Testimony to the Senate Committee on Ways and Means Wednesday, March 28, 2012 9:30 AM Conference Room 211

RE: HOUSE BILL NO. 2410, HD1, RELATING TO MILITARY

Chair Ige, Vice Chair Kidani, 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. 2410, HD1, Relating to Military.

The measure proposes to require the Governor, on behalf of the state, to enter into a memorandum of understanding (MOU) with the US Department of Defense to enhance the state's relationship with the military and provide continued support for the military's presence in Hawaii.

The Chamber's Military Affairs Council (MAC) has served as the liaison for the state in matters relating to the U.S. military since 1985, and provides oversight for the State's multi-billion dollar defense industry.

We concur with the comments stated in Section 1 of the proposed bill, which clearly indentifies the defense industry as one of the primary pillars in Hawaii's economy. The action proposed in this measure would help to protect and enhance growth in the defense industry

A formal MOU is essential to protecting against any misunderstandings between the state and the military. It would add clarity in indentifying the needs of the military and the actions necessary on the part of the state to satisfy those needs. This is especially important since senior military commanders rotate in and out of Hawaii at two to three year intervals, leaving little time for them to learn about state land use policies and collaborate with state officials in matters relating to land use.

Furthermore, it should be noted that the actions proposed in this measure would protect Hawaii's defense industry from the challenges that are being launched by competing defense communities throughout the US. The ongoing budget-cutting debates and actions being considered by the Congress and defense officials in the Pentagon have prompted US defense communities to expedite the adoption of measures to protect its existing military bases from closure or force realignments that result in decreasing military presence.

The Pentagon and President Obama have already proposed conducting two Base Realignment and Closure (BRAC) proceedings in 2013 and 2015, raising an ominous threat of the severity of actions that must be taken within the next 5-10 years to balance the federal budget.

In light of the above, the MAC and the Chamber strongly recommend that this measure be passed and expedited to counter budget-cutting measures being proposed by the US Department of Defense and the Congress, and to successfully compete against other US defense communities.

Thank you for this opportunity to testify on this important measure.