

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

October 29, 2025

The Honorable Dan Driscoll
Secretary of the Army
101 Army Pentagon
Washington, D.C. 20310-0101

SUBJECT: Summary of Federal Consultations and Path Forward for Army Training
Lands in Hawai'i

I. Purpose

This memorandum summarizes recent consultations I held with senior leadership across multiple federal departments regarding the future of Army training lands in Hawai'i. It outlines a proposed path forward grounded in the *Statement of Principles* that you and I signed on September 29, 2025.

These discussions, held with Cabinet Secretaries and senior leadership across multiple federal departments, reinforced that Hawai'i's strategic role in national defense must be matched by equitable investments that strengthen infrastructure, restore environmental and cultural integrity, and support the communities that sustain readiness.

Under normal circumstances, the State enters into land leases through a deliberate land retention process that provides the opportunity for public input on impacts. Within the short remaining timeframe, the urgency you have expressed to ensure national security would be ill-served by risking a protracted legal process that could undermine critical Army investments that must proceed in due haste.

Should the Army elect to pursue condemnation to address such risks, the State urges that such action be accompanied by a negotiated settlement that improves the relationship between the military and people of Hawai'i, fulfills the spirit of the *Statement of Principles*, minimizes litigation, and delivers immediate and long-term benefits that reflect the true environmental and cultural costs of continued federal use.

II. Background: Statement of Principles

Our *Statement of Principles* established a foundation of collaboration between the State of Hawai'i and the Department of the Army, grounded in mutual respect and shared national purpose. It affirms that:

- Continued Army access to critical training areas is essential to Indo-Pacific mission readiness;
- The State must ensure that its lands are protected and accessible for the benefit of Hawai'i's people; and
- Cooperative approaches to land use, environmental restoration, housing, energy, and infrastructure can advance both community wellbeing and national security.

This memorandum builds upon those principles by summarizing federal-level coordination undertaken since its signing and by proposing next steps to operationalize our shared commitments.

III. The State's Integrated Priorities

To further the dialogue based on the *Statement*, the State prepared a proposal—*Advancing Defense and Community Goals for Hawai'i*—outlining a nine-part framework totaling approximately **\$10 billion** in investments. These include:

1. **Land Restoration and Land Return:** Fund cleanup, remediation, and transfer of high-value lands (including Mākuā Valley) to the State with a management endowment and local UXO remediation through a University of Hawai'i Center of Excellence.
2. **Environmental Remediation:** Partner with EPA and FEMA to accelerate cesspool conversions and groundwater protection.
3. **Expanding Housing Stock:** Support 6,500 new housing units, modernize on-base housing, and release Lot 9A near Schofield Barracks for workforce housing.
4. **Transportation and Infrastructure:** Advance six major projects critical to defense logistics and emergency response, including the Daniel K. Inouye

Highway Extension, Skyline Extension, Kolekole Pass Improvement, Military Roads Initiative, and bridge rehabilitation.

5. **Energy Resilience:** Fund liquefied natural gas (LNG) and partner on geothermal initiatives that lower energy costs and strengthen Hawai'i's energy independence.
6. **Public Safety:** Transfer the underutilized Honolulu Federal Detention Center to expand State correctional capacity.
7. **Environmental Conservation:** Maintain protections for Papahānaumokuākea Marine National Monument and align REPI investments to expand conservation lands.
8. **Health Access:** Achieve Medicare parity and improved reimbursement through administrative action by the Centers for Medicare & Medicaid Services (CMS).
9. **Restoring Federal Funding:** Reestablish federal support for resilience, energy, and higher education programs that directly sustain Hawai'i's role in the national security ecosystem.

These priorities were developed to maximize community value while advancing Army readiness, echoing the shared vision captured in the *Statement of Principles*.

IV. Summary of Federal Engagements

Following the signing of our *Statement*, I met with multiple members of the President's Cabinet to coordinate federal interagency support for Hawai'i's defense-community partnership. These consultations were guided by the *Advancing Defense and Community Goals for Hawai'i* proposal.

Department of Health and Human Services

Administrator Mehmet Oz, M.D., and senior leadership from CMS discussed the critical intersection between Hawai'i's civilian health system and the military population, including active-duty personnel, dependents, and civilian employees. Together with Secretary Robert F. Kennedy, Jr., we reviewed administrative pathways to add Hawai'i to the Alaska locality for Medicare payment parity, which would improve access to care

across the islands. HHS acknowledged the benefit this could provide Hawai'i and that a resilient healthcare network directly supports Army and DOW families.

Department of Transportation

Secretary Duffy and senior DOT leadership reaffirmed federal support for transportation infrastructure that underpins military mobility and disaster response. He also welcomed ongoing collaboration on the Military Roads Access Initiative to improve connectivity to Army installations statewide.

Environmental Protection Agency

Administrator Zeldin and senior EPA leadership expressed readiness to partner with the State on environmental remediation, particularly the conversion of Hawai'i's priority cesspools. They recommended coordination with FEMA to leverage Building Resilient Infrastructure and Communities (BRIC) funding for wastewater modernization. EPA affirmed continued oversight for the closure of the Red Hill Bulk Fuel Storage Facility. I also thanked Administrator Zeldin for the EPA's extraordinary leadership, commitment, and compassion in response to the devastating Maui wildfires.

Department of Energy

Secretary Wright and senior DOE leadership discussed the importance of energy resilience and diversification, focusing on liquified natural gas (LNG), associated power plant and grid upgrades, and geothermal exploration as transitional resources to enhance reliability and affordability. Accordingly, DOE expressed strong support for LNG, the continued solvency and continuity of the electric utility for grid reliability, and research-based geothermal exploration, recognizing the need for energy resource redundancy in Hawai'i's isolated energy grid.

Department of the Interior

Senior DOI officials expressed continued federal support for the management framework and currently allowable activities within the Papahānaumokuākea Marine National Monument. DOI also supports LNG, recognizing the need for diverse energy supplies to lower costs and improve resiliency of Hawai'i's isolated energy grids.

Military Department Consultations

In separate discussions with senior leaders from the Office of Secretary of War, yourself, Air Force, and Navy, each acknowledged the need to balance readiness with responsible land stewardship. All recognized Hawai'i's commitment to maintaining its role in national defense and expressed desire to maintain long-term mutually beneficial relationships.

Department of War / Office of the Secretary of War

Mr. Dale Marks, Assistant Secretary of War for Energy, Installations, and Environment, and Mr. Bob Thompson, Principal Deputy Assistant Secretary of War for Energy, Installations, and Environment discussed aligning the Army's land strategy in Hawai'i with the Department's broader Indo-Pacific posture. I emphasized that predictability, transparency, and respect for State processes are essential to sustaining public confidence in national defense activities while acknowledging that, if the Secretary of the Army chooses condemnation as a pathway, that fair market value for the land is insufficient to address historic wrongs and that condemnation be accompanied with immediate and durable benefits to the people of Hawai'i. DOW leadership acknowledged the importance of addressing legacy cleanup and cultural issues as integral to readiness and community trust. DOW leadership expressed that the Secretary of the Army has authority over land use and emphasized the national security need to resolve military training land use expeditiously.

Department of War / Office of the Secretary of the Air Force

Mr. Michael Saunders, Acting Assistant Secretary of the Air Force for Energy, Installations, and Environment, and Mr. Robert Moriarty, Deputy Assistant Secretary of the Air Force for Installations along with senior leaders affirmed the Air Force's current approach to its military land leases in Hawai'i is to continue with their environmental documentation, noting that the Army has already completed its environmental obligations on the federal side. I raised Bellows Air Force Station and the community's desire for greater access as a matter for further discussion. I also welcomed any courses of action on their part to reduce their leases or footprint.

Department of War / Office of the Secretary of the Navy

Mr. Elmer Roman, Performing the Duties of Assistant Secretary of the Navy for Energy, Installations, and Environment along with senior leaders similarly affirmed the Navy's

current approach to their military land leases in Hawai'i is to continue with its environmental documentation, also noting that the Army has already completed its environmental obligations on the federal side. The Navy also affirmed its commitment to closing the Red Hill Bulk Fuel Storage Facility. It also spoke to the need for the electric utility to be more resilient and highlighted its current energy projects. It also stated that its intent is to retain title to Ka'ula Island. The Navy is supportive of building more off-base housing, especially along Skyline, to support military and civilian personnel accessing Joint Base Pearl Harbor Hickam.

Department of War / Office of the Secretary of War

Mr. Bob Thompson, along with Ms. Rebecca Isacowitz, Deputy Assistant Secretary of War for Energy Resilience and Optimization, Mr. Ron Tickle, Deputy Assistant Secretary of War for Environmental Management and Restoration, and Ms. Kristin Thomasgard, Chief of Staff to the Deputy Assistant Secretary of War for Environmental Management and Restoration discussed the energy and environmental commitments of the DOW to Hawai'i. They expressed support for the REPI program and that there is precedent for an endowment approach to unexploded ordnance cleanup. They also expressed support for and readiness to collaborate on the State's LNG and geothermal requests.

Department of War / Office of the Secretary of the Army

Your team provided preliminary feedback on the State's prioritized requests, which I appreciated receiving:

- **Support** for returning Mākua Valley, with clarifying data requests.
- **Support** for the Daniel K. Inouye Highway Extension and Kolekole Pass Improvement, acknowledging their defense and community benefits.
- **Willingness** to consider a Military Roads Access Initiative list related to Army installations.
- **Openness** to returning the Ke'āmuku and Fort DeRussy parcels (approx. 8,000 acres and 1 acre, respectively) for State ownership.

- **Interest** in exploring a consolidated cleanup fund that the State could administer for former training lands, contingent on detailed cost estimates and performance oversight.
- **Support** for increased housing investments, including new barracks and privatized housing.
- **Interest** in expanding environmental conservation through the Readiness and Environmental Protection Integration (REPI) program.
- **Acknowledgment** that geothermal development and certain cultural access infrastructure (e.g., Mākua Valley boardwalk concepts) may not be feasible under current Army assessments.

This constructive dialogue demonstrates that significant alignment already exists on key initiatives and that remaining issues can be resolved through structured negotiation.

V. Settlement Framework Recommendation

The Army's need to resolve land use issues quickly for national security was a consistent theme that the DOW and federal departments raised. Should the Army proceed with condemnation, the State respectfully requests that this legal action be accompanied by a negotiated settlement as near to the proposed **\$10 billion** as feasible encompassing the following elements:

1. **One-Time Federal Settlement Fund:** Approximately \$500 million for land restoration, UXO cleanup, and long-term management, administered by the State of Hawai'i.
2. **State Stewardship Model:** Transfer management responsibilities for remediation and monitoring to the State, utilizing local and Native Hawaiian contractors under the proposed UH Center of Excellence.
3. **Cultural and Environmental Restoration:** Guarantee safe cultural access, ecological recovery, and groundwater protection.
4. **Local Economic Participation:** Prioritize Hawai'i-based and Native Hawaiian small businesses for remediation and stewardship work.

5. **Transparency and Oversight:** Establish a joint Army–State oversight body to track performance and ensure accountability.
6. **Federal Liability Closure:** Upon completion of agreed milestones, settlement terms would provide legal finality while vesting long-term stewardship with the State.

This approach fulfills the intent of our *Statement of Principles* by aligning national security, environmental responsibility, and community benefit while reducing costly and protracted litigation and delaying benefits to the people of Hawai‘i.

VI. Recommended Next Steps

To advance this work efficiently and transparently, I propose:

1. **Convene a Joint Negotiation Team** within 10 days to define settlement parameters.
2. **Establish a Technical Working Group** co-chaired by a representative for you and the State’s designated lead agency to develop detailed scopes for each of the agreed upon community benefits.
3. **Program Federal Funding** through coordination with OSW and Office of Management and Budget for **immediate release under existing authorities**. Identify which proposals require funds outside the DOW’s authority and coordinate engagement with those departments for similar funding.
4. **Schedule a Follow-Up Bilateral** between our offices to finalize agreement on the settlement framework and implementation plan.

VII. Conclusion

Hawai‘i’s people have stood shoulder-to-shoulder with the Nation’s armed forces for generations. Our shared duty now is to ensure that this partnership evolves with integrity, balancing readiness with respect for our land, our culture, and our future.

A negotiated settlement, rather than a protracted contested condemnation, offers the clearest, most efficient path to achieving these goals. It will secure the Army legal and mission certainty and deliver justice for Hawai'i.

I appreciate your leadership and your commitment to working collaboratively toward this resolution. My administration stands ready to engage immediately to develop and implement the settlement framework.

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D." in a cursive, flowing style.

Josh Green, M.D.

Governor, State of Hawai'i