

From: mailinglist@capitol.hawaii.gov
Sent: Monday, January 30, 2017 8:37 AM
To: ETT Testimony
Cc: Keith.t.kamita@gmail.com
Subject: Submitted testimony for SB764 on Jan 30, 2017 13:15PM

SB764

Submitted on: 1/30/2017

Testimony for ETT on Jan 30, 2017 13:15PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
Keith Kamita	Individual	Support	No

Comments: I strongly support passage of SB764 that appropriates funds to the High Technology Development Corporation for the Manufacturing Development Program. This program is extremely important to new start up businesses giving them a shot at Starting new businesses in Hawaii.

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TO: COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, & TECHNOLOGY
Senator Glenn Wakai, Chair
Senator Brian T. Taniguchi, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: Monday, Jan. 30, 2017
TIME: 1:15 p.m.
PLACE: Conference Room 414

RE: SB764 (Manufacturing Development Program)
Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

This bill's continuation of the manufacturing grant program will complement existing efforts in building and diversifying our economy; keeping more dollars in Hawaii; decreasing our dependence on imports; and growing and strengthening the Made in Hawaii brand.

Research has shown that a diversified economy and a business-friendly tax climate are key factors in keeping unemployment low. This bill allows manufacturers in our state to continue to grow their businesses and incentivizes production in Hawaii. This means more jobs and a stronger economy for the entire state.

Increasing manufacturing will also mean we are less reliant on imported goods. Hawaii currently imports over 90% of the products used in the state. This reliance leaves us vulnerable to potential supply chain interruptions, adds shipping cost to almost every product and sends millions of dollars per year out of the state- millions of dollars that could be spent and reinvested here. Importing less and manufacturing more could have a wide reaching positive impact on everyone- from manufacturers to consumers.

This bill will also open the door for more products to earn the proud distinction of being "Made in Hawaii." Hawaii made products have a worldwide reputation for quality and excellence and are in

demand both within the state and abroad. Extending the grant program will help our manufacturing industry meet that demand while concurrently growing and expanding our economy.

For these reasons, we ask that you please vote yes on this measure.

Thank you for the opportunity to testify.



January 29, 2017

Senate Committee on Economic Development, Tourism & Technology
Monday, January 30, 2017, 1:15 pm
State Capitol, Conference Room 414

Re: SB764, RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION

Aloha Chair Wakai, Vice Chair Taniguchi, and Members of the Committee on Economic Development, Tourism, and Technology.

Maui Brewing Co. **supports** SB764 that makes an appropriation for the continuation of the manufacturing grant program within the High Technology Development Corporation. In fact, we would encourage the expansion of funding in order to bring manufacturing back to Hawaii. We often focus on film, military and technology but we seem to ignore supporting local manufacturing which would bring a number of skilled jobs to the islands.

Maui Brewing Co. is a small, independent craft brewery that began with just 23 on our team in 2005. We are now 355 strong and Hawaii's largest craft brewery. We did this in the face of significant challenges to growth at all levels; financial, shipping, taxation, legislative and more. We were a recipient of a portion of grant funds last year and that has allowed us to continue growth in job creation and production. We will again be spending more than 2 million dollars in 2017 just on direct manufacturing investments.

According to the Chamber of Commerce of Hawaii, Hawaii has over 1,000 active manufacturers employing approximately 17,000 workers and Hawaii's manufacturing industry helped the local economy by exporting nearly \$570 million in manufactured goods in 2012.

The program currently limits reimbursement to 20% of qualified expenses capped at \$100,000. This amount should be expanded and perhaps share a tax credit aspect that would allow for more direct investment in our local small businesses. The program shows the State's support for local manufacturers willing to make the commitment to growing their businesses in Hawaii and growing the industry.

Thank you for the opportunity to offer these comments.

Sincerely,

Garrett W. Marrero
CEO/Founder

Handcrafted Ales & Lagers Brewed with Aloha
605 Lipoa Parkway, Kihei, HI 96753
808.213.3002

First Commercial Kitchen LLC

94-538 Puahi St., Ste A., Waipahu, Hi 96797
Ph: 808-676-0880 Fax: 808-676-0400

Statement of
Peter Kam
LLC Managing Partner
First Commercial Kitchen LLC

before the
Senate Committee on Economic Development, Tourism & Technology

Monday, January 30, 2017

1:15 p.m.

State Capitol, Conference Room 414

In consideration of

SB764

RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION.

Chair Wakai, Vice Chair Taniguchi, and Members of the Committee on Economic Development, Tourism, and Technology:

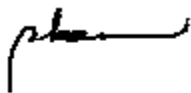
First Commercial Kitchen LLC **supports** SB764 that makes an appropriation for the continuation of the manufacturing grant program within the High Technology Development Corporation.

We are a unique food processing incubator. Despite considerable obstacles doing business in Hawaii, we have helped to create about 300 made-in-Hawaii value added products. Although the grant funding is only 20%, our product capacity has already increased 10%, and will increase this year by 40% with 2017 funding. This helps to lower cost of production for our clients, enabling them to reach more markets. In addition, we expect to hire 2 to 4 more employees this year to accommodate this increased business.

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The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers willing to make the commitment to growing their businesses in Hawaii and growing the industry.

Thank you for the opportunity to offer these comments.



Peter Kam