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# A BILL FOR AN ACT

RELATING TO INTERNATIONAL AFFAIRS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that fifty years ago,  
2 Act 82, Session Laws of Hawaii 1975, established an educational  
3 non-profit public corporation to administer and operate what is  
4 today known as the East-West center. The mission of the  
5 East-West center is to benefit local residents and the State's  
6 international partners by strengthening the State's international  
7 ties and advancing cooperation across the Pacific. It has been  
8 an invaluable partner that is well suited to continuing to assist  
9 the State in building partnerships, expanding economic  
10 development and education, and collaborating abroad.

11           The legislature further finds that strong sister-state,  
12 sister-school, and similar relationships benefit the State's  
13 businesses and economy, improve access to flights and  
14 transportation, expand high school and college student  
15 educational exchanges, broaden access to Pacific culture and  
16 arts, preserve the State's relationships to the places of origin  
17 of its immigrant communities, and spur sub-national government



1 collaborations to address common priorities, including the  
2 eradication of invasive species, promotion of economic  
3 development, advancement of clean energy, and preservation of  
4 peace between nations. Further, it is appropriate for the State  
5 to explore and take advantage of additional ways that Hawaii can  
6 benefit from international partnerships, including generating  
7 revenue abroad similar to many other jurisdictions. For example,  
8 hosting facilities abroad for local farmers and retailers to more  
9 easily sell Hawaii products in key markets, or investing in  
10 projects that generate a return. This enables direct financial  
11 benefit that can create revenue to support Hawaii programs and  
12 services without additional expense to local taxpayers.

13       The legislature also finds that international relations  
14 between East and West across the Pacific have been rapidly  
15 changing. Additionally, previous generations of the State's key  
16 community, business, and government leaders who have carefully  
17 fostered and maintained these important relationships are  
18 retiring or passing on. If local residents are going to  
19 continue to benefit from the State's international ties, and if  
20 Hawaii is going to take advantage of international business and  
21 revenue opportunities abroad as so many other jurisdictions



1 currently do, it is critical that the State adjust its engagement  
2 strategy, ensure continuity with its sister-state communities and  
3 partners, and plan for the future.

4 Therefore, the legislature finds that in celebration of the  
5 fiftieth anniversary of the legislature's establishment of the  
6 East-West center, the State must update its international  
7 engagement strategy, and reaffirm its commitment to building and  
8 maintaining the international partnerships that have benefitted  
9 the State over the years, so they can continue to benefit local  
10 residents for generations to come.

11 Accordingly, the purpose of this Act is to:

- 12 (1) Engage local leaders with strong relationships abroad  
13 to support the governor and legislature in  
14 strengthening international partnerships, by  
15 redesignating the Hawaii sister-state committee as the  
16 Hawaii sister-state and international partnerships  
17 commission;
- 18 (2) Enable the East-West center to better help and  
19 maintain the State's international relationships,  
20 programs, and partnerships; and



1 (3) Enable the State to more easily generate revenue from  
2 international partnerships and investment as other  
3 jurisdictions do, where appropriate.

4 SECTION 2. Chapter 201, Hawaii Revised Statutes, is  
5 amended by adding two new sections to part I to be appropriately  
6 designated and to read as follows:

7 "§201- East-West center. (a) The official designation  
8 of the East-West center shall be the center for cultural and  
9 technical interchange between East and West, Inc.

10 (b) The qualifying standards and conditions related to the  
11 receipt of funds under chapter 42F shall not apply to funds  
12 received by the East-West center; provided that if the East-West  
13 center contracts with a recipient or provider, then the  
14 qualifying standards, conditions, and other provisions of  
15 chapter 42F shall apply to the recipient or provider and the  
16 contract.

17 (c) To receive state funds, the center for cultural and  
18 technical interchange between East and West, Inc. shall:

19 (1) Be licensed or accredited, in accordance with federal,  
20 state, or county statutes, rules, or ordinances, to



- 1           conduct the activities or provide the services for  
2           which state funds are appropriated;
- 3           (2) Comply with all applicable federal and state laws  
4           prohibiting discrimination against any person on the  
5           basis of race, color, national origin, religion,  
6           creed, sex, age, sexual orientation, or disability;
- 7           (3) Agree not to use the funds for entertainment or  
8           lobbying activities;
- 9           (4) Be incorporated under the laws of the State;
- 10          (5) Have bylaws or policies that describe the manner in  
11          which the activities or services for which a grant is  
12          awarded shall be conducted or provided;
- 13          (6) Have been determined and designated to be a tax-exempt  
14          organization by the Internal Revenue Service; and
- 15          (7) Have a governing board whose members shall have no  
16          material conflict of interest and serve without  
17          compensation.
- 18          (d) The comptroller and state auditor may examine the use  
19          of funds appropriated to the center for cultural and technical  
20          interchange between East and West, Inc.



1       (e) The allocation of state support shall not impinge on  
2 the autonomy of the center for cultural and technical  
3 interchange between East and West, Inc., nor imply state control  
4 over its programs or policies, except as provided in this  
5 section.

6       (f) The center for cultural and technical interchange  
7 between East and West, Inc. shall submit to the legislature an  
8 annual report no later than twenty days prior to the convening  
9 of each regular session, which shall include an explanation of  
10 the facility maintenance and other functions accomplished by  
11 state fund expenditures in the previous fiscal year."

12       SECTION 3. Section 201-17, Hawaii Revised Statutes, is  
13 amended by amending subsection (b) to read as follows:

14       "(b) The office shall:

- 15       (1) Develop policies that promote and strengthen relations  
16             with other countries in the areas of international  
17             business, economy, culture, and the arts;
- 18       (2) Develop policies that promote transportation between,  
19             and tourism with, other countries;
- 20       (3) Develop and promote international telecommunications  
21             and high technology exchanges;



- 1 (4) Encourage the development of international sister-city  
2 programs, pairing Hawaii cities with cities around the  
3 globe for artistic, cultural, economic, educational,  
4 and faith-based exchanges;
- 5 (5) Develop and promote Hawaii as the economic, trade,  
6 commerce, transportation, banking, and tourism hub of  
7 the Pacific;
- 8 (6) Develop an international affairs and peace education  
9 curriculum that includes studies of international  
10 affairs and peace initiatives and takes a proactive,  
11 strategic approach to the development of policies that  
12 promote the prevention of national and international  
13 conflict, nonviolent intervention, mediation, peaceful  
14 resolution of conflict, and structured mediation of  
15 conflict; ~~and~~
- 16 (7) Provide for exchanges of individuals between Hawaii  
17 and other nations to develop international and  
18 peace-based initiatives~~[-]~~; and
- 19 (8) Provide support to the Hawaii sister-state and  
20 international partnerships commission."



1 SECTION 4. Section 201-81, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 **"§201-81 Establishment of out-of-state offices; purposes.**

4 The department of business, economic development, and tourism  
5 may establish and operate offices and facilities in out-of-state  
6 locations, including foreign nations, to effectuate the  
7 following purposes:

- 8 (1) Develop programs to reach targeted companies or  
9 industries in the respective area and surrounding  
10 regions;
- 11 (2) Monitor out-of-state government policies and  
12 regulations that have an impact on business, markets,  
13 sales, tourism, and related activities;
- 14 (3) Host government and business officials at conferences,  
15 meetings and social occasions, or other events on  
16 matters pertaining to business opportunities and  
17 attraction of investments for the State;
- 18 (4) Develop and conduct advertising efforts, promotional  
19 events, media coverage, and educational programs  
20 regarding commerce in the State; [~~and~~]



- 1 (5) Conduct related operations as needed, [~~such as~~  
2 including hiring or contracting for consultants[-];  
3 (6) Support sister-state, -province, and other  
4 partnerships that promote and enrich the people,  
5 cultures, environments, and economies of the State and  
6 its international partners; and  
7 (7) Generate revenue for the State."

8 SECTION 5. Section 201-82, Hawaii Revised Statutes, is  
9 amended to read as follows:

10 "**§201-82 Powers of the department.** The department,  
11 subject to the approval of the director of budget and finance,  
12 shall have the following general powers to operate out-of-state  
13 offices and facilities established:

- 14 (1) To enter into contracts, leases, or cooperative  
15 agreements, or perform other transactions with any  
16 person, firm, partnership, association, company,  
17 corporation, or foreign nation, as may be necessary in  
18 the conduct of its business and on [~~such~~] any terms as  
19 the department may deem appropriate, using competitive  
20 procurement practices, to the extent practicable, in  
21 accordance with rules adopted by the policy board;



- 1 (2) To establish operational bank accounts in out-of-state  
2 locations, including foreign denomination accounts, as  
3 may be necessary in the conduct of its business,  
4 notwithstanding the provisions of chapter 38;
- 5 (3) To receive by gifts, grants, devises, bequests, or  
6 otherwise from private sources or a foreign nation,  
7 any property, real, personal, or mixed, intangible or  
8 tangible, absolutely or in trust, to be used and  
9 disposed of, either the principal or the income  
10 therefrom, in accordance with the conditions under  
11 which it was received;
- 12 (4) To buy, sell, lease, rent, hold, maintain, use, and  
13 operate any property, real, personal, or mixed,  
14 tangible or intangible, in accordance with the  
15 conditions under which it was received;
- 16 (5) To hire such personnel as may be necessary in the  
17 conduct of its business and on [~~such~~] any terms as the  
18 department may deem appropriate; and
- 19 (6) To do any or all other acts reasonably necessary to  
20 carry out the objects and purposes of this part,  
21 provided that the department shall not obligate any



1 funds of the State not appropriated to the  
2 department."

3 SECTION 6. Section 229-2, Hawaii Revised Statutes, is  
4 amended to read as follows:

5 "~~{}~~§229-2~~{}~~ **Hawaii sister-state ~~[committee]~~ and**  
6 **international partnerships commission.** ~~[(a)] There shall be~~  
7 ~~established the Hawaii sister-state committee, to be placed~~  
8 ~~within the department of business, economic development, and~~  
9 ~~tourism for administrative purposes only, consisting of five~~  
10 ~~members appointed by the governor as provided in section 26-34.~~

11 ~~The purpose of the committee shall be to advise the~~  
12 ~~governor and the legislature on matters relating to sister-state~~  
13 ~~or province relations and relations, in general, between the~~  
14 ~~State and the states or provinces of foreign countries.~~

15 ~~{(b)} The governor shall appoint five members, one member~~  
16 ~~from each of five lists of nominees submitted respectively by~~  
17 ~~the following:~~

- 18 ~~(1) Speaker of the house of representatives;~~  
19 ~~(2) President of the senate;~~  
20 ~~(3) Native Hawaiian cultural organization;~~  
21 ~~(4) East-West Center; and~~



1 ~~(5) Hawaii State Association of Counties.~~

2 ~~A chair and vice chair of the committee shall be appointed~~  
3 ~~by the committee members from among themselves. Members shall~~  
4 ~~serve without compensation but shall be reimbursed for expenses,~~  
5 ~~including travel expenses, necessary for the performance of~~  
6 ~~their duties.]~~

7 (a) There is established within the department of  
8 business, economic development, and tourism for administrative  
9 purposes only the Hawaii sister-state and international  
10 partnerships commission.

11 (b) The commission shall support the governor,  
12 legislature, and office of international affairs in building and  
13 maintaining strategic long-term sister-state, -province, and  
14 other partnerships that promote and enrich the people, cultures,  
15 environments, and economies of the State and its international  
16 partners.

17 (c) The commission shall consist of the following members:

18 (1) Three members appointed by the governor, with the  
19 advice and consent of the Senate; provided that two of  
20 the three members appointed by the governor shall be



- 1           from a list of at least three nominees submitted  
2           respectively by the:
- 3           (A) Office of Hawaiian affairs; and  
4           (B) East-West center;
- 5           (2) One member appointed by the president of the senate;  
6           (3) One member appointed by the speaker of the house of  
7           representatives; and
- 8           (4) The chairs of the respective senate and house  
9           committees with jurisdiction over international  
10           affairs who shall serve as ex-officio, non-voting  
11           members of the commission.
- 12           (d) The commission shall elect from among its members a  
13           chairperson and vice-chairperson.
- 14           (e) Members of the commission shall serve without  
15           compensation but shall be reimbursed for expenses, including  
16           travel expenses, necessary for the performance of their duties."

17           SECTION 7. Section 229-3, Hawaii Revised Statutes, is  
18           amended to read as follows:

19           "~~§229-3~~ **Initiating sister-state relationships.** The  
20           Hawaii sister-state ~~committee~~ and international partnerships  
21           commission shall evaluate and develop recommendations for the



1 initiation of all sister-state or province relationships and  
2 forward its recommendation to the legislature. The legislature,  
3 if it so chooses, shall implement the recommendation to initiate  
4 a sister-state or province relationship by either adopting a  
5 concurrent resolution or by enacting session law to that  
6 effect."

7 SECTION 8. Section 229-4, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 "[+]§229-4[+] **Maintaining sister-state relationships.** The  
10 Hawaii sister-state [~~committee~~] and international partnerships  
11 commission shall periodically evaluate established sister-state  
12 relationships and forward its recommendations on maintaining  
13 sister-state relationships to the governor and to the  
14 legislature."

15 SECTION 9. Section 229-5, Hawaii Revised Statutes, is  
16 amended to read as follows:

17 "[+]§229-5[+] **Dissolving sister-state relationships.** The  
18 Hawaii sister-state [~~committee~~] and international partnerships  
19 commission may make a recommendation to terminate a sister-state  
20 relationship it deems to be defunct, moribund, or not beneficial  
21 and forward its recommendation to the legislature. The



1 legislature, if it so chooses, shall implement the  
2 recommendation to terminate a sister-state relationship either  
3 by adopting a concurrent resolution or by enacting session law  
4 to that effect."

5 SECTION 10. There is appropriated out of the general  
6 revenues of the State of Hawaii the sum of \$ or so  
7 much thereof as may be necessary for fiscal year 2025-2026 and  
8 the same sum or so much thereof as may be necessary for fiscal  
9 year 2026-2027 for the office of international affairs to  
10 develop an:

- 11 (1) Updated strategy for the State's international  
12 engagement in the twenty-first century; and  
13 (2) Analysis of potential investment and revenue  
14 generation abroad.

15 The sums appropriated shall be expended by the department  
16 of business, economic development, and tourism for the purposes  
17 of this Act.

18 SECTION 11. There is appropriated out of the general  
19 revenues of the State of Hawaii the sum of \$ or so  
20 much thereof as may be necessary for fiscal year 2025-2026 and  
21 the same sum or so much thereof as may be necessary for fiscal



1 year 2026-2027 for the East-West center to assist in the  
2 development and maintenance of the State's international  
3 relationships, programs, and partnerships.

4 The sums appropriated shall be expended by the university  
5 of Hawaii for the purposes of this Act.

6 SECTION 12. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8 SECTION 13. This Act shall take effect on July 1, 2050.



**Report Title:**

DBEDT; Office of International Affairs; Hawaii Sister-State and International Partnerships Commission; East-West Center; Sister-State Relationships; Appropriations

**Description:**

Establishes the Hawaii Sister-State and International Partnerships Commission. Requires the Office of International Affairs to provide support to the Hawaii Sister-State and International Partnerships Commission. Allows the Department of Business, Economic Development, and Tourism to establish out-of-state offices and facilities to support sister-state and other partnerships that promote and enrich the people, cultures, environments, and economies of the State and its international partners, generate revenue for the State, and buy property. Appropriates funds. Effective 7/1/2050. (SD2)

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