
A BILL FOR AN ACT

RELATING TO HIGH TECHNOLOGY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 206M-1, Hawaii Revised Statutes, is
2 amended by amending the definition of "industrial park" to read
3 as follows:
4 ""Industrial park" means a tract of real property
5 determined by the board as being suitable for use as building
6 sites for projects by one or more industrial, processing, or
7 manufacturing enterprises engaged in high technology, including
8 research, training, technical analyses, software development,
9 broadband cable landing and connectivity infrastructure facility
10 development, and pilot plant or prototype product development,
11 and may include the installation of improvements to the tract
12 incidental to the use of real property as an industrial park,
13 such as water, sewer, sewage and waste disposal, and drainage
14 facilities, sufficient to adequately service projects in the
15 industrial park, and provision of incidental transportation
16 facilities, power distribution facilities, and communication
17 facilities. Industrial parks shall not include any buildings or



1 structures of any kind except for buildings or structures
2 incidental to improvements to the industrial park."

3 SECTION 2. Section 206M-2, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§206M-2 Establishment of the high technology development
6 corporation; purpose. (a) There is established the high
7 technology development corporation, which shall be a public body
8 corporate and politic and an instrumentality and agency of the
9 State. The development corporation shall be placed within the
10 department of business, economic development, and tourism for
11 administrative purposes, pursuant to section 26-35. The purpose
12 of the development corporation shall be to facilitate the growth
13 and development of the commercial high technology industry in
14 Hawaii. Its duties shall include, but not be limited to:

- 15 (1) Developing and encouraging industrial parks as high
16 technology innovation centers and developing or
17 assisting with the development of projects within or
18 outside of industrial parks, including participating
19 with the private sector in such development;
- 20 (2) Providing financial and other support and services to
21 Hawaii-based high technology companies;



1 (3) Collecting and analyzing information on the state of
2 commercial high technology activity in Hawaii;

3 (4) Promoting and marketing Hawaii as a site for
4 commercial high technology activity; and

5 (5) Providing advice on policy and planning for
6 technology-based economic development.

7 (b) The governing body of the development corporation
8 shall consist of a board of directors having eleven voting
9 members. Seven of the members shall be appointed by the
10 governor for staggered terms pursuant to section 26-34. Six of
11 the appointed members shall be from the general public and
12 selected on the basis of their knowledge, interest, and proven
13 expertise in, but not limited to, one or more of the following
14 fields: finance, commerce and trade, corporate management,
15 marketing, economics, engineering, and telecommunications, and
16 other high technology fields. The other appointed member shall
17 be selected from the faculty of the University of Hawaii. All
18 appointed members of the board shall continue in office until
19 their respective successors have been appointed. The director
20 of business, economic development, and tourism, the director of
21 finance, an appointed member from the board of the Hawaii



1 strategic development corporation, and an appointed member from
2 the board of the natural energy laboratory of Hawaii authority,
3 or their designated representatives, shall serve as ex officio
4 voting members of the board. The director of business, economic
5 development, and tourism shall serve as the chairperson until
6 such time as a chairperson is elected by the board from the
7 membership. The board shall elect such other officers as it
8 deems necessary.

9 (c) The members of the board appointed under subsection
10 (b) shall serve without compensation, but may be reimbursed for
11 expenses, including travel expenses, incurred in the performance
12 of their duties.

13 (d) The board shall appoint a chief executive officer, who
14 shall serve at the pleasure of the board and shall be exempt
15 from chapter 76. The board shall set the salary and duties of
16 the executive officer.

17 (e) The board shall appoint a management advisory
18 committee for each industrial park and related project or
19 projects governed by the board. Each committee shall have five
20 members, who shall serve without compensation but may be
21 reimbursed for expenses incurred in the performance of their



1 duties. The members shall be drawn from fields of activity
2 related to each industrial park and related project or projects.

3 (f) When developing an industrial park with a broadband
4 cable landing and connectivity infrastructure facility, the
5 board shall establish advisory subcommittees, as necessary, and
6 appoint the members thereof, to provide recommendations to the
7 board on issues delegated to the subcommittee by the board, for
8 a vote by the board during a board meeting. Subcommittee
9 members shall serve without compensation but may be reimbursed
10 for expenses incurred in the performance of their duties."

11 SECTION 3. The board of directors of the high technology
12 development corporation shall submit a report of its findings
13 and recommendations, including any proposed legislation, to the
14 governor and the legislature not later than twenty days prior to
15 the convening of the regular session of 2016 on the formation of
16 advisory subcommittees as authorized under this measure and
17 their plans to develop industrial parks in conjunction with
18 broadband cable landing and connectivity infrastructure
19 facilities.

20 SECTION 4. New statutory material is underscored.

21 SECTION 5. This Act shall take effect on July 1, 2015.



Report Title:

High Technology Development Corporation; Broadband Cable;
Advisory Subcommittees; Report

Description:

Defines "industrial park" to include broadband cable landing and connectivity infrastructure facility development. Requires the board of directors of the high technology development corporation to establish advisory subcommittees to make recommendations to the board. Requires a report to the governor and the legislature in 2016 regarding the formation of the subcommittees and their plans to develop industrial parks in conjunction with broadband cable landing and connectivity infrastructure facilities. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.





**COMMANDER, U.S. PACIFIC COMMAND
(USPACOM)
CAMP H.M. SMITH, HAWAII 96861-4028**

February 23, 2015

State of Hawaii Legislature
415 South Beretania Street
Honolulu, HI 96813

Dear Mr. Chairman:

We concur with Hawaii's effort to provide more secure, reliable, and resilient Internet and data connectivity. Increased broadband capacity on the island is crucial to USPACOM's ability to command and control forces across the Asia-Pacific, especially with the increasing amount of data that must be transferred.

The John Hopkins University Applied Physics Laboratory completed a study in 2011 and determined that Trans-Pacific submarine cables are currently in unsecured, publicly accessible areas, and highly vulnerable to accidental or intentional damage. The study also concluded that by 2020 required data throughput capacity will exceed available Trans-Pacific submarine cables bandwidth, ultimately affecting users throughout Hawaii and the Asia-Pacific.

Technology now allows for installation of new resilient Submarine Fiber Optic (SFOC) which has the capability to bypass Hawaii entirely. Robust broadband is the communication backbone for our 24-hour command and control coverage of the Asia-Pacific. Without additional capacity on the island, the exponential increase in technological devices, like GPS, smartphones, and high speed computing will cause the State of Hawaii and USPACOM to become increasingly vulnerable to communication degradation and/or outages.

The security and resilience of the communications network requires a collaborative effort that involves active participation by the government, academic institutions and the private sector. USPACOM is committed to working with the community to achieve these objectives.

Sincerely,

A handwritten signature in black ink, appearing to be "S.J. Locklear, III", is written over a horizontal line.

S. J. LOCKLEAR, III

Copy to:
Hawaii Governor David Ige



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Economic Development & Business
Tuesday, March 17, 2015 at 9:00 A.M.
Conference Room 312, State Capitol**

RE: SENATE BILL 887 SD2 RELATING TO HIGH TECHNOLOGY

Chair Kawakami, Vice Chair Kong, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **supports the intent of SB 887 SD2**, which defines "industrial park" to include broadband cable landing and connectivity infrastructure facility development and requires the board of directors of the high technology development corporation to establish advisory subcommittees to make recommendations to the board. Also requires a report to the governor and the legislature in 2016 regarding the formation of the sub-committees and their plans to develop industrial parks in conjunction with broadband cable landing and connectivity infrastructure facilities.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Chamber supports efforts to develop the high technology industry in Hawaii and create a positive impact to the ecosystem. Broadband infrastructure is crucial to the growth of Hawaii's economy. The establishment of high technology parks and advisory subcommittees for the board of directors is necessary to improve Hawaii's technology industry and upgrade broadband infrastructure. This is the first step to help Hawaii achieve its goals of providing its residents with quality broadband services at an affordable cost.

Thank you for the opportunity to testify.



March 17, 2015

Representative Derek S.K. Kawakami
Chair, Committee on Economic Development & Business
Representative Sam Satoru Kong
Vice Chair, Committee on Economic Development & Business
Hearing on SB887 SD2
Relating to Omnibus Hawai'i Resilience and Sustainability Strategy
State Capitol, Conference Room 312

Aloha Chair Kawakami, Vice Chair Kong, and Committee Members,

Enterprise Honolulu stands in strong support of Senate Bill 887 SD2, which addresses strengthening Hawaii's critical infrastructure.

This opportunity allows the State of Hawaii to develop and expand needed broadband infrastructure, support technical innovation and further our human capital required to transform our communities, commerce and connectivity.

I welcome the establishment of a board that assists in forging new relationships, is a catalyst to form public and private partnerships, and provides the necessary oversight of the development of a high technology park. I ask that you pass this measure.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Pono Shim", with a horizontal line extending to the right.

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



ENTERPRISE
HONOLULU

THE BUSINESS CLIMATE OF PARADISE



Written Statement of
ROBBIE MELTON
Executive Director & CEO
High Technology Development Corporation
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS
Tuesday, March 17, 2015
9:00 a.m.
State Capitol, Conference Room 312
In consideration of

SB887 SD2 RELATING TO HIGH TECHNOLOGY.

Chair Kawakami, Vice Chair Kong, and Members of the Committee on Economic Development & Business.

The High Technology Development Corporation (HTDC) **supports** SB887 SD2 relating to high technology.

As part of HTDC's vision to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030, HTDC supports initiatives aimed at improving Hawaii's reputation as a place for innovation and improving Hawaii's high speed broadband infrastructure. HTDC supports the development of industrial parks and broadband cable landing sites.

Industrial parks and broadband cable landing sites developed through public private partnerships can be an effective way to advance the State's infrastructure and bring stakeholders together to position Hawaii as world leaders in innovation in areas where Hawaii has competitive assets. HTDC comments that to engage in public private partnerships, the State would need to make timely investments into projects. SB892 SD2 appropriates funds that could be used for such opportunities. HTDC comments that although we continue to explore all opportunities and report our activities to the State leadership, the report required in Section 3 is unfunded. Alternatively, we prefer to include a status update in our 2016 annual report.

Thank you for the opportunity to offer these comments.



Resilience by Design

17 March 2015

Representative Derek S.K. Kawakami, Committee on Economic Development and Business
Hearing on Senate Bill 887, Relating to High Technology

Professor Steve Chan, PhD
Chair, Swansea University Network/Relationship Science Analytics PhD Program
Director, Sensemaking – U.S. Pacific Command Fellowship,
Director, Pacific-Asia Institute for Resilience and Sustainability (AIRS)
4365 Executive Drive, Suite 670
San Diego, CA 92121

LATE

RE: Support for SB887, Relating to High Technology

Dear Chair Kawakami and members,

This bill helps to create a public private partnership focused upon developing an offshore “high tech park” that focuses on research and development so as to integrate emerging technologies from different sectors including but not limited to: cognitive computing, remote sensing, unmanned aerial vehicles (UAVs), next generation buoys, and advanced satellites to develop an operational framework for improving ocean hazard modeling — weather and seismic events (e.g. tsunami).

The high tech park will not only provide Hawaii a state of the art tsunami warning system, but also provide a transpacific cable capable of providing for Hawaii’s broadband needs. This partnership allows the State to strengthen the community’s critical infrastructure by providing a foundational basis, via a newly transformed “living lab”/incubator Hawaiian environs, so as to encourage research and development efforts by industry and academia. This initiative will encourage high-growth/high tech industries to Hawaii and generate the requirements for a knowledge-based workforce as well as diversify the economic base by promoting research, education and technological innovation.

Multiple studies have been conducted that demonstrate a positive correlation between broadband and economic growth, which means the importance of broadband capacity in the site selection process for future industries and government services will be a critical factor. With public and private investments in broadband infrastructure still surging, communities not addressing this need will be at a substantial, competitive disadvantage. More importantly, state policy must address Hawaii’s competitive broadband standing so as to ensure that the requisite future capital investment and job creation that should occur will actually occur.

From organic farming to building trades, the support of creative innovation and technological research and development, combined with the strategic design of public services systems, can provide a supportive environment for delivering a higher quality of life, making a Hawaii more attractive environment for a knowledge-based population.

Very Respectfully,

Prof. Steven Chan, PhD.



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