



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented to the
House Committee on Higher Education & Technology
Friday, March 18, 2022 at 2:00 p.m.

by
Vassilis L. Syrmos
Vice President for Research and Innovation
University of Hawai'i System

SB 2806 SD1 – RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Takayama, Vice Chair Clark, and Members of the Committee:

The University of Hawai'i (UH) supports SB 2806 SD1 that appropriates funds to important innovation-related programs at the Hawai'i Technology Development Corporation (HTDC). The University of Hawai'i shares a similar vision with HTDC to help establish a thriving innovation-based sector to boost the local economy, create jobs and to develop a highly skilled technical workforce.

One of the key programs available to assist startups from UH and other locally based accelerators is HTDC's Hawai'i Small Business Innovation Research (HSBIR) Phase II program, which provides matching grant funding to support a small startup firm in its early efforts to develop and improve the technology that forms the basis of the business opportunity. These funds are often crucial to assist startups in developing their new technologies to the point that will allow them to tap venture capital firms for the necessary funding to become commercially successful.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY
ON
SENATE BILL NO. 2806, S.D. 1

March 18, 2022
2:00 p.m.
Room 309 and Videoconference

RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 2806, S.D. 1, appropriates an unspecified amount of general funds for FY 23 to the Hawai'i Technology Development Corporation (HTDC) for the Hawai'i Small Business Innovation Research (HSBIR) Program. B&F notes that the Governor's FY 23 Executive Supplemental Budget already includes an appropriation request of \$1,000,000 in general funds for HTDC for Phase II and III grants for the HSBIR Program.

B&F further notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and

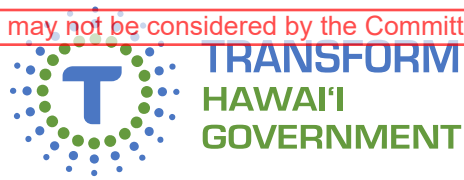
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



March 18, 2022

Rep. Gregg Takayama, Chair
Rep. Linda Clark, Vice-Chair
HOUSE COMMITTEE ON HIGHER EDUCATION AND TECHNOLOGY
Via Videoconference

RE: SUPPORT FOR SB 2806, SD1, RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Aloha Chair Takayama, Vice Chair Clark, and committee members:

My name is Christine Sakuda and I serve as the executive director of Transform Hawai'i Government (THG), a coalition of organizations and individuals who advocate for an accessible, accountable and responsive state government that leverages technology to help citizens, communities, and businesses throughout Hawai'i to thrive. We provide a consistent and persistent voice to keep modernization a top priority of state government.

THG supports SB2806 SD1 which appropriates funds to the Hawaii Technology Development Corporation for the Hawaii Small Business Innovation Research Program to fund the matching grant for Phase II and Phase III awards to assist companies in getting their product to market. For every dollar invested through the Hawaii SBIR program, Hawaii companies have attracted over 20 federal dollars in return to the State, plus commercialization funding.

Thank you for the opportunity to offer these comments.

Respectfully submitted,

Christine Sakuda
Executive Director
Transform Hawai'i Government
email: csakuda@TransformHawaiiGov.org | phone: (808) 321-2811
web: www.TransformHawaiiGov.org



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

Before the
HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY

Friday, March 18, 2022
2:00 a.m.
State Capitol, Conference Room 309 and Videoconference

Offers Comments to
**SB2806 RELATING TO THE HAWAII TECHNOLOGY
DEVELOPMENT CORPORATION**

To: Chair Representative Gregg Takayama, Vice Chair Representative Linda Clark,
and Members of the Committee

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

Re: Comments relating to SB2806

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to offer comments to for SB2806

The technology industry in Hawaii has grown over the past 15 years and has made significant strides towards achieving the goal of diversifying and stimulating Hawaii's economy. The continuation of the Small Business Innovation Research ("SBIR") grants is crucial to move the technology towards prototyping, customer interface, and commercialization,

The objectives of the SBIR grants are:

- To support economic growth and the diversification of our economy;
- To launch new ventures based on technology innovations; and
- To support the growth of the tech industry and the creation of intellectual property and innovation in the State.

Oceanit offers comments adopt SB2806 and to increase the cap to \$10M.



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Education & Technology
Friday, March 18, 2022, at 2:00 P.M.
Conference Room 309 & Videoconference**

RE: SB 2806 SD1 Relating to the Hawaii Technology Development Corporation

Chair Takayama, Vice Chair Clark, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **strongly supports** SB 2806 SD1, which appropriates funds to the Hawaii Technology Development Corporation (HTDC) for the Small Business Innovation Research Program (SBIR).

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.

The Small Business Innovation Research Program (SBIR) is a highly competitive federal program that encourages domestic small businesses to engage in federal research and development that has the potential for commercialization. Through the Hawaii SBIR Program, Hawaii-based companies receive matching funds that can help them to enhance their project development, compete for more lucrative awards and ultimately reach successful commercialization.

The Hawaii Technology Development Corporation has provided assistance to SBIR awarded companies since 1988; as a result, Hawaii companies have attracted federal dollars in return to the state plus commercialization funding for every state dollar invested through this program. The federal SBIR grant program has continued its efforts to move companies through grant awards to commercial product sales, and this bill would allow the Hawaii Technology Development Corporation to continue to provide the necessary support of a commercialization assistance program to all phases in the program for local businesses here in Hawaii.

The Chamber of Commerce Hawaii believes an increase in funding would spur more economic growth for our small businesses and continue the advancement of technology and innovation through an increase in research and development.

Thank you for the opportunity to testify.



Statement of
Hermann Kugeler
Vice President of Business Development
Makai Ocean Engineering, Inc.
before the
House Committee on Higher Education & Technology
Friday, March 18, 2022
2:00 pm
Videoconference
State Capitol, Conference Room 309
In consideration of
SB2806
RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee.

Makai Ocean Engineering, Inc. **STRONGLY SUPPORTS SB2806** that makes an appropriation to HTDC to continue providing grants to businesses through the Hawaii small business innovation research program.

Makai Ocean Engineering, Inc. is a locally-owned and operated technology company based in Hawaii for nearly 50 years and an active participant in the Small Business Innovation Research (SBIR) grant program. The SBIR program consists of three phases that encourages early stage investment and innovation in technology. Phase 1 provides a very small amount of money that is barely enough for proof of concept research. However, it is the Phase 2 and 3 funding stages that really provide a means of development for companies to transition the idea and research conducted in Phase I, to prototyping to commercialization.

According to HTDC, for every dollar invested through this program, Hawaii companies have attracted nearly 15 federal dollars in return to the state, plus commercialization funding. The Hawaii SBIR program supports projects with vetted technology backed with federal funds. The state matching funds are critical in advancing development, which helps win later phase awards and assists in getting the technology out into the market. The SBIR matching grants assist companies that have a commercially-promising project that has a difficult development plan. Carefully selected matching grants represent more of a “sure bet” in terms of a successful and highly leveraged investment in economic development for the State, and growing our tech sector.

For example, Makai’s subsea cable laying software began as a Phase 1 SBIR (matched by State for \$20k in the year 2000) and then went on to Phase 2 and 3 and became the world’s #1 commercial cable laying software, with over \$35 million in commercial revenues and high tech jobs for Hawaii over the last 20+ years. This is a direct multiplier of more than 1,750X for the State’s investment, not counting the indirect benefits of retaining some of the world’s best engineers in Hawaii and the additional technologies they have generated during this time.

Makai is currently working on a Phase 2 SBIR program focused on development of a temperature sensing tow cable. Makai was also recently awarded a Phase III for this program. In



2018 HTDC awarded Makai an HSBIR Phase I grant for this program, that we believe was a key reason we were selected for the Phase II and III awards. This program alone, has already resulted in a direct multiplier of more than 120X the State's investment, in federal funds. This is expected to grow as the technology transitions to the Navy fleet and commercial markets in the coming years.

In addition, Makai and Referentia were two local companies honored with a national award, the SBIR Tibbetts Award at the Whitehouse in January, 2017. This award recognizes the very best SBIR companies in the country whose technologies have made a strong economic impact in terms of high paying jobs, and displaying success in **actually commercializing federal R&D**. We need this HTDC administered program to make possible more national success stories by local companies. See the Governor's press release about awards here: <http://governor.hawaii.gov/newsroom/latest-news/dbedt-news-release-htdc-small-business-grantees-honored-with-national-tibbetts-award-at-the-white-house/>

This is why we **STRONGLY SUPPORT SB2806**, which would provide the state matching funds for federal SBIR programs to enable companies to commercialize new technologies more effectively. Not only would this expansion of funding enable our tech industry to compete and win more Federal monies for technology development and manufacturing, it would provide highly-skilled professional jobs for our keiki here at home.

Thank you for the opportunity to offer these comments.

SB-2806-SD-1

Submitted on: 3/16/2022 5:13:44 PM

Testimony for HET on 3/18/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jim Wyban	HIplan	Support	Written Testimony Only

Comments:

We strongly support continued funding of Hawaii SBIR program. We previously received the HISBIR funding and it greatly contributed to our entrepreneur success. This is a very efficient use of Hawaii tax dollars to support our innovation community and this should be passed. Hawaii needs more innovation. Thank you, Jim Wyban



Statement of
Isar Mostafanezhad, Ph.D.
Founder and CEO, Nalu Scientific, LLC
before the
House Committee on Higher Education & Technology

Tuesday, March 18, 2022
2:00 PM
State Capitol, Conference Room 309 & Videoconference

In consideration of
SB2806, SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Senator Rep. Gregg Takayama, Chair; Rep. Linda Clark, Vice Chair; and members of the Committee on Higher Education & Technology:

Nalu Scientific, LLC **supports** SB2806, SD1, which appropriates funds to the Hawaii Technology Development Corporation (HTDC) for the Hawaii Small Business Innovation Research (SBIR) matching grant program. This program assists companies with Phase II and Phase III awards in getting their product to market.

For every dollar invested through the Hawaii SBIR program, Hawaii companies have attracted over 20 federal dollars in return to the State, plus commercialization funding.

I founded Nalu Scientific in 2016. Nalu Scientific has participated in, and benefitted from, several SBIR funding opportunities. We have earned multiple large-scale federal grants totalling more than \$10 million.

Our company employs many UH graduates and former Hawaii residents who were able to return home to the islands and apply their specialized skills as we design and build high-end sensors and systems. The HTDC matching grant program has been a key reason why we have been able to provide these opportunities and to support Hawaii's innovation community.

Thank you for the opportunity to offer these comments.

SB-2806-SD-1

Submitted on: 3/17/2022 8:07:59 AM

Testimony for HET on 3/18/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Collin Kobayashi	3D Innovations	Support	Written Testimony Only

Comments:

Statement of

Collin Kobayashi

President

3D Innovations

before the

House Committee on Higher Education & Technology

Friday, March 18, 2022

2:00 PM

State Capitol, Conference Room 309 & Videoconference

In consideration of

SB2806 SD1

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Takayama, Vice Chair Clark, and Members of the Committee on Higher Education & Technology.

3D Innovations **supports** SB2806 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Hawaii Small Business Innovation Research Program to fund the matching grant for Phase II and Phase III awards to assist companies in getting their product to market. For every dollar invested through the Hawaii SBIR program, Hawaii companies have attracted over 20 federal dollars in return to the State, plus commercialization funding.

Having access to these additional funds and support from HTDC will increase the chances of these technologies being further developed and commercialized.

Thank you for the opportunity to offer these comments.



Written Statement of
Len Higashi
Acting Executive Director
Hawaii Technology Development Corporation
before the
HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY
Friday, March 18, 2022
2:00 p.m.
Videoconference

In consideration of
SB2806, SD1
RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Takayama, Vice Chair Clark and Members of the Committee.

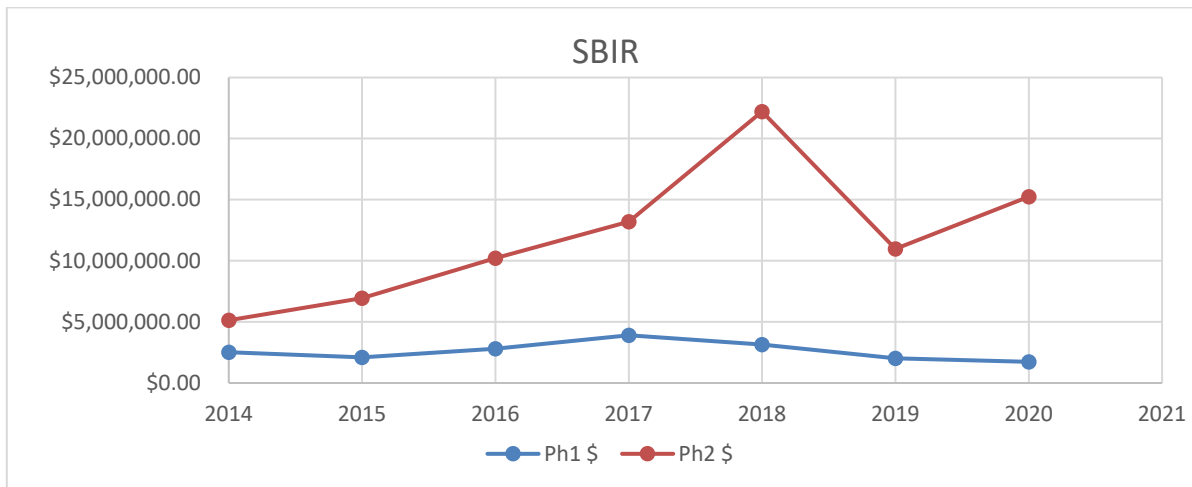
The Hawai'i Technology Development Corporation (HTDC) **supports** SB2806, SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Small Business Innovation Research Program.

HTDC supports initiatives aimed at promoting technology and manufacturing jobs. HTDC has been providing Phase I matching grants to SBIR awarded companies since 1989 and started awarding Phase II and Phase III matching grants in FY16. A summary of the Phase II/III awards made by the matching grant program is listed below:

	FY16	FY17	FY18	FY19	FY20	FY21
Appropriation	\$2 MM	\$2 MM	\$1 MM	\$1.5 MM	\$1MM	-
# of Applications	11	9	9	12	16	-
# of Awards	7	8	5	6	14	-
\$\$ Awarded	\$2 MM	\$1.9 MM	\$900 K	\$1.4 MM	\$900K	-
Federal SBIR \$\$ (match)	\$7.9 MM	\$10.9 MM	\$8.0 MM	\$11.0 MM	\$53.0 MM	-
Estimated New Jobs	17	70	15	135	509	-

A chart of the federal SBIR awarded to Hawai'i companies follows. Note: the difference between the federal SBIR dollars reported in the table above versus the federal SBIR dollars charted below are due to the lag between the calendar year that the Federal dollars are awarded versus the state fiscal year that the Hawai'i SBIR matching grant is awarded. The companies are

eligible to apply for Hawai'i State matching grants while the SBIR project is active, which is typically 18-24 months.



data from sbir.gov/awards

The data shows an upward trend in the amount of federal dollars the industry is awarded each year. The federal SBIR funds are highly competitive with a fixed budget each year. Therefore, the industry is securing for Hawai'i federal funds that would otherwise be awarded to companies in other states. Every year, there have been more qualified applicants than available funds. Since the Phase II/III program started in FY16, none of the applicants have received the full eligible amount. Over time, the program is anticipated to generate the same type of metrics of success as the Phase I matching program. For every dollar invested through the Hawaii SBIR program, Hawaii companies have attracted over 20 federal dollars in return to the State, plus commercialization funding.

HTDC is working with the University of Hawai'i Office of Innovation and Commercialization to continue growing the pipeline of companies pursuing SBIR funds and with several DoD and DoD related groups on developing further commercialization opportunities for Hawai'i companies developing new technologies. Due to budget shortfalls caused by the pandemic, HTDC did not receive an appropriation for FY21.

HTDC prefers the original draft of the bill as it includes an appropriation and a correct effective date. HTDC believes the grant programs provide leverage and positive economic development value for the State. Thank you for the opportunity to offer these comments.



Statement of:
Todd J. Robertson
President/CEO
Hyperspective
Before the
House Committee on Higher Education & Technology
Friday, March 18, 2022
2:00 PM
State Capitol, Conference Room 309 & Videoconference

In consideration of
SB2806 SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Takayama, Vice Chair Clark, and Members of the Committee on Higher Education & Technology.

Hyperspective **supports** SB2806 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Hawaii Small Business Innovation Research Program to fund the matching grant for Phase II and Phase III awards to assist companies in getting their product to market. For every dollar invested through the Hawaii SBIR program, Hawaii companies have attracted over 20 federal dollars in return to the State, plus commercialization funding.

Hyperspective is a digital creative agency, focused on creating cutting edge creative media and products for use in the arts, entertainment, and communications both within the State of Hawaii and for global export. We support many local tech and manufacturing businesses within this sector.

Thank you for the opportunity to offer these comments.



Testimony Presented to
House Committee on Higher Education & Technology
March 18, 2022 2:00pm, Conference Room 309

by
Ron Weidenbach, Co-owner/President, Hawaii Fish Company Inc., Waialua, HI

SUBJECT: Support for SB 2806 SD1 – RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Takayama, Vice Chair Clark, Members of Committee on Higher Education & Technology:

Hawaii Fish Company (HFC), established in 1978, is Hawaii's oldest commercial fish farm and a federal SBIR and Hawaii SBIR matching grant awardee since 1993. In 2000, HFC was awarded the U.S. Small Business Administration's Tibbitts Award as a national model of excellence for the SBIR program, and a place in the SBIR Hall of Fame, Washington DC. Our success was made possible by the supplemental research support received from the Hawaii SBIR matching grant program.

HFC therefore strongly supports SB 2806 SD1 which appropriates funds for fiscal year 2022-2023 for the HTDC's Hawaii SBIR Matching Grant Program. This valuable program supports matching grants of up to 50% of the Federal SBIR Phase II/III awards to a maximum of \$500,000, enabling awardees to cover important research, development, intellectual property (IP) protection, and pre-commercialization expenses that are not covered by the federal awards, placing Hawaii companies in a favorable competitive position nationally.

This very successful program was the first of its kind in the nation and has since been widely copied and expanded upon by other States seeking to attract innovative technology companies and economic development to their respective States. The return on investment to the State of Hawaii in terms of small business start-ups, expansion, diversification, job creation, and economic impact has been impressive, with aquaculture and aquaponics companies being an active component of this State success. This program is critical to the continued efforts to diversify Hawaii's economy and to the continued commercialization success and growth of HFC. Thank you for the opportunity to testify in strong support of SB 2806 SD1.

Rspectfully,

Ronald P. Weidenbach

Sustainability. Innovation. Quality.

Statement of
Donavan Kealoha
Director
Startup Capital Ventures
before the
House Committee on Higher Education & Technology

Friday, March 18, 2022
2:00 PM
State Capitol, Conference Room 309 & Videoconference

In consideration of
SB2806 SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Takayama, Vice Chair Clark, and Members of the Committee on Higher Education & Technology.

Startup Capital Ventures **strongly supports** SB2806 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Hawaii Small Business Innovation Research Program to fund the matching grant for Phase II and Phase III awards to assist companies in getting their product to market. For every dollar invested through the Hawaii SBIR program, Hawaii companies have attracted over 20 federal dollars in return to the State, plus commercialization funding.

Startup Capital Ventures (SCV) is a venture capital firm that invests in early-stage, technology companies. Our offices are located in Silicon Valley, California and in Honolulu, Hawaii. Over the last 15 years, SCV has invested millions of dollars into Hawaii-based technology companies, advised and mentored hundreds of entrepreneurs and early-stage startups, and have supported various economic diversification efforts and initiatives through board memberships, volunteering, and donating money. As early-stage company builders and investors, we understand how difficult it is to start a company, hire employees and secure resources. Therefore, we support all efforts to secure funding that could help companies at their earliest stages with research and product development. The SBIR program has tremendous catalytic potential for Hawaii's growing technology industry and helping to diversify our economy.

Thank you for the opportunity to offer these comments.



Statement of
Alec Wagner
**Director of Operations, Mālama
Purple Mai'a Foundation**
before the
House Committee on Higher Education & Technology

Friday, March 18, 2022
2:00 PM
State Capitol, Conference Room 309 & Videoconference

In consideration of
SB2806 SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Takayama, Vice Chair Clark, and Members of the Committee on Higher Education & Technology.

Purple Mai'a Foundation **supports supports** SB2806 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Hawaii Small Business Innovation Research Program to fund the matching grant for Phase II and Phase III awards to assist companies in getting their product to market. For every dollar invested through the Hawaii SBIR program, Hawaii companies have attracted over 20 federal dollars in return to the State, plus commercialization funding.

The Purple Mai'a Foundation (PMF) is a 501(c)(3) non-profit organization based in Honolulu, HI whose mission is to educate and inspire the next generation of culturally grounded, community serving technology makers and problem solvers. PMF has offered several innovation and entrepreneurship programs including the Purple Prize, which has provided funding and capacity building resources to local technology projects and companies, many of which consider the SBIR an important resource. The Hawaii SBIR program is critical to the success and development of our innovation and technology economy.

Thank you for the opportunity to offer these comments.

Sincerely,

DocuSigned by:
alec wagner
912107AAFA7541B...



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON
HIGHER EDUCATION & TECHNOLOGY
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 309
FRIDAY, MARCH 18, 2022 AT 2:00P.M.

To The Honorable Gregg Takayama, Chair
The Honorable Linda Clark, Vice Chair
Members of the committee on Higher Education & Technology

SUPPORT SB2806 SD1 RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

The Maui Chamber of Commerce **supports SB2806 SD1** to appropriate funding for the Hawaii Small Business Innovation Research Program within the Hawaii Technology Development Corporation (HTDC). This program is important to fund as it helps small businesses engage in federal research and development. Economic development is one of our top priorities and programs like this spur economic growth for local businesses in technology and innovation.

Mahalo for the opportunity to provide testimony and ask that you pass this bill so HTDC can continue their important work on this program.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



1050 Bishop St. PMB 235 | Honolulu, HI 96813
P: 808-533-1292 | e: info@hawaiifood.com

Executive Officers

Charlie Gustafson, Tamura Super Market, *Chair*
Eddie Asato, Pint Size Hawaii, *Vice Chair*
Gary Okimoto, Safeway, *Secretary/Treas.*
Lauren Zirbel, HFIA, *Executive Director*
John Schliff, Rainbow Sales and Marketing, *Advisor*
Stan Brown, Acosta Sales & Marketing, *Advisor*
Paul Kosasa, ABC Stores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*
Toby Taniguchi, KTA Superstores, *Advisor*
Joe Carter, Coca-Cola Bottling of Hawaii, *Immediate Past Chair*

TO: Committee on Higher Education and Technology
Rep. Gregg Takayama, Chair
Rep. Linda Clark, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: March 18, 2022
TIME: 2pm
PLACE: Via Videoconference

RE: SB2806 SD1 Relating to the Hawaii Technology Development Corporation

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

HFIA is in support of this measure to appropriate funds to the Hawaii Technology Development Corporation (HTDC) for the Small Business Innovation Research Program.

HTDC is an important resource for our local business community and the Small Business Innovation Research Program helps companies further the development of new products to solve critical issues. We encourage you to vote yes on this measure and we thank you for the opportunity to testify.

Statement of
Meli James
Cofounder
Mana Up
before the
House Committee on Higher Education & Technology

Friday, March 18, 2022
2:00 PM
State Capitol, Conference Room 309 & Videoconference

In consideration of
SB2806 SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Takayama, Vice Chair Clark, and Members of the Committee on Higher Education & Technology.

Mana Up **supports** SB2806 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Hawaii Small Business Innovation Research Program to fund the matching grant for Phase II and Phase III awards to assist companies in getting their product to market. For every dollar invested through the Hawaii SBIR program, Hawaii companies have attracted over 20 federal dollars in return to the State, plus commercialization funding.

Mana Up is an accelerator and venture fund for Hawai'i-based products growing to markets globally, with the mission to increase economic opportunity and jobs for the people of Hawai'i. Since launching Mana Up in 2018, we have helped 63 local companies graduate from our six-month accelerator program that provides expansion opportunities and helps solve business challenges.

For over 30 years, HTDC has provided matching grants to Hawaii companies that receive Federal Small Business Innovation Research Grants (SBIR). The Hawaii SBIR matching program has been tremendous in providing money needed to help local companies in innovation that are advancing technology to solve critical issues. Hawaii's SBIR Phase II and Phase III winners are creating the best technology solutions in the nation, and this program has played a crucial role in building Hawaii's innovation space and helping it to thrive.

Many of the solutions these awarded companies offer positively impact our business community and can help to solve challenges that many of the small local companies we work with face. SB2806 SD1 would help Hawaii-based innovators and small local businesses alike to develop



new products that can reach global markets. Ultimately, the funds invested through the HSBIR program will help bring many new products to market, and therefore potentially generate 20x more in revenue for our state helping to further diversify and expand our local economy.

We respectfully ask for your support of SB2806 SD1 to foster innovation amongst our local community and to create solutions to challenges that many of our island-based companies face. Mahalo for the opportunity to submit this testimony on behalf of Mana Up.

Sincerely,

A handwritten signature in black ink, appearing to read 'Meli James', with a stylized flourish at the end.

Meli James
Cofounder, Mana Up

SB-2806-SD-1

Submitted on: 3/16/2022 4:50:25 PM

Testimony for HET on 3/18/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann Chung	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2806. SBIR is an unquestionably proven program supporting local tech companies. Please pass this bill.

Mahalo for your consideration.

SB-2806-SD-1

Submitted on: 3/17/2022 9:35:19 AM

Testimony for HET on 3/18/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James Chan	Hawaiian Chip Company	Support	Written Testimony Only

Comments:

Hawaiian Chip Company supports SB 2806 SD1 to help with the continuation of manufacturing products in Hawaii.