

STAND. COM. REP. NO.

307

Honolulu, Hawaii

February 14, 2017

RE: H.B. No. 973

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 973 entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to support research and development in the State by establishing a Research and Technology Grant Program within the High Technology Development Corporation.

The High Technology Development Corporation, The Chamber of Commerce Hawaii, Navatek, and several concerned individuals supported this bill. The State Procurement Office supported the intent of this measure. The Office of the Auditor submitted comments.

Your Committee has amended this measure by:

- (1) Basing the evaluation for a grant on the applicant's performance in specified categories;
- (2) Requiring qualified research and technology companies to have their headquarter office in the State, rather than being incorporated in the State;
- (3) Deleting the requirement that an applicant be in operation for at least five years;

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- (4) Revising the criteria for projects that are eligible for a grant by:
 - (A) Requiring that the project specifically benefit students and allowing paid internships; and
 - (B) Deleting the requirement that the project be based on the principles of robotics, engineering, science, or mathematics;
- (5) Amending the effective date to July 1, 2038, to facilitate further discussion; and
- (6) Making technical, nonsubstantive amendments for consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 973, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 973, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,


MARK M. NAKASHIMA, Chair



