



Written Statement of  
**Len Higashi**  
Acting Executive Director  
Hawaii Technology Development Corporation  
before the  
**House Committee on Economic Development & Business**  
Monday, June 22, 2020  
11:00 a.m.  
State Capitol, Conference Room 329

In consideration of  
**SB1443, SD1**  
**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.**

Chair McKelvey, Vice Chair Kitagawa, and Members of the Committees.

The Hawaii Technology Development Corporation (HTDC) offers **comments** on SB1443, SB1 that prohibits a company from receiving a grant in consecutive years under the manufacturing development (MAP) program.

HTDC believes with the current economic injury sustained due to the COVID-19 pandemic, continuation of our core programs is more important than ever as a foundation for diversifying the economy. For the MAP program, in FY19, 37 out of 69 applicants were funded. \$1.3 million was requested and \$898 thousand was awarded. The companies invested \$13.5 million. The reported impact of the MAP program for 2018 was \$748 million with 2,387 jobs in Hawaii. With the \$500k available in FY20, fewer companies will be awarded and the amounts will be lower. HTDC believes the program provides leverage and positive economic development value for the State by making Hawaii manufacturers more competitive. HTDC understands the intent of this bill is to encourage new applicants. The program currently provides preference to first time applicants. Last year 25 of the 37 awardees were first time applicants. HTDC also considers economic impact and export potential, regional (neighbor island) need, strength of business, etc. when making awards. HTDC comments that the 1 year waiting period seems to be a fair balance between providing opportunity for new applicants and priority for the strongest applicants.

Thank you for the opportunity to offer these comments.