 (2) Promoting a strong and viable partnership between the
21 state and county governments and the military
22 commands;



- 1 (3) Building rapport with installation commanders and
2 military communities;
- 3 (4) Facilitating business development opportunities for
4 small businesses in defense and other federal
5 contracting;
- 6 (5) Participating in discussions regarding the schooling
7 of military children in Hawaii's public schools;
- 8 (6) Facilitating coordination with the state and county
9 governments and private owners in providing the lands
10 and resources needed by the military to fulfill its
11 missions in defending and securing the United States
12 against all enemies;
- 13 (7) Supporting the military in complying with federal and
14 state laws on protecting and preserving Hawaii's
15 natural resources, cultural sites, and artifacts; and
- 16 (8) Promoting programs and activities to enhance the
17 quality of life for military personnel and their
18 families.
- 19 (d) The fund may receive contributions, grants, or gifts
20 in cash or otherwise from all sources. The public and private
21 sectors shall work together as partners in securing
22 contributions for the fund. The State may appropriate moneys to



1 the military affairs liaison trust fund by legislative
2 appropriation; provided that any appropriations made by the
3 legislature are not intended to supplant the funding of existing
4 programs.

5 (e) There shall be an endowment component of the military
6 affairs liaison trust fund.

7 (f) The aggregate principal sum deposited in the military
8 affairs liaison trust fund and any income and capital gains
9 earned by the trust fund that are not expended for grantmaking
10 or administration, shall be invested in accordance with the
11 provisions of the nonprofit corporation in a manner intended to
12 maximize the rate of return on investment of the trust fund
13 consistent with the objective of preserving the trust fund's
14 principal.

15 (g) The department of defense shall serve as the lead
16 agency for the public sector and, in conjunction with the
17 nonprofit corporation, may provide staffing for the advisory
18 committee established in section -2. The governor shall
19 select the nonprofit corporation that shall serve as the state
20 liaison in matters relating to the military.

21 (h) The fund shall be audited annually by an independent
22 auditor. The results of the annual audit of the nonprofit



1 corporation shall be submitted to the department of defense and
2 legislature no later than thirty days from the date the
3 nonprofit corporation receives the audit results. In addition,
4 the nonprofit corporation shall retain for a period of three
5 years and permit the department of defense, the department of
6 accounting and general services, the legislature, and the
7 auditor, or their duly authorized representatives, to inspect
8 and have access to all documents, papers, books, records, and
9 other material pertinent to the fund and audit.

10 (i) In the event of the termination of the trust fund or
11 the dissolution of the nonprofit corporation, the unspent
12 appropriations made by the State, if any, shall revert back to
13 the general fund. Any other amounts remaining in the military
14 affairs liaison trust fund shall be distributed at the
15 recommendation of the advisory committee.

16 § -2 Military affairs liaison trust fund advisory
17 committee. (a) There shall be a military affairs liaison trust
18 fund advisory committee to be placed in the department of
19 business, economic development, and tourism for administrative
20 purposes.

21 (b) The advisory committee shall:



- 1 (1) Make recommendations to the nonprofit corporation for
2 the expenditure of funds for the following activities:
- 3 (A) Grantmaking with private nonprofit organizations,
4 public agencies, or qualified individuals to
5 foster beneficial relations between the military
6 and the State;
- 7 (B) Grantmaking to raise community awareness of the
8 trust fund; and
- 9 (C) Administration of the trust fund;
- 10 (2) Establish criteria and guidelines for grantmaking;
- 11 (3) Publicize the fund and solicit moneys from public and
12 private sources;
- 13 (4) Promote statewide planning and strategies for
14 fostering beneficial relations between the military
15 and the State;
- 16 (5) Advise the department of defense on matters involving
17 the presence of the military in the State and the
18 impact of defense spending on Hawaii's economy; and
- 19 (6) Facilitate the exchange of information between groups
20 concerned with matters relating to the military, the
21 military's presence in Hawaii, and the impact that
22 defense spending has on Hawaii's economy.



1 (c) The advisory committee shall consist of seven members
2 to be appointed as follows:

3 (1) The governor shall select one member who shall
4 represent a nonprofit corporation to serve for a term
5 of two years; provided that the member may not serve
6 more than two consecutive terms;

7 (2) The governor shall select three members, one of whom
8 shall be a union representative, from a list of names
9 of seven persons submitted by the nonprofit
10 corporation; provided that the three members shall
11 serve for a term of two years; provided further that
12 none of these three members shall serve for more than
13 two consecutive terms;

14 (3) One member shall be appointed from among the members
15 of the senate by the president of the senate, to serve
16 until the expiration of the member's term in the
17 senate during which the member is appointed;

18 (4) One member shall be appointed from among the members
19 of the house of representatives by the speaker of the
20 house to serve until the expiration of the member's
21 term in the house of representatives during which the
22 member is appointed; and



1 (5) One member shall be the adjutant general or the
2 adjutant general's designee.

3 (d) The members of the advisory committee shall serve
4 without compensation but shall be reimbursed for reasonable
5 expenses, including travel expenses, necessary for the
6 performance of their duties.

7 § -3 Grants. Subject to the approval of the adjutant
8 general, grants provided for the fostering of beneficial
9 relations between the military and the State may be used to,
10 among other things:

11 (1) Advocate for the military and small businesses
12 desiring to do business with the military and other
13 federal agencies;

14 (2) Promote a strong and viable partnership between the
15 state and county governments and the military
16 commands;

17 (3) Build rapport with installation commanders and
18 military communities;

19 (4) Facilitate business development opportunities for
20 small businesses in defense and other federal
21 contracting;



- 1 (5) Participate in discussions regarding the education of
2 military children in Hawaii's public schools;
- 3 (6) Facilitate coordination with the state and county
4 governments and private owners in providing the lands
5 and resources needed by the military to fulfill its
6 missions in defending and securing the United States
7 against all enemies;
- 8 (7) Support the military in complying with federal and
9 state laws on protecting and preserving Hawaii's
10 natural resources, cultural sites, and artifacts; and
- 11 (8) Promote programs and activities to enhance the quality
12 of life for military personnel and their families."

13 SECTION 3. There is appropriated out of the general
14 revenues of the State of Hawaii the sum of \$1 or so much thereof
15 as may be necessary for fiscal year 2011-2012 and the same sum
16 or so much thereof as may be necessary for fiscal year 2012-2013
17 for deposit into the military affairs liaison trust fund.

18 SECTION 4. There is appropriated out of the military
19 affairs liaison trust fund the sum of \$ or so much
20 thereof as may be necessary for fiscal year 2011-2012 and the
21 same sum or so much thereof as may be necessary for fiscal year



1 2012-2013 for the purposes of chapter , Hawaii Revised
2 Statutes, relating to the military affairs liaison trust fund.

3 The sums appropriated shall be expended by the nonprofit
4 corporation selected pursuant to section -1(g), Hawaii
5 Revised Statutes, for the purposes of this Act.

6 SECTION 5. This Act shall take effect on July 1, 2030.



Report Title:

Military Affairs Liaison Trust Fund; Appropriation

Description:

Establishes the Military Affairs Liaison Trust Fund as a separate fund of a nonprofit corporation, to support the nonprofit corporation in its duties as the state liaison in matters relating to the military. Appropriates funds for the trust fund. Effective 7/1/30. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

