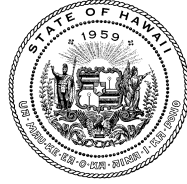


DAVID Y. IGE
GOVERNOR

SHAN TSUTSUI
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

MARIA E. ZIELINSKI
DIRECTOR OF TAXATION

DAMIEN A. ELEFANTE
DEPUTY DIRECTOR

To: The Honorable Glenn Wakai, Chair
and Members of the Senate Committee on Economic Development, Tourism, and
Technology

Date: Wednesday, March 15, 2017
Time: 1:15 P.M.
Place: Conference Room 414, State Capitol

From: Maria E. Zielinski, Director
Department of Taxation

Re: H.B. 1481, H.D. 1, Relating to Economic Development

The Department of Taxation (Department) appreciates the intent of H.B. 1481, H.D. 1, and provides the following comments for your consideration.

This measure creates a working group within the Department of Business, Economic Development, and Tourism to examine the use of blockchain technology to benefit local industries, residents, and the State of Hawaii. H.D. 1 has a defective effective date of July 1, 2038. Should the defective date be amended, the Department is willing and able to participate in the working group.

Thank you for the opportunity to provide comments.



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development, and Tourism
before the
**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT,
TOURISM AND TECHNOLOGY**

Wednesday, March 15, 2017
1:15 PM
State Capitol, Room 414

in consideration of
HB 1481, HD1
RELATING TO ECONOMIC DEVELOPMENT.

Chair Wakai, Vice Chair Taniguchi, and Members of the Committee.

The Department of Business, Economic Development & Tourism (DBEDT) supports the intent and offers comments on HB 1481, HD1, which would require DBEDT to establish a working group to study the uses of and the best practices regarding “blockchain technology.”

DBEDT appreciates the need to defend against cyber-attacks in order to protect Hawaii’s businesses. DBEDT recognizes the potential for blockchain technology to improve public and private sector resiliency.

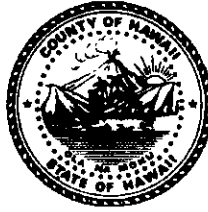
With a possible 14 to 28 members in this working group, DBEDT will need additional staff to manage the scope of work:

- 1) Study the uses of blockchain technology;
- 2) Develop curriculum and training methods;
- 3) Promote best practices for enabling blockchain technology to benefit local businesses and residents.

DBEDT recommends that this measure be amended to make the working group exempt from Ch. 92, as well Ch. 26-34, in order expedite the progress of the working group. DBEDT also requests an appropriation of \$100,000, provided it does not displace our priorities in the Executive Budget.

Thank you for the opportunity to provide the above comments.

Harry Kim
Mayor



Wil Okabe
Managing Director

Barbara J. Kossow
Deputy Managing Director

County of Hawai'i
Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553
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March 13, 2017

Senator Glenn Wakai
Economic Development, Tourism
and Technology
Hawai'i State Capitol
Honolulu, HI 96813

Dear Chair Wakai and members:

RE: HB 1481, HD 1
Relating to Economic Development
(Blockchain Technology)

Thank you for this opportunity to comment on HB 1481, HD1.

Without fear of contradiction, I can assure you that I know nothing about blockchain technology other than what is in HD1. However, I do want to express my appreciation that the counties will be included in any workgroup that is established, and the County of Hawaii will be pleased to participate if HB 1481 becomes law.

Respectfully submitted,

Harry Kim
Mayor

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, March 11, 2017 1:04 PM
To: ETT Testimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for HB1481 on Mar 15, 2017 13:15PM*

HB1481

Submitted on: 3/11/2017

Testimony for ETT on Mar 15, 2017 13:15PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

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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