



**DEPARTMENT OF BUSINESS,  
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Statement of  
**MIKE MCCARTNEY**  
Director  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT  
AND  
HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY**

Wednesday, March 24, 2021  
2:00 PM  
State Capitol, Conference Room 312 & 309

In consideration of  
**SB 1421, SD2**  
**RELATING TO DUAL USE TECHNOLOGY**

Chairs Quinlan and Takayama, Vice Chairs Holt and DeCoite and members of the Committees. The Department of Business, Economic Development and Tourism (DBEDT) supports the intent of SB1421, SD2 that creates a task force with the University of Hawaii and DBEDT that explores how dual use technology can be used to promote economic recovery and diversify the State's economy and makes an appropriation.

DBEDT supports the intent to diversify Hawaii's economy leveraging dual use technology. DBEDT points out that the Hawaii Technology Development Corporation (HTDC) administers the Hawaii Small Business Innovation Research (HSBIR) program, which serves many businesses from the dual-use community. HTDC has been working closely with UH to increase commercializing technologies for the Department of Defense through the Hawaii Tech Bridge program.

DBEDT supports this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to offer these comments.



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the House Committee on Economic Development and  
House Committee on Higher Education & Technology  
Wednesday, March 24, 2021 at 2:00 P.M.  
Written Testimony**

**RE: SB 1421, SD 2, RELATING TO DUAL USE TECHNOLOGY**

Chairs Quinlan and Takayama, Vice Chairs Holt and DeCoite, and Members of the Committees:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 1421, SD 2 which establishes a task force to explore dual use technology and its uses to promote economic recovery and diversify the State's economy.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

We appreciate the intent of this measure in exploring initiatives that help diversify and grow Hawaii's economy beyond the state's main economic driver: tourism. Given that Hawaii's second economic driver is the military, the associated defense economies and bridge for dual-use technology is commendable and The Chamber looks forward to being a valuable contributor in advancing economic opportunities and diversity in Hawaii's broader economy.

Thank you for this opportunity to provide testimony.



Written Statement of  
**DR. PATRICK K. SULLIVAN**  
**PRESIDENT/CEO OCEANIT**

Before the  
**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT**  
**And**  
**HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY**

Wednesday, March 24, 2021  
2:00 p.m.

State Capitol, Conference Room 312 & 309

In Support of

**SB1421 RELATING TO DUAL USE TECHNOLOGY**

To: Chairs Sean Quinlan and Gregg Takayama, Vice Chairs Daniel Holt and Lynn DeCoite and Members of the Committee

From: Dr. Patrick K. Sullivan, President/CEO

Re: Testimony in Support of SB1421

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony in **Support of SB1421.**

Oceanit is a local diversified science and engineering company with capabilities/facilities in advanced technology, artificial intelligence, quantum, life sciences, information systems, aerospace, energy, oil and gas, and consulting engineering services.

Through various federal funding sources we have demonstrated the ability to develop “disruptive technologies” that are changing the way we live and work in the world. However, the ability to take disruptive technologies to the next level or to commercialize has been a challenge. Federal R&D funding is restricted to research and development activities, i.e., no marketing or commercialization activities allowed. And only a small percentage of tech businesses are venture-fundable. To diversify Hawaii’s economy and the help Hawaii’s economic recovery, the State needs to support Hawaii technology companies who are stuck in the “ditch” between research and product realization.

Previous support of Hawaii’s Dual Use technologies, has created several new high tech startups in Hawaii, as well as product development efforts which have brought funding and people to Hawaii. This bill will create a task force to explore potential dual use technology research and development efforts to create high income jobs opportunities for Hawaii’s residents and graduates of Hawaii’s educational institutions. In return, the State will benefit from tax revenues, job creation and economic growth.



Written Statement of  
**Len Higashi**  
Acting Executive Director  
Hawaii Technology Development Corporation  
before the

**House Committee On Economic Development  
And  
House Committee On Higher Education & Technology**

Wednesday, March 24, 2021  
2:00 p.m.  
Videoconference

In consideration of  
**SB1421, SD2**  
**RELATING TO DUAL USE TECHNOLOGY.**

Chairs Quinlan and Takayama, Vice Chairs Holt and DeCoite, and Members of the Committees.

The Hawaii Technology Development Corporation (HTDC) **supports** the intent of SB1421, SD2 that creates a task force within the department of business, economic development, and tourism consisting of representatives from the university of Hawaii, Hawaii technology development corporation, and the State's technological and business community that explores how dual use technology can be used to promote economic recovery and diversify the State's economy; requires the task force to submit reports to the legislature in 2023 and 2025; and provides that the task force shall be dissolved on an unspecified date.

HTDC supports efforts to diversify Hawaii's economy through innovation. HTDC administers the Hawai'i Small Business Innovation Research (HSBIR) program serving many businesses from the dual-use community. We are working very closely with the University of Hawaii on pilot initiatives aimed at getting University technology to market and increasing the pipeline of new small businesses securing federal SBIR funds. We are also partnered with the University of Hawaii and the Naval Information Warfare Center (NIWC formerly known as SPAWAR) Pacific on the Hawai'i Tech Bridge Program to facilitate new opportunities for local technology companies to provide solutions for the Navy. Exploring new project opportunities for dual-use technology is well aligned with HTDC's current priorities. HTDC prefers the original draft of the bill which included an appropriation.

HTDC looks forward to working with all stakeholders in moving dual-use technology forward. HTDC supports this bill provided it does not supplant the priorities in the Administration's budget. Thank you for the opportunity to offer these comments.

## TESTIMONY OF LARRY S VERAY

TO

COMMITTEE ON ECONOMIC DEVELOPMENT AND COMMITTEE ON HIGHER EDUCATION &  
TECHNOLOGY RELATING TO DUAL USE TECHNOLOGY

IN SUPPORT OF SB1421 SD2

***CREATES A TASK FORCE WITHIN THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM CONSISTING OF REPRESENTATIVES FROM THE UNIVERSITY OF HAWAII, HAWAII TECHNOLOGY DEVELOPMENT CORPORATION, AND THE STATE'S TECHNOLOGICAL AND BUSINESS COMMUNITY THAT EXPLORES HOW DUAL USE TECHNOLOGY CAN BE USED TO PROMOTE ECONOMIC RECOVERY AND DIVERSIFY THE STATE'S ECONOMY. REQUIRES THE TASK FORCE TO SUBMIT REPORTS TO THE LEGISLATURE IN 2023 AND 2025. PROVIDES THAT THE TASK FORCE SHALL BE DISSOLVED ON AN UNSPECIFIED DATE.***

**MARCH 23, 2021**

Aloha, Chair Sean Quinlan, Vice Chair Daniel Holt (Committee on Economic Development) and Chair Gregg Takayama, Vice Chair Lynn DeCoite (Committee on Higher Education & Technology) and Committee members. I am Larry Veray, Chairman for the Pearl City Neighborhood Board No.21 and I am submitting this testimony as an individual but I want you to know that hope our State can recover from the COVID 19 pandemic, loss of jobs and economic growth as soon as possible. To tackle these issues, it truly requires strong leadership, innovative ideas, creative solutions and bringing in valued resources. This Task Force should be comprised of real creative thinkers and problem solvers who have been exposed to the latest technology, computer software and visualization and analysis tools developed by the military that could be transitioned for civilian employment.

Regretfully, our State has lost opportunities to integrate our countries best military grade technology comprised of high-powered visualization and analysis tools. Civilian companies, in many cases, have paralleled their developed technology for also civil employment. This is an example of Dual Use Technology. Imagine technology developed for the military to track down potential terrorist activities, transit routes, operating patterns and plans. Where this same software could be used to support the civilian sector during a major pandemic tracking all incoming and outbound people traveling on airplanes, ships and ground transportation with all information delivered to one central hub for action in a very timely manner. This same software and tools can also be integrated for Hawaii law enforcement for crime management. Instant statistics on criminals as they are creature of habit. Law enforcement one step ahead and proactive instead of reactive. These are just two examples on how Dual Use Technology could be employed in Hawaii. Imagine: agriculture, tourism, flood control, sea level rise impacts, projected assessments on potential natural disasters: hurricanes, Tsunami; etc.

This bill is so important, I most strongly support you passing of SB1421 HD2 to help our State create economic growth, increase jobs and develop technology to improve health and safety for the public but you have to make sure you select the right people on the task force. Mahalo!

Very respectfully,

*Larry S. Veray*