

STAND. COM. REP. NO. 548

Honolulu, Hawaii

FEB 15 2019

RE: S.B. No. 990
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Technology, to which was referred S.B. No. 990 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Transfer all powers, duties, and obligations held by the Hawaii Strategic Development Corporation and the Broadband Division of the Department of Business, Economic Development, and Tourism to the Hawaii Technology Development Corporation; and
- (2) Repeal the Hawaii Strategic Development Corporation.

Your Committees received comments on this measure from the Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Hawaii Strategic Development Corporation; and Hawaii Technology Development Corporation.

Your Committees find that most of the jobs in the State's economy are relatively low-paying, service-sector jobs. As technology advances, rapid transformation of various industries is taking place. Thus, the need to prepare the future workforce through an emphasis on science, technology, engineering, and math



education and other technology-focused strategies to capture opportunities for higher paying jobs becomes necessary. This measure seeks to pool the resources and focus efforts of various state agencies by consolidating state technology-based economic development efforts into one agency.

However, your Committees recognize that the transition proposed by this measure may take more time and resources than are desired at this time to produce the intended effect. Your Committees find that a study may be a more prudent way to first assess and identify specific policy and procedural changes that are necessary to effectuate technology-based economic development.


Accordingly, your Committees have amended this measure by deleting its contents and inserting language to:

- (1) Require the Department of Business, Economic Development, and Tourism to engage a consulting firm to conduct a study to evaluate policies and organizational changes needed within the Department of Business, Economic Development, and Tourism that will enable the State to successfully execute a technology-based economic development strategy; and
- (2) Appropriate \$70,000 for fiscal year 2019-2020 for the Department of Business, Economic Development, and Tourism to engage the consulting firm to conduct the study.


As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 990, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 990, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Energy, Economic
Development, and Tourism and
Technology,



JARRETT KEOHOKALOLE, Chair



GLENN WAKAI, Chair

The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Technology
TEC

Bill / Resolution No.:*	Committee Referral:	Date:		
B990	EEI/TEC, WAN	2/11/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOOLE, Jarrett (C)	✓			
ENGLISH, J. Kalani (VC)				✓
MORIWAKI, Sharon Y.				✓
WAKAI, Glenn	✓			
FEVELLA, Kurt	✓			
TOTAL	3	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes