

STAND. COM. REP. NO.

1026

Honolulu, Hawaii

MAR 22 2013

RE: H.B. No. 71  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Madam:

Your Committees on Higher Education and Economic Development, Government Operations and Housing, to which was referred H.B. No. 71 entitled:

"A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY,"

beg leave to report as follows:

The purpose and intent of this measure is to require the University of Hawaii to extend the current land lease with the High Technology Development Corporation for no less than twenty-five years from the date of expiration of the existing lease.

Your Committees received testimony in support of this measure from the High Technology Development Corporation; Hawaii Strategic Development Corporation; Bill Bass & Associates, LLC; Makai Ocean Engineering, Inc.; Tapiki, LLC; HiBEAM; Hawaii Consortium for Medicine and Health; BizGym.com; Cardex Pharmaceuticals, Inc.; Labels that Talk, Ltd.; Hawaii Venture Capital Association; Hawaii Strategic Development Corporation; Global Optima, Inc.; Startup Capital Ventures; The Tea Chest; Ohana Investment Works, LLC; StartupHui, LLC; HITmethods, Inc.; InMobi; Graphic Creative; Hawai'i Innovation Alliance; Hawaii Aquaculture and Aquaponics Association; Hawai'i Advocates for Consumer Rights; SOS Tech Solutions; and nine individuals. Your Committees received testimony in opposition to this measure from the University of Hawai'i System.

Your Committees find that the High Technology Development Corporation is a state agency that was established in 1983 to

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facilitate the development and growth of Hawaii's commercial high technology industry sector.

The High Technology Development Corporation developed the Manoa Innovation Center, the first and only innovation and incubation facility on Oahu that offers an array of client services, facilities, and equipment to assist new and early-stage technology companies. The Manoa Innovation Center has incubated and graduated over one hundred companies, more than eighty percent of which have become technology companies in the private sector.

Your Committees further find that the High Technology Development Corporation's current land lease with the University of Hawaii expires in 2015.

Your Committees have amended this measure by changing the minimum term of the lease extended between the University of Hawaii and the High Technology Development Corporation from twenty-five years to ten years to allow for further discussion between the parties.

As affirmed by the records of votes of the members of your Committees on Higher Education and Economic Development, Government Operations and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 71, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 71, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Higher Education  
and Economic Development,  
Government Operations and  
Housing,



DONOVAN M. DELA CRUZ, Chair



BRIAN T. TANIGUCHI, Chair





