

Honolulu, Hawaii

MAR 22 , 2018

RE: S.B. No. 3000
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred S.B. No. 3000, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO INNOVATION BUSINESS,"

begs leave to report as follows:

The purpose of this measure is to promote innovation in the science and technology industries in the State by:

- (1) Establishing a Research and Development Program (Program) within the Hawaii Technology Development Corporation to help Hawaii-based small businesses optimize research and development performed in the State; and
- (2) Establishing the Research and Development Special Fund to provide funding for the Program and appropriating funds into the Special Fund.

The Chamber of Commerce Hawaii, Navatek, Makai Ocean Engineering, Inc., Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and several concerned individuals testified in support of this measure. The Hawaii Technology Development Corporation testified in support of the



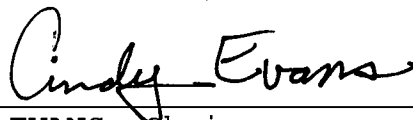
intent of this measure. The Department of Budget and Finance provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2112, to facilitate further discussion.

Should the Committee on Finance deliberate this measure further, your Committee respectfully requests that it consider the necessity of establishing the Research and Development Special Fund to provide funding for the Program or whether current funding mechanisms available to the Hawaii Technology Development Corporation may be used to fund the Program.

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 S.B. No. 3000, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3000, S.D. 2, 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,



CINDY EVANS, Chair



