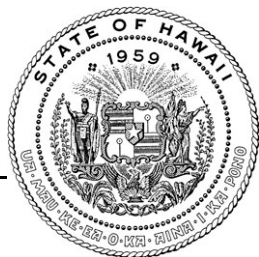


LATE

NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR



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

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Statement of
RICHARD C. LIM
Director

Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS

Wednesday, February 20, 2013
9:45 a.m.

State Capitol, Conference Room 211

in consideration of
SB 718, SD1
RELATING TO ECONOMIC DEVELOPMENT.

Chair Ige, Vice Chair Kidani, and Members of the Committee.

The Department of Business, Economic Development and Tourism supports SB 718, SD1, as it provides the resources to catalyze an innovation infrastructure that will enable Hawaii's creative and entrepreneurial talent to turn ideas into high growth business ventures.

High growth businesses are the engines of job creation. Creative and technology business ventures, in particular, create new jobs in high-wage, knowledge-based industries. The HI Growth Initiative will build on the momentum created by the venture accelerator program funded by the Legislature last session through investments in the innovation ecosystem that will provide the tools and capital for entrepreneurs to build sustainable businesses and quality jobs for our community.

The Hawaii Strategic Development Corporation (HSDC) is requesting a \$10 million general fund infusion in both FY14 and FY15. These are to fund a new State investment initiative that will partner with the private sector in three key areas: 1) commercialization of research; 2) support for incubators and accelerators; and 3) investment funds to grow and scale Hawaii businesses.

HSDC has demonstrated that it can implement investment programs cost effectively by working closely with private sector partners. HSDC seeks to invest where there are gaps in the private sector's ability to support commercialization and innovation and does not duplicate or compete with private sector efforts.

We respectfully defer to the Hawaii Strategic Development Corporation, the expending agency, to provide the specifics on the initiative's objectives, but we would like to voice our support of the bill as we believe the future success of Hawaii's economy will come from the growth and development of high growth entrepreneurial businesses.

Thank you for the opportunity to offer these comments.



Written Statement of
YUKA NAGASHIMA
Executive Director & CEO
High Technology Development Corporation
before the
SENATE COMMITTEE ON WAYS AND MEANS
Wednesday, February 20, 2013
9:45 a.m.
State Capitol, Conference Room 211

In consideration of
SB 718 SD1 RELATING TO ECONOMIC DEVELOPMENT.

Chair Ige, Vice Chair Kidani and Members of the Committee on Ways and Means.

The High Technology Development Corporation (HTDC) respectfully submits testimony in **strong support** of SB 718 SD1, legislation appropriating \$20 million (\$10 million in FY 2013-2014 and \$10 million FY 2014-2015) to the Hawaii Strategic Development Corporation for the HI Growth Initiative.

The HI Growth Initiative will provide \$20 million of investment capital that will focus on the critical building blocks of new business formation: research commercialization, entrepreneur mentoring and the mobilization of startup investment capital. The initiative reflects a shared vision between HTDC and HSDC not only on the critical needs of the tech entrepreneurial community but also the holistic approach it takes to nurture the ecosystem. Further, it follows the nation's best practices. Innovation extends beyond just the technology sector. Supporting innovation helps keep our established industries competitive and leads our drive for a sustainable economy.

Thank you for the opportunity to offer these comments.

LATE



SENT VIA EMAIL

February 19, 2013

Senator David Y. Ige
Chair, Committee on Ways and Means
Senator Michelle N. Kidani
Vice Chair, Committee on Ways and Means
Hearing on Senate Bill 718 SD1 - Relating to Economic Development
State Capitol, Conference Room 211

Aloha Chair Ige and Vice Chair Kidani!

Enterprise Honolulu stands in strong support of Senate Bill 718 SD1.

As Hawai'i continues to improve and build upon our current economic condition – the Hawaii Growth Initiative provides a means to support an entrepreneurial ecosystem that helps Hawaii's businesses expand capacity and move toward long term health.

We ask for your legislative support with this important initiative.

Please feel free to contact me directly should you have any questions.

Sincerely,

Pono Shim
President & CEO
Enterprise Honolulu, Oahu Economic Development Board



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THE BUSINESS CLIMATE OF PARADISE

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From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: mike@kinetiqlabs.com
Subject: Submitted testimony for SB718 on Feb 20, 2013 09:45AM
Date: Wednesday, February 20, 2013 9:05:09 AM

SB718

Submitted on: 2/20/2013

Testimony for WAM on Feb 20, 2013 09:45AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Prasad	Kinetiq Labs	Support	No

Comments: We strongly support this bill. LAVA has allowed Kinetiq Labs to take the first steps to help build a sustainable future and ecosystem for Hawaii Tech. The HI Growth Initiative will continue those steps to ensure sustainability and provide \$20 million of investment capital that will invest in the critical building blocks of new business formation: research commercialization, entrepreneur mentoring and the mobilization of startup investment capital. Passing this bill will help to create high growth businesses, and provide new opportunities to grow and diversify Hawaii's economy. Most importantly, the HI Growth Initiative will support an entrepreneurial ecosystem that creates high wage jobs that will keep talented people here and attract talent from abroad. In a business ecosystem what is limited in physical space and resources, the only high value, high visibility and high growth industry that is sustainable and ecofriendly is technology. The HI Growth Initiative solidifies the foundation that has the very real potential to increase the standard of living for the entire state.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: alan.hayashi@baesystems.com
Subject: Submitted testimony for SB718 on Feb 20, 2013 09:45AM
Date: Tuesday, February 19, 2013 5:18:56 PM

SB718

Submitted on: 2/19/2013

Testimony for WAM on Feb 20, 2013 09:45AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Alan Hayashi	Individual	Support	No

Comments: SB718 SD1 --I support the intent of this measure and support HSDC as the agency responsible for administration of the proposed fund. Thank your for the opportunity to testify on this measure. Alan Hayashi

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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