
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.] Stimulating the development and expansion of
10 economic activities capitalizing on defense, dual-use,
11 and science and technology assets, particularly on the
12 neighbor islands where employment opportunities may be
13 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) Encourage businesses that have favorable financial
13 multiplier effects within Hawaii's economy[-],
14 particularly with respect to emerging industries in
15 science and technology.
- 16 (14) Promote and protect intangible resources in Hawaii,
17 such as scenic beauty and the aloha spirit, which are
18 vital to a healthy economy.
- 19 (15) Increase effective communication between the
20 educational community and the private sector to
21 develop relevant curricula and training programs to
22 meet future employment needs in general, and

1 requirements of new, potential growth industries in
2 particular.

3 (16) Foster a business climate in Hawaii--including
4 attitudes, tax and regulatory policies, and financial
5 and technical assistance programs--that is conducive
6 to the expansion of existing enterprises and the
7 creation and attraction of new business and industry."

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

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

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

14 (2) Encourage agriculture by making best use of natural
15 resources.

16 (3) Provide the governor and the legislature with
17 information and options needed for prudent decision
18 making for the development of agriculture.

19 (4) Establish strong relationships between the
20 agricultural and visitor industries for mutual
21 marketing benefits.

- 1 (5) Foster increased public awareness and understanding of
2 the contributions and benefits of agriculture as a
3 major sector of Hawaii's economy.
- 4 (6) Seek the enactment and retention of federal and state
5 legislation that benefits Hawaii's agricultural
6 industries.
- 7 (7) Strengthen diversified agriculture by developing an
8 effective promotion, marketing, and distribution
9 system between Hawaii's producers and consumer markets
10 locally, on the continental United States, and
11 internationally.
- 12 (8) Support research and development activities that
13 [~~provide greater efficiency and~~] strengthen economic
14 productivity in agriculture[-], stimulate greater
15 efficiency, and enhance the development of new
16 products and agricultural by-products.
- 17 (9) Enhance agricultural growth by providing public
18 incentives and encouraging private initiatives.
- 19 (10) Assure the availability of agriculturally suitable
20 lands with adequate water to accommodate present and
21 future needs.

- 1 (11) Increase the attractiveness and opportunities for an
2 agricultural education and livelihood.
- 3 (12) Expand Hawaii's agricultural base by promoting growth
4 and development of flowers, tropical fruits and
5 plants, livestock, feed grains, forestry, food crops,
6 aquaculture, and other potential enterprises.
- 7 (13) Promote economically competitive activities that
8 increase Hawaii's agricultural self-sufficiency.
- 9 (14) Promote and assist in the establishment of sound
10 financial programs for diversified agriculture.
- 11 (15) Institute and support programs and activities to
12 assist the entry of displaced agricultural workers
13 into alternative agricultural or other employment.
- 14 (16) Facilitate the transition of agricultural lands in
15 economically nonfeasible agricultural production to
16 economically viable agricultural uses."

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

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

- 21 (1) Support and assist in the promotion of Hawaii's
22 visitor attractions and facilities.

- 1 (2) Ensure that visitor industry activities are in keeping
2 with the social, economic, and physical needs and
3 aspirations of Hawaii's people.
- 4 (3) [~~Improve~~] Utilize Hawaii's strengths in science and
5 technology to improve the quality of existing visitor
6 destination areas.
- 7 (4) Encourage cooperation and coordination between the
8 government and private sectors in developing and
9 maintaining well-designed, adequately serviced visitor
10 industry and related developments which are sensitive
11 to neighboring communities and activities.
- 12 (5) Develop the industry in a manner that will continue to
13 provide new job opportunities and steady employment
14 for Hawaii's people.
- 15 (6) Provide opportunities for Hawaii's people to obtain
16 job training and education that will allow for upward
17 mobility within the visitor industry.
- 18 (7) Foster a recognition of the contribution of the
19 visitor industry to Hawaii's economy and the need to
20 perpetuate the aloha spirit.

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

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

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

8 (1) Encourage the sustained flow of federal expenditures
9 in Hawaii that generates long-term government civilian
10 employment;

11 (2) Promote Hawaii's supportive role in national defense,
12 ~~[while remaining consistent with Hawaii's social,~~
13 ~~environmental, and cultural goals;]~~ building upon
14 dual-use and defense applications to develop thriving
15 ocean engineering, aerospace research and development,
16 and related dual-use technology sectors in Hawaii's
17 economy;

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

- 1 (4) Increase opportunities for entry and advancement of
2 Hawaii's people into federal government service;
- 3 (5) Promote federal use of local commodities, services,
4 and facilities available in Hawaii;
- 5 (6) Strengthen federal-state-county communication and
6 coordination in all federal activities that affect
7 Hawaii; and
- 8 (7) Pursue the return of federally controlled lands in
9 Hawaii that are not required for either the defense of
10 the nation or for other purposes of national
11 importance, and promote the mutually beneficial
12 exchanges of land between federal agencies, the State,
13 and the counties."

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

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

- 18 (1) Facilitate investment and [~~employment~~] growth in
19 economic activities that have the potential [~~for~~
20 ~~growth such as~~] to expand and diversify Hawaii's
21 economy, including but not limited to diversified
22 agriculture, aquaculture, [~~apparel and textile~~

1 ~~manufacturing, film and television production, and~~
2 ~~energy and marine-related industries.] renewable~~
3 ~~energy development, creative media, and science and~~
4 ~~technology-based sectors.~~

5 (2) Expand Hawaii's capacity to attract and service
6 international programs and activities that generate
7 employment for Hawaii's people.

8 (3) Enhance and promote Hawaii's role as a center for
9 international relations, trade, finance, services,
10 technology, education, culture, and the arts.

11 (4) Accelerate research and development of new energy-
12 related industries based on wind, solar, ocean, and
13 underground resources and solid waste.

14 (5) Promote Hawaii's geographic, environmental, social,
15 and technological advantages to attract new economic
16 activities into the State.

17 (6) Provide public incentives and encourage private
18 initiative to attract new industries that best support
19 Hawaii's social, economic, physical, and environmental
20 objectives.

- 1 (7) Increase research and the development of ocean-related
2 economic activities such as mining, food production,
3 and scientific research.
- 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.
- 8 (9) Foster a broader public recognition and understanding
9 of the potential benefits of new, growth-oriented
10 industry in Hawaii.
- 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.
- 16 (11) Increase research and development of businesses and
17 services in the telecommunications and information
18 industries."

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

21 "(a) Planning for the State's economy with regard to [~~the~~
22 ~~information industry shall be directed toward the achievement of~~

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 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. (SD1)