

Honolulu, Hawaii
FEB 16 , 2022

RE: H.B. No. 2409
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred
H.B. No. 2409 entitled:

"A BILL FOR AN ACT RELATING TO THE ECONOMY,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a public policy framework that addresses state goals regarding economic disaster mitigation, economic diversification, import substitution, and community development;
- (2) Appropriate funds to implement the projects that address these goals;
- (3) Identify additional projects authorized in the executive budget to be implemented by the Department of Business, Economic Development, and Tourism; and
- (4) Require the Department of Business, Economic Development, and Tourism to submit annual reports to the Legislature summarizing project outcomes.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and



Tourism; Hawaii Green Infrastructure Authority; Office of Planning and Sustainable Development; Hawaii Community Development Authority; Hawaii State Energy Office; Hawai'i Tourism Authority; Natural Energy Laboratory of Hawaii Authority; Hawaii Technology Development Corporation; and seventeen individuals. Your Committee received comments on this measure from the Department of Budget and Finance and Hawai'i Energy.

Your Committee finds that the early onset of the coronavirus disease 2019 pandemic devastated the State's economy. While the State is beginning to recover from the economic damages, your Committee believes that the State must improve its economic coordination and focus its efforts to meet state goals in the areas of economic disaster mitigation, economic diversification, import substitution, and community development. This measure supports various efforts and projects that will help the State achieve these goals.

Your Committee has amended this measure by:

- (1) Clarifying that projects addressing import substitution shall look into the impact of consumable imported goods;
- (2) Deleting language that would have appropriated funds for an import substitution project relating to the Solarize Waianae project; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2409, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2409, H.D. 1, and be referred to your Committee on Finance.



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



SEÁN QUINLAN, Chair



