



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 2807 SD1 – RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

The University of Hawai'i (UH) supports SB 2807 SD1 that appropriates funds to the Manufacturing Assistance Program (MAP) at the Hawai'i Technology Development Corporation (HTDC).

HTDC's MAP offers Hawai'i-based manufacturers up to a 20 percent reimbursement of up to \$100,000 on qualified expenses to help them become globally competitive. These expenses include: equipment purchases, training, energy efficiency projects, and manufacturing feasibility studies.

With programs such as MAP, continued or increased funding for HTDC is crucial to moving innovation, commercialization and manufacturing efforts forward in the state.

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. 2807, 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. 2807, S.D. 1, appropriates an unspecified sum of general funds for FY 23 to the Hawai'i Technology Development Corporation (HTDC) for the Manufacturing Assistance Program (MAP). B&F notes that the Governor's FY 23 Executive Supplemental Budget already includes an appropriation request of \$500,000 in general funds for HTDC for the MAP.

B&F 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.



Chamber of Commerce HAWAII

The Voice of Business

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

RE: SB 2807 SD 1 Relating to the Hawaii Technology Development Corporation

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

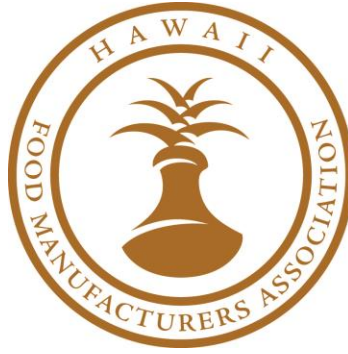
The Chamber of Commerce Hawaii ("The Chamber") **strongly supports** SB 2807 SD1, which appropriates funds to the Hawaii Technology Development Corporation (HTDC) for the Manufacturing Assistance Program (MAP).

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.

Continuing to support the Manufacturing Assistance Program is vital to HTDC's mission. This program has become a positive resource to aid companies with their investments for manufacturing equipment, training of their employees on newly purchased equipment, energy efficiency and feasibility studies. We believe that the continued funding of this program will help fuel manufacturing in Hawaii to grow and provide more products for both local consumption and export, will help companies in Hawaii to start or grow their operations.

HTDC and its programs actively support and advocate for the specific needs of Hawaii's technology and manufacturing businesses. We have seen a rising demand from local companies wanting to manufacture here in Hawaii in order to maintain quality control, as well as an increasing desire for 'Made in Hawaii' products from consumers globally, which will continue to economically benefit our state. HTDC and its programs are integral to the growth and success of these companies who seek information and guidance on what it takes to succeed in Hawaii.

Thank you for the opportunity to testify.



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

RE: SB 2807 SD1 Relating to the Hawaii Technology Development Corporation

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

The Hawaii Food Manufacturers Association **strongly supports** SB 2807 SD1, which appropriates funds to the Hawaii Technology Development Corporation (HTDC) for the Manufacturing Assistance Program (MAP).

The Hawaii Food Manufacturers Association (HFMA) is a non-profit organization of approximately 120 members that has been promoting Hawaiian grown or manufactured products since 1977. The HFMA works to increase the understanding and appreciation of the unique flavors, quality, and care that go into the production of Hawaii's fine foods and beverages represented by our valued members and enjoyed by our valued community.

The food manufacturing industry in Hawaii generates \$900 million in annual revenue and is the largest manufacturing sector in the state using local inputs according to the Hawaii State Department of Business, Economic Development and Tourism. The industry provides over 6,100 jobs in the state and an annual payroll of more than \$160 million.

The Manufacturing Assistance Program is vital to the members of HFMA, especially our smallest businesses. This program assists our members with training, energy savings, equipment, and planning of new facilities. It is crucial to continue growing the industry in our state and for the companies operating currently to prosper. HFMA believes that additional funding being put into this program will help kickstart food manufacturing in Hawaii and provide more products for both local consumption and export.

We have seen a rising demand from people wanting to open food manufacturing businesses here in Hawaii. There is a real desire for 'Made in Hawaii' products from consumers globally, which will continue to economically benefit our state.

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

SB2807

RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

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

Makai Ocean Engineering, Inc. **STRONGLY SUPPORTS SB2807** that makes an appropriation to HTDC to provide grants to businesses through the manufacturing assistance program.

Makai Ocean Engineering, Inc. is a locally-owned and operated technology company based in Hawaii for nearly 50 years. While Makai has historically been an engineering services provider, with the help of the State's manufacturing assistance program, Makai has been able to diversify into low-volume manufacturing. Makai has been involved in marine-related engineering in Hawaii for over 50 years, and began a heat exchanger R&D program in 2009. Now, we are ramping up production from a small manufacturing plant for heat exchangers on the Big Island of Hawaii, which is sustaining approximately 8 highly-skilled, high-paying STEM / engineering jobs in rural Kona. We have a strategic advantage for developing and manufacturing low-volumes of these components in Hawaii for two reasons: the U.S. Navy and Air Force's presence in Hawaii, and Makai already owns and operates a marine heat exchanger test facility and marine corrosion lab on the Big Island. As an example, Makai has been awarded contracts by the U.S. Air Force, U.S. Army, and U.S. Department of Energy to design new heat exchangers for vehicle cooling and renewable energy applications. We hope to continue and scale-up manufacturing units over the coming years.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. Because they are matching funds, a manufacturer is eligible only if they are already making an investment in the local community and providing jobs. The program amplifies these efforts, and shows the State's support for local manufacturers willing to make the investment and commitment to adding jobs, and growing their businesses and the industry in Hawaii.

This is why we **STRONGLY SUPPORT SB2807**, which would provide the state matching funds for manufacturing assistance to enable companies to build a manufacturing base in the islands. Not only would this expansion of funding enable our tech industry to advance manufacturing within the State, it would provide highly-skilled professional engineering and manufacturing jobs for our keiki here at home.



Thank you for the opportunity to offer these comments.



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
SB2807, 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** SB2807, SD1, which appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program.

Hawaii has an average of 11,000 manufacturing employees working at 750 manufacturing firms with an output of \$1.66 billion, according to the National Association of Manufacturers. The program shows the State's support for local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry.

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.

Further, 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. HTDC programs have 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.



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

March 18, 2022

HEARING BEFORE THE
HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY

TESTIMONY ON SB 2807, SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Room 309 & Videoconference
2:00 PM

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

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports SB 2807, SD1, which appropriates funds to the Hawai'i Technology Development Corporation for the Manufacturing Assistance Program.

As expenses rise, increases in farm revenues and profits are critical to the continued viability of farms and ranches. One way farmers can do this is by "adding value" to raw agricultural crops. Currently, off-grade and excess production is sometimes wasted due to market conditions. Converting them into value-added products will not only increase farm revenue but also provide new business opportunities, increase employment opportunities and address Hawai'i's goals of increased self-sufficiency and sustainability.

High production costs are a major driver of narrow profit margins for Hawai'i's farmers and value-added food producers. Labor, taxes, land, transportation, utilities, and supplies are all costs of doing business that often results in value-added food producers just being able to break even.

Hawai'i is potentially losing millions of dollars because of the cost to process agricultural crops into value-added products. HFB supports any program that supports the production of value-added products so that farmers can increase their income while allowing locally produced value-added goods can compete with imported products, strengthening our local economy.

The strength of Hawai'i's economy is dependent upon a diversity in commerce that is resilient to economic downturns and aggressive in creating new growth opportunities. This HTDC's manufacturing assistance programs supports this goal.

Thank you for the opportunity to comment on this measure.

SB-2807-SD-1

Submitted on: 3/17/2022 8:11:47 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 and Technology

Friday, March 18, 2022

2:00 PM

State Capitol, Conference Room 309 & Videoconference

In consideration of

SB2807 SD1

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

3D Innovations **supports** SB2807 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According to the National Association of Manufacturers, Hawaii has an average of 11,000 manufacturing employees working at 750 manufacturing firms with an output of \$1.66 billion.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry.

As a company involved with advanced manufacturing, I have seen the benefit of developing a local manufacturing presence. In order to better compete with foreign and U.S. mainland manufacturing companies, having additional support from HTDC will allow local manufacturing companies to compete on a global scale, produce higher quality products, and support our local economy. These funds are essential to growing Hawaii's manufacturing sectors.

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
SB2807, 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** SB2807, SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program.

HTDC supports initiatives aimed at promoting technology and manufacturing jobs. HTDC has been providing MAP matching grants to manufacturers since FY16. A summary of the awards made by the matching grant program is listed below:

	FY16	FY17	FY18	FY19	FY20	FY21
Appropriation	\$2 MM	\$1 MM	\$1 MM	\$1 MM	\$500 K	-
# of Applications	82	42	51	69	45	-
# of Awards	51	25	29	37	18	-
\$\$ Awarded	\$2 MM	\$932K	\$931K	\$899K	\$486 K	-
Company investment	\$31 MM	\$5.5 MM	\$13.6 MM	\$13.4 MM	\$9.0 MM	-
Estimated New Jobs	-	353	230	465	281	-

Due to budget shortfalls caused by the pandemic, HTDC did not receive an appropriation for FY21. Every year, there have been more qualified applicants than available funds. The funding awarded to companies provides a partial reimbursement (20%) for equipment upgrades and other eligible expenses. Through our federally funded INNOVATE Hawai'i program, HTDC provides wrap-around support services for the matching grants to help Hawai'i manufacturers become more globally competitive.

Hawai'i manufacturers plays an important role in our economy, for food-security, sustainability, and resilience initiatives, and is an important driver for innovation. 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.



HYPERSPECTIVE
INSPIRE BELIEF

Statement of:
Todd J. Robertson
President/CEO
Hyperspective
Before the
House Committee on Higher Education and Technology

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

In consideration of
SB2807 SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Hyperspective **supports SB2807 SD1** that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According to the National Association of Manufacturers, Hawaii has an average of 11,000 manufacturing employees working at 750 manufacturing firms with an output of \$1.66 billion.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry.

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.

HYPERSPECTIVE STUDIOS, INC.
677 ALA MOANA BLVD. #805
HONOLULU, HAWAII 96813

HYPERSPECTIVE.COM
808.353.3618



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 2807 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, with plans to vertically integrate our family business to include seafood processing, value-added seafood products, and the design and manufacture of novel production technologies.

SB 2807 SD1 will provide funds for fiscal year 2022-2023 for HTDC's Manufacturing Enterprise Program (MEP) to encourage and support via cost-sharing increased manufacturing development in Hawaii. The MEP program also assists local small businesses in locating national manufacturing support, collaborations, and licensing agreements, thereby helping Hawaii companies to become or remain more competitive in the increasingly global economy. This program opens doors for both manufacturing and processing opportunities for our company and the broader Hawaii manufacturing sector.

Thank you for the opportunity to testify in strong support of SB 2807 SD1.

Respectfully,

Ronald P. Weidenbach
Co-owner and President
Hawaii Fish Company Inc.

Sustainability. Innovation. Quality.

P.O. Box 740 | Waialua, HI 96791 USA | info@hawaiifishcompany.com | hawaiifishcompany.com

Statement of
Brandon Damitz
Co-founder / Manager
Big Island Coffee Roasters, LLC
before the
House Committee on Higher Education and Technology

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

In consideration of
SB2807 SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Big Island Coffee Roasters **supports** SB2807 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According to the National Association of Manufacturers, Hawaii has an average of 11,000 manufacturing employees working at 750 manufacturing firms with an output of \$1.66 billion.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry.

Big Island Coffee Roasters focuses on adding value to Hawai'i's coffee industry by processing, manufacturing, and roasting Hawai-i-grown coffee in-state prior to export to domestic and international markets. Equipment is essential to this value-added process, and HTDC's MAP grant has allowed us to purchase equipment vital to our operations. The simple step of roasting increases the export value of this world-renowned crop by an average of 80%. For example, green Kona coffee purchased directly from the farmer for \$25/lb can then be sold directly to consumers for \$50+/lb. Grant programs like HTDC's MAP provide critical support to Hawai'i's manufacturing sector, creating jobs, generating tax revenue and building a diverse, robust economy for the state.

HTDC is a key state agency in the development and support of the State's manufacturing industry, and has been the backbone of innovation here in the Islands. They have been a strong supporter of Mana Up and have helped us drive our statewide initiative to expand Hawaii's economy and create jobs for locals and through their valuable resources that our local businesses can take advantage of to help them grow.

HTDC's Manufacturing Assistance Program Grant (MAP) offers Hawaii-based manufacturers a substantial 20% reimbursement on qualified expenses to help these manufacturers become globally competitive. SB2807 SD1 would greatly benefit the Hawaii-based product companies that we work with through our 6-month accelerator program. This is such a critical grant as it allows these companies to make their products locally right here in the Islands and sustain our

economy. The MAP grant helps them manufacture locally without the massive financial burdens.

Being headquartered in Hawaii, resources are limited and the use of certain technologies are expensive. To help elevate the brand of Hawaii, and to increase productivity for our company, manufacturing assistance would greatly benefit us and many other local product companies in controlling costs, hiring highly knowledgeable employees, and securing the best technology to scale their business to global markets. The domino effect of manufacturing assistance would result in more opportunities for locals and economic diversification.

We respectfully ask for your support of SB2807 SD1 to support local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry and economy. Mahalo for the opportunity to submit this testimony on behalf of Big Island Coffee Roasters.

Sincerely,

Brandon Damitz

Co-founder & Manager
Big Island Coffee Roasters, LLC

Statement of
Lyn Lam
Co-Owner
Kapa Nui Nails
before the
House Committee on Higher Education and Technology

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

In consideration of
SB2807 SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Kapa Nui Nails **supports** SB2807 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According to the National Association of Manufacturers, Hawaii has an average of 11,000 manufacturing employees working at 750 manufacturing firms with an output of \$1.66 billion.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry.

Since launching our company two and a half years ago, we have increased employees to five and grown our revenue 50% YOY. We are at a point where only an increase in capital equipment expenditures can allow us to expand and fulfill demand. The past two years of challenges and massive increased cost secondary to Covid, supply chain barriers and other societal changes have resulted in both the closure of Hawaii's small businesses and the increase in at-home, "mom and pop" ventures. The people of Hawaii who are working so hard to create a self-sufficient livelihood need the State's direct support in a program such as the MAP.

HTDC is a key state agency in the development and support of the State's manufacturing industry, and has been the backbone of innovation here in the Islands. They have been a strong supporter of Mana Up and have helped us drive our statewide initiative to expand Hawaii's economy and create jobs for locals and through their valuable resources that our local businesses can take advantage of to help them grow.

HTDC's Manufacturing Assistance Program Grant (MAP) offers Hawaii-based manufacturers a substantial 20% reimbursement on qualified expenses to help these manufacturers become globally competitive. SB2807 SD1 would greatly benefit the Hawaii-based product companies that we work with through our 6-month accelerator program. This is such a critical grant as it allows these companies to make their products locally right here in the Islands and sustain our economy. The MAP grant helps them manufacture locally without the massive financial burdens.

Being headquartered in Hawaii, resources are limited and the use of certain technologies are expensive. To help elevate the brand of Hawaii, and to increase productivity for our company, manufacturing assistance would greatly benefit us and many other local product companies in controlling costs, hiring highly knowledgeable employees, and securing the best technology to scale their business to global markets. The domino effect of manufacturing assistance would result in more opportunities for locals and economic diversification.

We respectfully ask for your support of SB2807 SD1 to support local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry and economy. Mahalo for the opportunity to submit this testimony on behalf of Kapa Nui Nails.

A handwritten signature in black ink, appearing to read "Lyn Lam". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lyn Lam
Co-Owner
Kapa Nui Nails

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

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

In consideration of
SB2807 SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Startup Capital Ventures strongly **supports** SB2807 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According to the National Association of Manufacturers, Hawaii has an average of 11,000 manufacturing employees working at 750 manufacturing firms with an output of \$1.66 billion.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry.

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. To that end, we are highly supportive of efforts to help grow and scale the capacity and economic output of Hawaii-based manufacturing companies.

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 and Technology

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

In consideration of
SB2807 SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Purple Mai'a Foundation **supports** supports SB2807 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According to the National Association of Manufacturers, Hawaii has an average of 11,000 manufacturing employees working at 750 manufacturing firms with an output of \$1.66 billion.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State's support for local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry.

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 Hawai'i FoundHer, which has provided funding and capacity building resources to local small businesses led by women of color, many of which are on a path to becoming manufacturers. The Hawaii Technology Development Corporation's Manufacturing Assistance Program is critical to the success and development of our small business and manufacturing economy.

Thank you for the opportunity to offer these comments.

Sincerely,

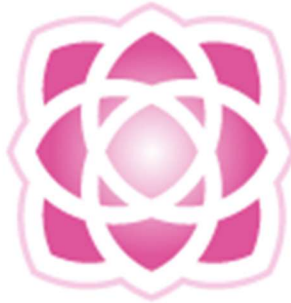
PURPLE MAI'A



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 SB2807 SD1 RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

The Maui Chamber of Commerce **supports SB2807 SD1** to appropriate funding for the Manufacturing Assistance Program. We believe supporting local manufacturers is vital to our state's economy as manufacturing increases our workforce and resources for our community. This program helps local manufacturers with funding for new manufacturing equipment and more, which is key to innovation and efficiency. Continuing this program will help to further diversify our economy and grow a strong manufacturing industry in Hawaii.

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@hawaiiifood.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: SB2807 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 Manufacturing Assistance Program.

Growing our local Hawaii manufacturing industry is an essential part of having a strong resilient local economy. Our local manufacturers make a range of goods that are enjoyed here, and recognized around the world for their quality. Our manufacturers need assistance in controlling costs, making sure employees are well trained, and securing the latest technology to grow their business. We encourage you to support 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 and Technology

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

In consideration of
SB2807 SD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Mana Up **supports** SB2807 SD1 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According to the National Association of Manufacturers, Hawaii has an average of 11,000 manufacturing employees working at 750 manufacturing firms with an output of \$1.66 billion.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. The program shows the State’s support for local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry.

Mana Up is an accelerator and venture fund for Hawai’i-based product companies growing to markets globally –many of which manufacture their products on-island. Our mission is 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. In 2020, we found that 88% of our Mana Up portfolio companies manufacture their products locally, meaning that a large number of these companies could benefit from this funding. The smaller percentage of companies that don’t manufacture locally, hope to eventually do so, and this bill could tremendously help them.

HTDC is a key state agency in the development and support of the State's manufacturing industry, and has been the backbone of innovation here in the Islands. They have been a strong supporter of Mana Up and have helped us drive our statewide initiative to expand Hawaii's economy. They have helped connect local companies to their valuable resources that can help

them scale up and in turn sustain a successful community through job creation, agricultural sustainability, and much more.

HTDC's Manufacturing Assistance Program Grant (MAP) offers Hawaii-based manufacturers a substantial 20% reimbursement on qualified expenses to help these manufacturers become globally competitive. SB2807 SD1 would greatly benefit the Hawaii-based product companies that we work with through our 6-month accelerator program. This is such a critical grant as it allows these companies to make their products locally right here in the Islands and contribute to our growing economy. The MAP grant helps them manufacture locally without the massive financial burdens.

Being headquartered in Hawaii, resources are limited and the use of certain technologies are expensive. To help elevate the brand of Hawaii, and to increase productivity across our portfolio of 63+ companies, manufacturing assistance would greatly benefit them in controlling costs, hiring highly qualified employees, and securing the best technology to scale their business to global markets. The domino effect of manufacturing assistance would result in more opportunities for locals and economic diversification.

We respectfully ask for your support of SB2807 SD1. Mahalo for the opportunity to submit this testimony on behalf of Mana Up.

Sincerely,



Meli James
Cofounder, Mana Up

SB-2807-SD-1

Submitted on: 3/16/2022 5:53:45 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 SB2807. This is an excellent HTDC program that should be continued and funded.