

STAND. COM. REP. NO.

1505

Honolulu, Hawaii

March 23, 2007

RE: S.B. No. 1688  
S.D. 1  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,  
to which was referred S.B. No. 1688, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

begs leave to report as follows:

The purpose of this bill is to fuel Hawaii's dual-use industry by appropriating funds to establish a research and development follow-on funding program for Hawaii-based small businesses that received federal funding through the Hawaii Technology Development Venture (HTDV) or the National Defense Center of Excellence for Research in Ocean Sciences (NDCEROS).

The High Technology Development Corporation, Hawaii Strategic Development Corporation, Pipeline Communications and Technology, Inc., Hawaii Science and Technology Council, and many concerned individuals supported this bill. The Department of Business, Economic Development, and Tourism supported the intent of this bill.

Your Committee finds that HTDV and NDCEROS help Hawaii-based small businesses to obtain federal grants for high technology research and development related to federal Navy and Defense programs. The "follow-on" funding that this bill appropriates will assist these businesses to refine their product or service and advance their research toward commercialization.

SB1688 HD1 HSCR EDB HMS 2007-3367



Your Committee has amended this bill by:

- (1) Changing the effective date to July 1, 2034, to encourage further discussion; and
- (2) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1688, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1688, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development & Business  
Concerns,



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KYLE T. YAMASHITA, Chair



