

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

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

THE TWENTY-SIXTH LEGISLATURE  
HAWAII STATE LEGISLATURE  
APPLICATION FOR GRANTS & SUBSIDIES  
CHAPTER 42F, HAWAII REVISED STATUTES

Log No: 101-0

For Legislature's Use Only

Type of Grant or Subsidy Request:

Rec'd JAN 28 2011

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):

DEPARTMENT OF BUSINESS, ECONOMIC, DEVELOPMENT, AND TOURISM

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:

Street Address:

1132 Bishop St., Suite 402, Honolulu, HI 96813

Mailing Address:

Same as above

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name CHARLES M. OTA

Title Vice President, Military Affairs

Phone # 545-4300 x320

Fax # 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 TO CHAMBER TO ACT AS THE STATE LIAISON ON MATTERS RELATING TO THE MILITARY AND PROVIDE OVERSIGHT FOR THE DEFENSE INDUSTRY IN HAWAII.

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

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

7. AMOUNT OF STATE FUNDS REQUESTED:

FY 2011-2012: \$ 166,175

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 \$ \_\_\_\_\_

FEDERAL \$ \_\_\_\_\_

COUNTY \$ \_\_\_\_\_

PRIVATE/OTHER \$ \_\_\_\_\_

JAMES C. TOLLEFSON, PRESIDENT/CEO

1/27/11

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 Chamber of Commerce of Hawaii (The Chamber) was established in 1850. During its formative years, The Chamber was instrumental in shaping Hawaii's commerce and trade program. Since then, The Chamber served as Hawaii's leading "Voice of Business" and advocate in growing Hawaii's economy.**

**Since 1985, at the request of then Governor Ariyoshi, The Chamber established its Military Affairs Council (MAC) as an unencumbered affiliate of The Chamber to serve as the liaison for the state in matters relating to the military, provide oversight for the state's growing defense industry, and act as the advocate for the military.**

**The MAC has successfully accomplished its work for the past 25 years having established an enduring and viable partnership with the military commanders and defense officials in Hawaii and Washington, DC, and the defense industry is now the second major source of revenues to the state and jobs for residents.**

**The state and The Chamber shared in the costs incurred in conducting the affairs of the MAC. Until 2007, the legislature approved Grants in Aid to finance the state's share of the cost of providing oversight for the defense industry.**

2. The goals and objectives related to the request;

**The purpose of this request is to enable the MAC to continue its crucial role as the liaison for the state in matters relating to the military and providing oversight for the multi-billion dollar defense industry.**

In serving as the liaison for state, the MAC assumes responsibility for protecting and enhancing the military's presence in the state and maximizing economic returns from the military's presence through greater business opportunities for Hawaii's small businesses and good paying jobs for residents.

The defense industry accounts for generating more than \$10.1 billion into Hawaii's economy and creating some 92,000 jobs for residents who reported annual household earnings topping \$6.4 billion.

Moreover, the defense industry has attracted the nation's top defense contractors such as BAE Systems, Boeing, Lockheed Martin, Booz Allen Hamilton, Northrop Grumman, and several others to Hawaii.

These contractors mentor and provide support for the state's emerging research and development industry, which is the foundation for establishing a sustainable high technology industry for Hawaii. R&D businesses such as Oceanit, Archinotechs, Terasys Technolgies, Williams Aerospace, Referentia, Novosol and others are paving the way for establishing and sustaining growth in the technology industry.

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

The military and other defense agencies employ about 20,000 residents in appropriated and non-appropriated civilian positions, most of which are in excellent career fields. The Pearl Harbor Naval Shipyard with some 4,500 civilians in professional engineering and highly skilled technical jobs is an excellent example.

With annual defense expenditures exceeding \$6.8 billion, Hawaii's small businesses have thousands of business opportunities as defense contractors or subcontractors. Defense expenditures have been the most stable source of revenues for the state during difficult economic trends.

The military is Hawaii's partner in responding to disasters and emergencies. They provide vital services that are not within the capabilities of the state or counties.

Military units and members are also major partners in improving our public schools and have contributed thousands of hours in volunteer hours to mentor students in STEM initiatives such as robotics. They are volunteer leaders for community programs such as the Special Olympics, Great Aloha Run, Institute of Human Services, Big

**Brothers/Big Sisters, and others. They help to keep our parks, beaches and highways clean.**

4. Describe the target population to be served;

**The military's presence reaches all populations in Hawaii, but most especially to Hawaii's small businesses and residents. It is a leading source of small business opportunities for those in construction, retail, wholesale distribution, and development, and affords thousands of residents with job opportunities in a wide range careers.**

**Furthermore, military members form a strong network of volunteers that provide vital services to community groups, non-profits organizations, schools, churches, and local governments.**

5. Describe the geographic coverage.

**The military is concentrated on O`ahu but is also present on Hawaii Island, Maui, and Kauai. The Pacific Missile Range Facility at Barking Sands, Kauai is the largest employer on the island next to Kauai County. The military's contributions in disaster and emergency relief extend to all islands.**

## **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 Chamber is responsible for serving as the liaison for the state in matters relating to the military and in providing oversight for the defense industry. To meet this responsibility, The Chamber has established the Military Affairs Council (MAC) and the Armed Services Committee (ASC) and administers the O`ahu Council.**

**The MAC is comprised of business leaders and retired flag and general officers and senior representatives from the state and City and County of Honolulu and offices of Hawaii's congressional delegation serving on congressional military committees.**

**The ASC is comprised of military public affairs representatives, business owners, nongovernment agencies affiliated with the**

**military, and others interested in supporting the military.**

**The O`ahu Council is co-charied by the Governor of Hawaii and the Commander of the US Pacific Command. Members include the State Senate President, Speaker of the state House of Representatives, Mayor of Honolulu, the commanders of the US Pacific Fleet, Pacific Air Forces, US Army Pacific, Marine Forces, Pacific, 14<sup>th</sup> Coast Guard District, state Adjutant General, and leaders of The Chamber and Hawaii Business Roundtable. The Council meets once or twice a year at the call of the Co-Chairs.**

**The MAC and ASC meet in regularly scheduled bi-monthly meetings and at the call of the Chairs for special meetings as required. The MAC meets with the Commanders of the Pacific Command, and component commanders, while the ASC meets with base-level commands. The MAC also meets annually with defense officials and military commanders in the Pentagon and Washington, DC area.**

**The MAC serves to protect and enhance the military's presence in Hawaii, and meets with commanders to ensure that they have the resources to accomplish its work, and that the troops and families enjoy a high quality of life while serving in Hawaii.**

**The MAC meets with senior commanders at least annually to discuss their concerns, and visits Washington, DC annually to meet with defense officials, military commanders, Hawaii's congressional delegation, and staffers on the US Senate and House Armed Committees to discuss concerns affecting the military.**

**The MAC conducts annual briefings presented by Hawaii's senior commanders on security concerns in the Pacific and status of forces in Hawaii. This annual update serves to keep Hawaii's leaders well informed on the security concerns in the Pacific.**

**The MAC also conducts other activities such as the annual Hawaii Military Appreciation Month activities to provide support and extend appreciation for all the military does to make Hawaii a safer and better place. Other activities include providing small business with opportunities to do business with the military, jobs for residents, and helping to improve public schools attended by military children.**

**The MAC has established and maintained a strong and viable partnership with the military commanders and defense officials in both Hawaii and Washington, DC. It meets regularly with officials and commanders at the highest levels and has served to ensure that the military's presence is not compromised or diminished.**

**Among the significant achievements of the MAC occurred in 2005 when it led Hawaii's delegation in keeping the Pearl Harbor Naval Shipyard for closure during the Congressional base realignment and closure proceedings. The MAC prepared Hawaii's written opposition to the BRAC Commission that eventually resulted in a one-vote margin of victory. The MAC also worked with the military to successfully implement the military's housing privatization initiative in Hawaii. This was a major initiative that involved a \$3.5 billion construction program under a project labor agreement that proved to be a welcomed boost to Hawaii's construction industry and in creating hundreds of jobs for residents.**

2. The applicant will provide a projected timeline for accomplishing the results or outcomes of the service:

**The following is the timeline for accomplishing the Chamber's Military Affairs program:**

- **January: Annual Hawaii Military Partnership to update government and business leaders on the security concerns in the Pacific and the status of forces in Hawaii.**
- **April/May: Annual MAC delegation visits senior commanders in Hawaii in preparation for the annual MAC visit to Washington, DC.**
- **May: Annual Hawaii Military Appreciation Month program.**
- **June: Annual MAC Delegation visit to Washington, DC**
- **January, March, May, July, September, and November: regular meetings of the MAC and ASC.**
- **March and October: Meetings of the O`ahu Council**

**Special meetings and activities occur throughout the years as necessary. Examples include meetings with visiting defense officials, congressional delegates, and senior commanders.**

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 MAC meets as necessary with the Governor/Lt Governor and military committee chairs of the Legislature to discuss defense issues and concerns that require state attention. The MAC also keeps The Chamber and Hawaii Business Roundtable well informed on military affairs that impact the state's economy.**

**The MAC maintains a matrix of military affairs issues and projects that updates the status of actions at bi-monthly MAC meeting. The**

**Chair of the ASC, state Adjutant General, and representatives of Hawaii’s congressional delegation provide updates at regular MAC meetings to keep the Chamber and Hawaii Business Roundtable well informed on military affairs.**

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.

**The effectiveness of The Chamber will be measured by the successful completion of the activities/programs listed in paragraph 2 above. The Chamber’s success in maintaining a strong and viable partnership with the military and US Department of Defense will help to preserve Hawaii’s prominence in serving as the center of military operations in the Pacific, and maximizing economic benefits for Hawaii and its small businesses. A final report on the actions completed by The Chamber will be submitted as required by the state’s expending agency as stipulated by the legislature and state’s authorizing document.**

### **III. Financial**

#### **Budget**

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

**Attached.**

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2011-2012.

| Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Total Grant |
|-----------|-----------|-----------|-----------|-------------|
| \$40,000  | \$40,000  | \$40,000  | \$46,175  | \$166,175   |

3. The applicant shall provide a listing of all other sources of funding that they are trying to obtain for fiscal year 2011-2012.

**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 Chamber has successfully accomplished its responsibility in serving as the liaison for the state in matters relating to the military, and in providing oversight for the defense industry since 1985.**

**The Chamber's MAC and ASC include representatives from the state and county and business leaders and retired military flag and general officers. Moreover, the O`ahu Council is led by the Governor and other leaders in state and county governments and the senior commanders in Hawaii.**

**The relationship between the military and US Department of Defense has never been more viable, and the defense industry has grown to become the second major source of revenues to Hawaii's economy and source of jobs for residents.**

**The defense industry has also become a major focal point in diversifying Hawaii's economy. The presence of large defense contractors in Hawaii provides great potential in establishing a vibrant research and development industry.**

**The Chamber has successfully completed the programs listed in paragraph II. 2. above since 1985.**

### **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 is adequately managed through facilities available at the offices of The Chamber. No additional facilities are required at present.**



## **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 Chamber's Military Affairs function is staffed by one person who is a retired military officer and has served in position since 1998. The MAC, ASC, and Oahu Council provide highly qualified individuals well experienced in military and business matters. The Chamber's staff and its officers and Board of Directors provide additional oversight and supplementary support for the program.**

### **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 individual responsible for the military affairs program is responsible for the MAC, ASC, and the O`ahu Council, and reports directly to the President/CEO of The Chamber. There is no other staff position. The rest of The Chamber staff provides support and/or administrative services as required.**

## **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**

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, 2011 to June 30, 2012)

Applicant: Chamber of Commerce of Hawaii

| <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>            |                                        |                                                                              |                |            |
| 1. Salaries                         | 112,500                                | 135,000                                                                      |                |            |
| 2. Payroll Taxes & Assessments      | 14,625                                 | 17,550                                                                       |                |            |
| 3. Fringe Benefits                  | 33,750                                 | 33,750                                                                       |                |            |
| <b>TOTAL PERSONNEL COST</b>         | <b>160,875</b>                         | <b>186,300</b>                                                               |                |            |
| <b>B. OTHER CURRENT EXPENSES</b>    |                                        |                                                                              |                |            |
| 1. Airfare, Inter-Island            | 300                                    | 600                                                                          | 1,000          |            |
| 2. Insurance                        |                                        |                                                                              |                |            |
| 3. Lease/Rental of Equipment        |                                        |                                                                              |                |            |
| 4. Lease/Rental of Space            |                                        | 10,000                                                                       |                |            |
| 5. Staff Training                   |                                        |                                                                              |                |            |
| 6. Supplies                         |                                        | 6,000                                                                        |                |            |
| 7. Telecommunication                |                                        |                                                                              |                |            |
| 8. Utilities                        |                                        |                                                                              |                |            |
| 9 Programs and projects             | 5,000                                  | 7,500                                                                        | 161,200        |            |
| 10 MAC Washington DC trip           |                                        | 15,000                                                                       | 42,000         |            |
| 11                                  |                                        |                                                                              |                |            |
| 12                                  |                                        |                                                                              |                |            |
| 13                                  |                                        |                                                                              |                |            |
| 14                                  |                                        |                                                                              |                |            |
| 15                                  |                                        |                                                                              |                |            |
| 16                                  |                                        |                                                                              |                |            |
| 17                                  |                                        |                                                                              |                |            |
| 18                                  |                                        |                                                                              |                |            |
| 19                                  |                                        |                                                                              |                |            |
| 20                                  |                                        |                                                                              |                |            |
| <b>TOTAL OTHER CURRENT EXPENSES</b> | <b>5,300</b>                           | <b>39,100</b>                                                                | <b>204,200</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>166,175</b>                         | <b>225,400</b>                                                               | <b>204,200</b> |            |
| <b>SOURCES OF FUNDING</b>           |                                        | Budget Prepared By:                                                          |                |            |
| (a) Total State Funds Requested     | 166,175                                | Charles M. Ota <span style="float:right">545-4300 x320</span>                |                |            |
| (b) Chamber Funds                   | 225,400                                | Name (Please type or print) <span style="float:right">Phone</span>           |                |            |
| © Private Funds                     | 204,200                                | [REDACTED]                                                                   |                |            |
| (d)                                 |                                        |                                                                              |                |            |
| <b>TOTAL BUDGET</b>                 | <b>595,775</b>                         | James C. Tollefson, President & CEO<br>Name and Title (Please type or print) |                |            |

## BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: Chamber of Commerce of Hawaii

Period: July 1, 2011 to June 30, 2012

| 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) |
|----------------------------------|----------------------|--------------------|-------------------------------------------|----------------------------------------|
| Director, Military Affairs       | 1                    | \$75,000.00        | 90.00%                                    | \$ 67,500.00                           |
| Military Affairs - Support Staff | 0.92                 | \$60,000.00        | 75.00%                                    | \$ 45,000.00                           |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
|                                  |                      |                    |                                           | \$ -                                   |
| <b>TOTAL:</b>                    |                      |                    |                                           | <b>112,500.00</b>                      |
| <b>JUSTIFICATION/COMMENTS:</b>   |                      |                    |                                           |                                        |

## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant:   The Chamber of Commerce of Hawaii      Period: July 1, 2011 to June 30, 2012

| DESCRIPTION<br>EQUIPMENT       | NO. OF<br>ITEMS | COST PER<br>ITEM | TOTAL<br>COST | TOTAL<br>BUDGETED |
|--------------------------------|-----------------|------------------|---------------|-------------------|
| None                           |                 |                  | \$ -          |                   |
|                                |                 |                  | \$ -          |                   |
|                                |                 |                  | \$ -          |                   |
|                                |                 |                  | \$ -          |                   |
|                                |                 |                  | \$ -          |                   |
| <b>TOTAL:</b>                  |                 |                  |               |                   |
| <b>JUSTIFICATION/COMMENTS:</b> |                 |                  |               |                   |

| DESCRIPTION<br>OF MOTOR VEHICLE | NO. OF<br>VEHICLES | COST PER<br>VEHICLE | TOTAL<br>COST | TOTAL<br>BUDGETED |
|---------------------------------|--------------------|---------------------|---------------|-------------------|
| None                            |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
| <b>TOTAL:</b>                   |                    |                     |               |                   |
| <b>JUSTIFICATION/COMMENTS:</b>  |                    |                     |               |                   |

**BUDGET JUSTIFICATION  
CAPITAL PROJECT DETAILS**

Applicant: The Chamber of Commerce of Hawaii\_\_

Period: July 1, 2011 to June 30, 2012

| 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: 2009-2010                                | FY: 2010-2011 | FY:2011-2012          | FY:2011-2012       | FY:2012-2013                         | FY:2013-2014 |
| PLANS                                                                                               |                                              |               | None                  |                    |                                      |              |
| LAND ACQUISITION                                                                                    |                                              |               | None                  |                    |                                      |              |
| DESIGN                                                                                              |                                              |               | None                  |                    |                                      |              |
| CONSTRUCTION                                                                                        |                                              |               | None                  |                    |                                      |              |
| EQUIPMENT                                                                                           |                                              |               | None                  |                    |                                      |              |
| <b>TOTAL:</b>                                                                                       |                                              |               |                       |                    |                                      |              |
| <b>JUSTIFICATION/COMMENTS: THIS SCHEDULE IS NOT APPLICABLE TO THE CHAMBER'S REQUEST FOR FUNDING</b> |                                              |               |                       |                    |                                      |              |

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

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawai'i Revised Statutes:

- (1) 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;
- (2) Comply 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;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow 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.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) 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.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

For a grant or subsidy 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.

The Chamber of Commerce of Hawaii



(Signature)

1/27/11

(Date)

James C. Tollefson

(Typed Name)

President/CEO

(Title)