



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of  
**THEODORE E. LIU**  
Director  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON ECONOMIC REVITALIZATION, BUSINESS & MILITARY  
AFFAIRS**

Thursday, February 5, 2009  
8:00 a.m.

State Capitol, Conference Room 312

in consideration of  
**HB 1603**  
**RELATING TO HAWAII'S ECONOMY**

Chair McKelvey, Vice Chair Choy, and members of the House Committee on Economic Revitalization, Business and Military Affairs.

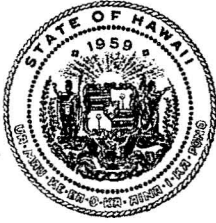
The Department of Business, Economic Development and Tourism offers comments on HB 1603, which directs the Legislative Reference Bureau to contract for a study of Hawaii's economy by an out-of-state contractor. The study would be composed of two parts: a diagnostic assessment of the state's economic condition and development of an overall strategy for addressing the state's economic development challenges.

We would like to point out that much of the requested content of the study has been developed to some degree in recent and current efforts. For instance, a project several years ago sponsored by the National Governor's Association called "Pathways to Advancement," assessed the overall strengths and weaknesses of Hawaii's economy and economic development resources and made a number of recommendations. Other projects have also addressed elements of the proposed study including the Comprehensive Economic Development Strategy ( or CEDS)

project conducted by the State and county development boards, Hawaii's applications for the U.S. Department of Labor's Workforce Initiatives for Economic Development (or WIRED) grants, the Clean Energy Initiative, the recent profile of the high technology industry by the Hawaii Science and Technology Council (HiSciTech) and reports by DBEDT's Research and Economic Analysis Division.

Current efforts to add more information and recommendations include development of technology and innovation development plans led by the High Technology Development Corporation, University of Hawaii and private sector interests. Also underway is a new State-County update of the CEDS plan and continued research into emerging growth industries by the DBEDT Research Division.

Thank you for the opportunity to offer these comments.



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Thank you for the opportunity to offer these comments.

Ken H. Takayama  
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Written Testimony

## **HB1603**

### **RELATING TO HAWAII'S ECONOMY**

Testimony by the Legislative Reference Bureau  
Ken H. Takayama, Director

Presented to the House Committee on Economic Revitalization,  
Business, & Military Affairs

Thursday, February 5, 2009, 8:00 a.m.  
Conference Room 312

Chair McKelvey and Members of the Committee:

I am Ken Takayama, Director of the Legislative Reference Bureau. Thank you very much for the opportunity to testify on H.B. No. 1603. The Bureau takes no position either for or against this measure, but offers the following comments:

1. The bill directs the Bureau to contract with an out-of-state contractor to undertake a diagnostic assessment of the conditions, challenges, and opportunities facing the State.
2. The review called for is a big job, as the scope of the study required is drafted broadly. As such, the large appropriation included in the measure does not appear to be unreasonable.

Thank you for this opportunity to testify. I am open to any questions you may have.