
A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

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

1 SECTION 1. This Act shall be known and may be cited as the
2 Hawaiian International Economic and Investment Leadership Act.

3 SECTION 2. The legislature finds that economic
4 globalization, which is the increasing economic integration and
5 interdependence of national, state, and local economies, is
6 occurring by way of increasing trade in goods and services, the
7 sharing and growth of technology and capital, and increasing
8 cross-border investment. In order to achieve a successful
9 economic future, the State must inevitably compete in the global
10 economy by promoting Hawaii exports overseas and attracting more
11 foreign direct investment.

12 Hawaii's economic competitiveness and investment are vital
13 to the short- and long-term growth of the State's economy, as
14 well as the employment and welfare of Hawaii's citizens.
15 Attraction of foreign direct investment to the State creates
16 local jobs and supports local economic growth. The legislature
17 also finds that a partnership that includes economic development



1 organizations, the private sector, academia, and government
2 agencies is the best way to realize the State's full economic
3 potential.

4 The purpose of this Act is to create an advisory council
5 for global economic competitiveness to advise the director of
6 business, economic development, and tourism and other state
7 officials on policy additions and changes to help attract more
8 foreign direct investment and increase Hawaii exports abroad.

9 SECTION 3. Chapter 201, Hawaii Revised Statutes, is
10 amended by adding a new part to be appropriately designated and
11 to read as follows:

12 **"PART . ADVISORY COUNCIL FOR GLOBAL ECONOMIC COMPETITIVENESS**

13 **§201- Definitions.** As used in this part:

14 "Council" means the advisory council for global economic
15 competitiveness.

16 "Economic development organization" means an organization,
17 such as a chamber of commerce, whose mission is centrally or
18 primarily focused on:

- 19 (1) Increasing economic growth or business investment; or
20 (2) Attraction potential or retention,



1 for an area within the State, including a neighborhood, city,
2 county, metropolitan area or region, or for the State as a
3 whole.

4 **§201- Advisory council for global economic**
5 **competitiveness; membership; annual report.** (a) There is
6 established within the department of business, economic
7 development, and tourism for administrative purposes the
8 advisory council for global economic competitiveness. The
9 council shall review existing state laws and propose
10 recommendations to enhance the State's business and investment
11 global competitiveness to grow exports and attract inward
12 foreign direct investment.

13 (b) The council shall be composed of no fewer than fifteen
14 members. The governor and the director of business, economic
15 development, and tourism shall serve as ex officio members of
16 the council. The other members of the council shall be
17 appointed by the governor, without regard to section 26-34, and
18 shall serve for terms of two years, with reappointments made at
19 the option of the governor. Appointed members of the council
20 shall include:



- 1 (1) Executives from at least two United States
2 subsidiaries of foreign-headquartered businesses
3 operating in the State;
- 4 (2) Executives from at least two United States-based
5 businesses headquartered outside of the State but
6 operating in the State;
- 7 (3) Representatives from at least two economic development
8 organizations located in the State;
- 9 (4) At least one faculty member from an institution of
10 higher education located in the State;
- 11 (5) At least one economist; and
- 12 (6) Other representatives from the private sector or
13 public sector who are positioned to provide valuable
14 feedback.
- 15 (c) The members of the council shall serve without
16 compensation but shall be reimbursed for reasonable expenses,
17 including travel expenses and a per diem in lieu of subsistence
18 while away from their homes or regular places of business in the
19 performance of their duties on the council.
- 20 (d) The council shall be co-chaired by:



- 1 (1) The director of business, economic development, and
2 tourism; and
- 3 (2) A member of the council, aside from the governor, who
4 is elected by a majority of the council or, during a
5 vacancy before the next meeting of the council,
6 appointed in the interim by the governor.
- 7 (e) The council shall:
- 8 (1) Meet no fewer than three times each year;
- 9 (2) Provide advice to the director of business, economic
10 development, and tourism as well as the heads of the
11 economic regulatory agencies of the State; and
- 12 (3) Facilitate coordination among the State's economic
13 regulatory agencies and identify areas of potential
14 for increased cooperation.
- 15 (f) The council shall submit an annual report to the
16 legislature no later than twenty days prior to the convening of
17 each regular session. The annual report shall promote a
18 comprehensive economic development strategy for the State,
19 including:
- 20 (1) An identification of economic sectors valuable to the
21 State's growth in the global economy, accounting for



- 1 both export and inward foreign direct investment
2 opportunities;
- 3 (2) A determination of what state-level policies are
4 needed to help the economic sectors identified in
5 paragraph (1) grow and succeed, including:
- 6 (A) Infrastructure needs;
- 7 (B) Workforce training programs;
- 8 (C) Education reforms;
- 9 (D) Licensing and permitting support;
- 10 (E) Site-selection help;
- 11 (F) Financing assistance; and
- 12 (G) Other areas of state support deemed important to
13 help these economic sectors grow;
- 14 (3) Recommendations on enhancing and developing state-
15 level policies to increase state exports;
- 16 (4) Recommendations for developing and enhancing policies
17 to attract and retain foreign direct investment in the
18 State;
- 19 (5) An identification of existing regulations or executive
20 orders in need of reform to carry out the policies
21 identified in this section; and



1 (6) Any other tasks or ideas that the council deems
2 appropriate to recommend or promote.

3 The director of business, economic development, and tourism
4 shall be responsible for drafting and publishing the annual
5 report.

6 (g) The council shall promote its annual report on state
7 websites operated, maintained, or developed by the department of
8 business, economic development, and tourism, as well as any
9 other websites deemed by the governor to be useful in promoting
10 the council's work.

11 (h) The council shall transmit its annual report to the
12 chairs and members of any legislative committees or interim
13 state legislative committees with relevant jurisdictions to
14 implement any policy recommendations within the annual report."

15 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

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JAN 23 2017



H.B. NO. 915

Report Title:

Economic Development; Global Competitiveness; Foreign Direct Investment; Exports; Advisory Council

Description:

Creates an advisory council for global economic competitiveness to be attached to DBEDT and composed of fifteen or more representatives from the public sector, global business community, economic development organizations, and academia. Directs the council to recommend policy additions and changes to attract more foreign direct investment and increase state exports abroad.

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