



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of  
**LUIS P. SALAVERIA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS**  
**AND**  
**LABOR & PUBLIC EMPLOYMENT**

Friday, February 2, 2018  
10:45 a.m.  
State Capitol, Conference Room 309

in consideration of  
**HB 1962**  
**RELATING TO MANUFACTURING.**

Chair Evans, Vice Chair Keohokalole and Members of the Committee on Economic Development and Business.

The Department of Business, Economic Development, and Tourism (DBEDT) **supports** HB 1962, which requires DBEDT to conduct an economic development study on automated manufacturing opportunities in Hawaii. DBEDT agrees that Hawaii manufacturers will increasingly need to turn to advanced manufacturing and industrial automation to remain competitive. Although automated manufacturing may reduce the overall number of workers required to produce a product, it also provides local manufacturers with the ability to compete with offshore production.

DBEDT appreciates that this measure will ultimately support the growth of Hawaii-made products by studying the opportunities and challenges of automated manufacturing in the state and making preliminary findings and recommendations, including any proposed legislation for the convening of the regular legislative session of 2019. To complete this study DBEDT requests an appropriation of \$150,000.

DBEDT supports the bill as long as it does not either replace or adversely impact the Administration's priorities. We defer to the Department of Budget and Finance for the fiscal impact of this measure on the state budget.

Thank you for the opportunity to provide this testimony.

**LATE**

**HB-1962**

Submitted on: 2/2/2018 2:45:51 AM

Testimony for EDB on 2/2/2018 10:45:00 AM

| <b>Submitted By</b> | <b>Organization</b>        | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|----------------------------|---------------------------|---------------------------|
| Melodie Aduja       | OCC Legislative Priorities | Support                   | No                        |

Comments:

**PRESENTATION OF THE  
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES  
DEMOCRATIC PARTY OF HAWAII  
TO THE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS  
AND  
COMMITTEE ON LABOR & PUBLIC EMPLOYMENT  
THE HOUSE OF REPRESENTATIVES  
TWENTY-NINTH LEGISLATURE  
REGULAR SESSION OF 2018  
Friday, February 2, 2018  
10:45 a.m.**

Hawaii State Capitol, Conference Room 309

**RE: Testimony in Support of HB 1962, RELATING TO MANUFACTURING**

To the Honorable Cindy Evans, Chair; the Honorable Jarrett Keohokalole, Vice Chair, and Members of the Committee on Economic Development & Business:

To the Honorable Aaron Ling Johanson, Chair; the Honorable Daniel Holt, Vice Chair, and Members of the Committee on Labor & Public Employment:

Good morning. My name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of

Hawaii. Thank you for the opportunity to provide written testimony on House Bill No. 1962, relating to an economic development study on automated manufacturing opportunities in the State of Hawaii. The OCC Legislative Priorities Committee is in favor of House Bill No. 1962 and support its passage.

House Bill No. 1962, is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it requires the Department of Business, Economic Development, and Tourism to conduct an economic development study on automated manufacturing opportunities in Hawaii.

Specifically, the DPH Platform states, "We believe in efforts to build and retain a qualified workforce in Hawai'i . . . As the party of working men and women in Hawai'i, we work to protect labor rights and social security; to ensure fair labor right and social security; to ensure fair labor practices, a living wage for all workers, equal pay for equal work and fair taxation; we encourage legislation to raise the minimum wage and paid family and sick leave; to protect employees' rights to organize and bargain collectively with their employers; to oppose the outsourcing of Hawaii's jobs; to promote employment opportunities and sustainable growth; to assist the economically disadvantaged and advocate for sound trade and economic policies; and build our workforce for jobs in emerging technologies, in green industries, in renovation and in green construction, so that their jobs are not dependent on ever-expanding real estate development. (Platform of the DPH, P. 3, Lines 119, 122-129 (2016)).

We recognize that the responsible use and development of technology in all its manifestations offers immense potential for our community, government, including institutions of higher education and business sectors. We encourage synergistic research, development, commercialization and educational programs to promote technological proficiency and innovation. In particular, we support Science, Technology, Engineering and Math (STEM) initiatives in our public, private and charter schools as these prepare the next generation to address the needs of our State. We also support programs that facilitate incubator, i.e. start-up, opportunities for new and promising technologies, and encourage the local retention of our intellectual resources. (Platform of the DPH, P. 3, Lines 149-156 (2016)).

Given that House Bill No. 1962 provides for an economic development study on automated manufacturing opportunities in the State of Hawaii; it is the position of the OCC Legislative Priorities Committee to support this measure as it will expand Hawaii's businesses and strengthen Hawaii's economy.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ **Melodie Aduja**

Melodie Aduja, Chair, OCC Legislative Priorities Committee

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