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 growth 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	groups."



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1	SECT	ION 2. Section 226-6, Hawaii Revised Statutes, is
2	amended to	o read as follows:
3	"§22	6-6 Objectives and policies for the economyin
4	general.	(a) Planning for the State's economy in general shall
5	be direct	ed 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 $[-]$, including stimulating the development and
10		expansion of economic activities capitalizing on
11		defense, dual-use, and science and technology assets,
12		particularly on the neighbor islands where employment
13		opportunities may be limited; and
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 po	licy 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
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1		economic changes and opportunities occurring outside
2		the [State.] <u>state;</u>
3	(2)	Promote Hawaii as an attractive market for
4		environmentally and socially sound investment
5		activities that benefit Hawaii's people $[-]_{j}$
6	(3)	Seek broader outlets for new or expanded Hawaii
7		business investments [-] <u>;</u>
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 [-];



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1	(9)	Foster greater cooperation and coordination between
2		the government and private sectors in developing
3		Hawaii's employment and economic growth
4		opportunities [-];
5	(10)	Stimulate the development and expansion of economic
6		activities which will benefit areas with substantial
7		or expected employment problems [-] :
8	(11)	Maintain acceptable working conditions and standards
9		for Hawaii's workers[.] <u>;</u>
10	(12)	Provide equal employment opportunities for all
11		segments of Hawaii's population through affirmative
12		action and nondiscrimination measures $[-]_{j}$
13	(13)	Encourage businesses that have favorable financial
14		multiplier effects within Hawaii's economy $[-]_{,}$
15		particularly with respect to emerging industries in
16		science and technology;
17	(14)	Promote and protect intangible resources in Hawaii,
18		such as scenic beauty and the aloha spirit, which are
19		vital to a healthy economy $[-]_{\underline{i}}$
20	(15)	Increase effective communication between the
21		educational community and the private sector to
22		develop relevant curricula and training programs to



1		meet future employment needs in general, and
2		requirements of new, potential growth industries in
3		particular[-]; and
4	(16)	Foster a business climate in Hawaii[—_] <u>,</u> including
5		attitudes, tax and regulatory policies, and financial
6		and technical assistance programs [] that is
7		conducive to the expansion of existing enterprises and
8		the creation and attraction of new business and
9		industry."
10	SECT	ION 3. Section 226-7, Hawaii Revised Statutes, is
11	amended by	y amending subsection (b) to read as follows:
12	"(b)	To achieve the agriculture objectives, it shall be
13	the polic	y of this State to:
14	(1)	Establish a clear direction for Hawaii's agriculture
15		through stakeholder commitment and advocacy $[-]_{j}$
16	(2)	Encourage agriculture by making best use of natural
17		resources [-] ;
18	(3)	Provide the governor and the legislature with
19		information and options needed for prudent decision
20		making for the development of $agriculture[-]$;



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



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1	(10)	Assure the availability of agriculturally suitable
2		lands with adequate water to accommodate present and
3		future needs [-];
4	(11)	Increase the attractiveness and opportunities for an
5		agricultural education and livelihood $[-]_{j}$
6	(12)	Expand Hawaii's agricultural base by promoting growth
7		and development of flowers, tropical fruits and
8		plants, livestock, feed grains, forestry, food crops,
9		aquaculture, and other potential enterprises $[-]_{j}$
10	(13)	Promote economically competitive activities that
11		increase Hawaii's agricultural self-sufficiency[+];
12	(14)	Promote and assist in the establishment of sound
13		financial programs for diversified agriculture[$-$];
14	(15)	Institute and support programs and activities to
15		assist the entry of displaced agricultural workers
16		into alternative agricultural or other employment $[-]_{i}$
17		and
18	(16)	Facilitate the transition of agricultural lands in
19		economically nonfeasible agricultural production to
20		economically viable agricultural uses."
21	SECT	ION 4. Section 226-8, Hawaii Revised Statutes, is
22	amended b	y amending subsection (b) to read as follows:



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1	"(b)	To achieve the visitor industry objective, it shall
2	be the pol	licy of this State to:
3	(1)	Support and assist in the promotion of Hawaii's
4		visitor attractions and facilities[-];
5	(2)	Ensure that visitor industry activities are in keeping
6		with the social, economic, and physical needs and
7		aspirations of Hawaii's people[.] <u>;</u>
8	(3)	Improve the quality of existing visitor destination
9		areas[-] by using Hawaii's strengths in science and
10		technology, and other means;
11	(4)	Encourage cooperation and coordination between the
12		government and private sectors in developing and
13		maintaining well-designed, adequately serviced visitor
14		industry and related developments which are sensitive
15		to neighboring communities and activities $[-,]$
16	(5)	Develop the industry in a manner that will continue to
17		provide new job opportunities and steady employment
18		for Hawaii's people[.] <u>;</u>
19	(6)	Provide opportunities for Hawaii's people to obtain
20		job training and education that will allow for upward
21		mobility within the visitor industry $[-]_{\underline{\cdot}}$

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1	(7)	Foster a recognition of the contribution of the
2		visitor industry to Hawaii's economy and the need to
3		perpetuate the aloha spirit [-]; and
4	(8)	Foster an understanding by visitors of the aloha
5		spirit and of the unique and sensitive character of
6		Hawaii's cultures and values."
7	SECT	ION 5. Section 226-9, Hawaii Revised Statutes, is
8	amended by	y amending subsection (b) to read as follows:
9	"(b)	To achieve the federal expenditures objective, it
10	shall be	the policy of this State to:
11	(1)	Encourage the sustained flow of federal expenditures
12		in Hawaii that generates long-term government civilian
13		<pre>employment;</pre>
14	(2)	Promote Hawaii's supportive role in national defense,
15		while remaining consistent with Hawaii's social,
16		environmental, and cultural goals $[+]$, by building upon
17		dual-use and defense applications to develop thriving
18		ocean engineering, aerospace research and development,
19		and related dual-use technology sectors in Hawaii's
20		economy;
21	(3)	Promote the development of federally supported
22		activities in Hawaii that respect statewide economic



1		concerns, are sensitive to community needs, and
2		minimize adverse impacts on Hawaii's environment;
3	(4)	Increase opportunities for entry and advancement of
4		Hawaii's people into federal government service;
5	(5)	Promote federal use of local commodities, services,
6		and facilities available in Hawaii;
7	(6)	Strengthen federal-state-county communication and
8		coordination in all federal activities that affect
9		Hawaii; and
10	.(7)	Pursue the return of federally controlled lands in
11		Hawaii that are not required for either the defense of
12		the nation or for other purposes of national
13		importance, and promote the mutually beneficial
14		exchanges of land between federal agencies, the State,
15		and the counties."
16	SECT	ION 6. Section 226-10, Hawaii Revised Statutes, is
17	amended b	y amending subsection (b) to read as follows:
18	"(b)	To achieve the potential growth activity objective,
19	it shall	be the policy of this State to:
20	(1)	Facilitate investment and employment in economic
21		activities that have the potential [for growth such
22		as] for growth, and to expand and diversify Hawaii's
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1		economy, including diversified agriculture,
2		aquaculture, [apparel and textile manufacturing, film
3		and television production, and energy and marine-
4		related industries.] renewable energy development,
5		creative media, and science and technology-based
6		activities;
7	(2)	Expand Hawaii's capacity to attract and service
8		international programs and activities that generate
9		employment for Hawaii's people[.] <u>;</u>
10	(3)	Enhance and promote Hawaii's role as a center for
11		international relations, trade, finance, services,
12		technology, education, culture, and the arts $[-,]$
13	(4)	Accelerate research and development of new energy-
14		related industries based on wind, solar, ocean, and
15		underground resources and solid waste $[-,]$;
16	(5)	Promote Hawaii's geographic, environmental, social,
17		and technological advantages to attract new economic
18		activities into the [State.] state;
19	(6)	Provide public incentives and encourage private
20		initiative to attract new industries that best support
21		Hawaii's social, economic, physical, and environmental
22		objectives [-] <u>;</u>
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1	(7)	Increase research and the development of ocean-related
2		economic activities such as mining, food production,
3		and scientific research $[-]_{i}$
4	(8)	Develop, promote, and support research and educational
5		and training programs that will enhance Hawaii's
6		ability to attract and develop economic activities of
7		benefit to Hawaii[.] <u>;</u>
8	(9)	Foster a broader public recognition and understanding
9		of the potential benefits of new, growth-oriented
10		industry in Hawaii[.] <u>;</u>
11	(10)	Encourage the development and implementation of joint
12		federal and state initiatives to attract federal
13		programs and projects that will support Hawaii's
14		social, economic, physical, and environmental
15		objectives[-]; and.
16	(11)	Increase research and development of businesses and
17		services in the telecommunications and information
18		industries."
19	SECT	ION 7. Section 226-10.5, Hawaii Revised Statutes, is
20	amended b	y amending subsection (a) to read as follows:
21	"(a)	Planning for the State's economy with regard to [the
22	informati	on industry shall be directed toward the achievement of
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1	the objective of positioning Hawaii as the leading dealer in
2	information businesses and services in the Pacific Rim.]
3	telecommunications and information technology shall be directed
4	toward positioning Hawaii as a leader in broadband
5	communications and applications in the Pacific Region."
6	SECTION 8. Statutory material to be repealed is bracketed
7	and stricken. New statutory material is underscored.
8	SECTION 9. This Act shall take effect upon its approval.



Report Title:

Science and Technology; Hawaii State Plan; Economy Growth

Description:

Amends the Hawaii State Planning Act to include references to science, technology, and related growth industries in Hawaii. Amends the Department of Business, Economic Development, and Tourism's reporting requirement to the Legislature on the growth industries of Hawaii. (SB1195 HD1)

