
A BILL FOR AN ACT

RELATING TO THE ECONOMY.

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

1 SECTION 1. Section 201-19, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:
3 "(b) The department shall submit to the legislature no
4 later than twenty days prior to the convening of each regular
5 legislative session, a ~~[written performance report on the impact~~
6 ~~of activities of the department and attached agencies that~~
7 ~~demonstrate their efforts to support, promote, and facilitate~~
8 ~~the expansion and long term viability of emerging growth~~
9 ~~industries including those identified in subsection (a)(1).]~~
10 report that provides an update on the criteria used to measure
11 growth of these emerging growth industries. In updating its
12 reports on growth of emerging industries each year, the
13 department shall develop updated measurements and analyses in
14 collaboration with the University of Hawaii, county economic
15 development boards, and private, non-profit economic research
16 activities."



1 SECTION 2. Section 226-6, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§226-6 Objectives and policies for the economy--in
4 general. (a) Planning for the State's economy in general shall
5 be directed toward achievement of the following objectives:

6 (1) Increased and diversified employment opportunities to
7 achieve full employment, increased income and job
8 choice, and improved living standards for Hawaii's
9 people[-], while at the same time stimulating the
10 development and expansion of economic activities
11 capitalizing on defense, dual-use, and science and
12 technology assets, particularly on the neighbor
13 islands where employment opportunities may be limited.

14 (2) A steadily growing and diversified economic base that
15 is not overly dependent on a few industries, and
16 includes the development and expansion of industries
17 on the neighbor islands.

18 (b) To achieve the general economic objectives, it shall
19 be the policy of this State to:

20 (1) Expand Hawaii's national and international marketing,
21 communication, and organizational ties, to increase
22 the State's capacity to adjust to and capitalize upon



- 1 economic changes and opportunities occurring outside
2 the State.
- 3 (2) Promote Hawaii as an attractive market for
4 environmentally and socially sound investment
5 activities that benefit Hawaii's people.
- 6 (3) Seek broader outlets for new or expanded Hawaii
7 business investments.
- 8 (4) Expand existing markets and penetrate new markets for
9 Hawaii's products and services.
- 10 (5) Assure that the basic economic needs of Hawaii's
11 people are maintained in the event of disruptions in
12 overseas transportation.
- 13 (6) Strive to achieve a level of construction activity
14 responsive to, and consistent with, state growth
15 objectives.
- 16 (7) Encourage the formation of cooperatives and other
17 favorable marketing arrangements at the local or
18 regional level to assist Hawaii's small scale
19 producers, manufacturers, and distributors.
- 20 (8) Encourage labor-intensive activities that are
21 economically satisfying and which offer opportunities
22 for upward mobility.



1 (9) Foster greater cooperation and coordination between
2 the government and private sectors in developing
3 Hawaii's employment and economic growth opportunities.

4 (10) Stimulate the development and expansion of economic
5 activities which will benefit areas with substantial
6 or expected employment problems.

7 (11) Maintain acceptable working conditions and standards
8 for Hawaii's workers.

9 (12) Provide equal employment opportunities for all
10 segments of Hawaii's population through affirmative
11 action and nondiscrimination measures.

12 (13) Stimulate the development and expansion of economic
13 activities capitalizing on defense, dual-use, and
14 science and technology assets, particularly on the
15 neighbor islands where employment opportunities may be
16 limited.

17 [~~(13)~~] (14) Encourage businesses that have favorable
18 financial multiplier effects within Hawaii's
19 economy[-], particularly with respect to emerging
20 industries in science and technology.



1 [~~(14)~~] (15) Promote and protect intangible resources in
2 Hawaii, such as scenic beauty and the aloha spirit,
3 which are vital to a healthy economy.

4 [~~(15)~~] (16) Increase effective communication between the
5 educational community and the private sector to
6 develop relevant curricula and training programs to
7 meet future employment needs in general, and
8 requirements of new, potential growth industries in
9 particular.

10 [~~(16)~~] (17) Foster a business climate in Hawaii--including
11 attitudes, tax and regulatory policies, and financial
12 and technical assistance programs--that is conducive
13 to the expansion of existing enterprises and the
14 creation and attraction of new business and industry."

15 SECTION 3. Section 226-7, Hawaii Revised Statutes, is
16 amended by amending subsection (b) to read as follows:

17 "(b) To achieve the agriculture objectives, it shall be
18 the policy of this State to:

19 (1) Establish a clear direction for Hawaii's agriculture
20 through stakeholder commitment and advocacy.

21 (2) Encourage agriculture by making best use of natural
22 resources.



- 1 (3) Provide the governor and the legislature with
2 information and options needed for prudent decision
3 making for the development of agriculture.
- 4 (4) Establish strong relationships between the
5 agricultural and visitor industries for mutual
6 marketing benefits.
- 7 (5) Foster increased public awareness and understanding of
8 the contributions and benefits of agriculture as a
9 major sector of Hawaii's economy.
- 10 (6) Seek the enactment and retention of federal and state
11 legislation that benefits Hawaii's agricultural
12 industries.
- 13 (7) Strengthen diversified agriculture by developing an
14 effective promotion, marketing, and distribution
15 system between Hawaii's producers and consumer markets
16 locally, on the continental United States, and
17 internationally.
- 18 (8) Support research and development activities that
19 ~~[provide greater efficiency and]~~ strengthen economic
20 productivity in agriculture[-], stimulate greater
21 efficiency, and enhance the development of new
22 products and agricultural by-products.



- 1 (9) Enhance agricultural growth by providing public
2 incentives and encouraging private initiatives.
- 3 (10) Assure the availability of agriculturally suitable
4 lands with adequate water to accommodate present and
5 future needs.
- 6 (11) Increase the attractiveness and opportunities for an
7 agricultural education and livelihood.
- 8 (12) Expand Hawaii's agricultural base by promoting growth
9 and development of flowers, tropical fruits and
10 plants, livestock, feed grains, forestry, food crops,
11 aquaculture, and other potential enterprises.
- 12 (13) Promote economically competitive activities that
13 increase Hawaii's agricultural self-sufficiency.
- 14 (14) Promote and assist in the establishment of sound
15 financial programs for diversified agriculture.
- 16 (15) Institute and support programs and activities to
17 assist the entry of displaced agricultural workers
18 into alternative agricultural or other employment.
- 19 (16) Facilitate the transition of agricultural lands in
20 economically nonfeasible agricultural production to
21 economically viable agricultural uses."



1 SECTION 4. Section 226-8, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) To achieve the visitor industry objective, it shall
4 be the policy of this State to:

- 5 (1) Support and assist in the promotion of Hawaii's
6 visitor attractions and facilities.
- 7 (2) Ensure that visitor industry activities are in keeping
8 with the social, economic, and physical needs and
9 aspirations of Hawaii's people.
- 10 (3) Improve the quality of existing visitor destination
11 areas[-] by utilizing Hawaii's strengths in science
12 and technology.
- 13 (4) Encourage cooperation and coordination between the
14 government and private sectors in developing and
15 maintaining well-designed, adequately serviced visitor
16 industry and related developments which are sensitive
17 to neighboring communities and activities.
- 18 (5) Develop the industry in a manner that will continue to
19 provide new job opportunities and steady employment
20 for Hawaii's people.



1 (6) Provide opportunities for Hawaii's people to obtain
2 job training and education that will allow for upward
3 mobility within the visitor industry.

4 (7) Foster a recognition of the contribution of the
5 visitor industry to Hawaii's economy and the need to
6 perpetuate the aloha spirit.

7 (8) Foster an understanding by visitors of the aloha
8 spirit and of the unique and sensitive character of
9 Hawaii's cultures and values."

10 SECTION 5. Section 226-9, Hawaii Revised Statutes, is
11 amended by amending subsection (b) to read as follows:

12 "(b) To achieve the federal expenditures objective, it
13 shall be the policy of this State to:

14 (1) Encourage the sustained flow of federal expenditures
15 in Hawaii that generates long-term government civilian
16 employment;

17 (2) Promote Hawaii's supportive role in national defense,
18 [~~while remaining~~] in a manner consistent with Hawaii's
19 social, environmental, and cultural goals[+] by
20 building upon dual-use and defense applications to
21 develop thriving ocean engineering, aerospace research



1 and development, and related dual-use technology
2 sectors in Hawaii's economy;

3 (3) Promote the development of federally supported
4 activities in Hawaii that respect statewide economic
5 concerns, are sensitive to community needs, and
6 minimize adverse impacts on Hawaii's environment;

7 (4) Increase opportunities for entry and advancement of
8 Hawaii's people into federal government service;

9 (5) Promote federal use of local commodities, services,
10 and facilities available in Hawaii;

11 (6) Strengthen federal-state-county communication and
12 coordination in all federal activities that affect
13 Hawaii; and

14 (7) Pursue the return of federally controlled lands in
15 Hawaii that are not required for either the defense of
16 the nation or for other purposes of national
17 importance, and promote the mutually beneficial
18 exchanges of land between federal agencies, the State,
19 and the counties."

20 SECTION 6. Section 226-10, Hawaii Revised Statutes, is
21 amended by amending subsection (b) to read as follows:



1 "(b) To achieve the potential growth activity objective,
2 it shall be the policy of this State to:

- 3 (1) Facilitate investment and employment growth in
4 economic activities that have the potential [~~for~~
5 ~~growth such as~~] to expand and diversify Hawaii's
6 economy, including but not limited to diversified
7 agriculture, aquaculture, [~~apparel and textile~~
8 ~~manufacturing, film and television production, and~~
9 ~~energy and marine-related industries.~~] renewable
10 energy development, creative media, and science and
11 technology-based sectors.
- 12 (2) Expand Hawaii's capacity to attract and service
13 international programs and activities that generate
14 employment for Hawaii's people.
- 15 (3) Enhance and promote Hawaii's role as a center for
16 international relations, trade, finance, services,
17 technology, education, culture, and the arts.
- 18 (4) Accelerate research and development of new energy-
19 related industries based on wind, solar, ocean, and
20 underground resources and solid waste.



- 1 (5) Promote Hawaii's geographic, environmental, social,
2 and technological advantages to attract new economic
3 activities into the State.
- 4 (6) Provide public incentives and encourage private
5 initiative to attract new industries that best support
6 Hawaii's social, economic, physical, and environmental
7 objectives.
- 8 (7) Increase research and the development of ocean-related
9 economic activities such as mining, food production,
10 and scientific research.
- 11 (8) Develop, promote, and support research and educational
12 and training programs that will enhance Hawaii's
13 ability to attract and develop economic activities of
14 benefit to Hawaii.
- 15 (9) Foster a broader public recognition and understanding
16 of the potential benefits of new, growth-oriented
17 industry in Hawaii.
- 18 (10) Encourage the development and implementation of joint
19 federal and state initiatives to attract federal
20 programs and projects that will support Hawaii's
21 social, economic, physical, and environmental
22 objectives.



1 (11) Increase research and development of businesses and
2 services in the telecommunications and information
3 industries."

4 SECTION 7. Section 226-10.5, Hawaii Revised Statutes, is
5 amended by amending subsection (a) to read as follows:

6 "(a) Planning for the State's economy with regard to [~~the~~
7 ~~information industry shall be directed toward the achievement of~~
8 ~~the objective of positioning Hawaii as the leading dealer in~~
9 ~~information businesses and services in the Pacific Rim.]~~
10 telecommunications and information technology shall be directed
11 toward positioning Hawaii as a leader in broadband
12 communications and applications in the Pacific Region."

13 SECTION 8. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 9. This Act shall take effect upon its approval.



S.B. NO. 1195
S.D. 1
H.D. 2
C.D. 1

Report Title:

Science and Technology; Hawaii State Plan; Economy Growth

Description:

Amends the Hawaii State Planning Act to include references to science and technology initiatives in Hawaii. Amends the department of business, economic development, and tourism's reporting requirement to the legislature on the growth industries of Hawaii. (CD1)

