

STAND. COM. REP. NO.

173

Honolulu, Hawaii

February 8, 2019

RE: H.B. No. 406

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 406 entitled:

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

begs leave to report as follows:

The purpose of this measure is to provide plans to develop work-based learning opportunities for K-16 pathways and internship programs in public schools by:

- (1) Requiring the Department of Business, Economic Development & Tourism (DBEDT) to develop annual regional economic plans for each county based on the boundaries of development or community plans in each county;
- (2) Exempting qualified internship programs from the procurement process; and
- (3) Appropriating funds.

The Chamber of Commerce Hawaii, HawaiiKidsCAN, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, We Are Voices of Excellence, and a few concerned individuals testified in support of this measure. DBEDT; Department of Education; State Procurement Office; Workforce



Development Council; and University of Hawai'i System provided comments on this measure.

Your Committee has amended this measure by

- (1) Clarifying that the requirement to develop annual regional economic plans, the exemption for qualified internship programs, and the appropriation shall be effective on July 1, 2020;
- (2) Deleting language exempting qualified internship programs from the procurement process;
- (3) Changing the appropriation to an unspecified amount;
- (4) Requiring DBEDT to report on its progress towards developing annual regional economic plans to the Legislature prior to the convening of the Regular Session of 2021;
- (5) Changing its effective date to July 1, 2112; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate this measure further, your Committee on Economic Development & Business respectfully requests that it consider appropriating \$500,000 for DBEDT to develop annual regional economic plans.

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. 406, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 406, H.D. 1, and be referred to your Committee on Lower & Higher Education.



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



ANGUS L.K. MCKELVEY, Chair



