



Written Statement of
Len Higashi
 Acting Executive Director
 Hawaii Technology Development Corporation
 before the
**SENATE COMMITTEE ON ENERGY, ECONOMIC
 DEVELOPMENT, AND TOURISM**

Friday, January 28, 2022
 3:00 p.m.
 Videoconference

In consideration of
SB2807
RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha and Members of the Committee

The Hawai'i Technology Development Corporation (HTDC) **supports** SB2807 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 believes the grant programs provide leverage and positive economic development value for the State. We support this request provided it does not supplant the Governor's priorities in the Administrative budget. Thank you for the opportunity to offer these comments.

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 SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT,
AND TOURISM
ON
SENATE BILL NO. 2807

January 28, 2022
3:00 p.m.
Room 224 & 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 appropriates \$1,500,000 in 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 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.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented to the
Senate Committee on Energy, Economic Development, and Tourism
Friday, January 28, 2022 at 3:00 p.m.

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

SB 2807 – RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee:

The University of Hawai'i (UH) supports this bill that appropriates funds to support 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.

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. Manufacturing is an important component of this process to help keep these businesses in Hawai'i.

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

The University of Hawai'i appreciates the opportunity to testify on this measure.

THE SENATE
THE THIRTY-FIRST LEGISLATURE SESSION OF 2022
COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

DATE: 28 JAN 2022
TIME: 3 P.M.
PLACE: Conference Room 224

**TESTIMONY ON SENATE BILL NO. 2807, RELATING TO THE HAWAII TECHNOLOGY
DEVELOPMENT CORPORATION**

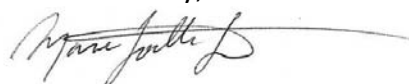
Position: **Support**

To the Honorable Glenn Wakai, Chair; the Honorable Bernadette Misalucha, Vice Chair; and Members of the Committee:

Our company is an Oahu-based small business developing new ways to recycle waste generated in Hawaii into sustainable aviation fuel, green hydrogen, and other beneficial products such as new building materials. In part thanks to the coaching and commercialization planning assistance from the Hawaii Technology Development Corporation, we received our first-ever competitive Small Business innovation Research award a little over a year ago, and have now won our first-ever Phase II SBIR award. The matching funding provided by the State's HSBIR program were critical to be able to double our number of employees (all of whom are local) and cover the commercialization and patent protection costs that SBIR awards cannot fund. We have been able to use the SBIR and HSBIR funds to hire five University of Hawaii at Manoa and at West Oahu undergraduate interns for paid internships in Science, Technology, Engineering, and Math (STEM) projects over the past year. Our federal funding awards to date combined total over \$900,000, and our HSBIR matching funding grant last year was \$28,000. This represents a 32-times multiple on the State's funding for our company alone.

Please accept this testimony in support of this bill and urge you to restoring funding to the Phase II SBIR and Manufacturing Assistance Programs, at least to pre-pandemic levels. We will be continuing our feasibility study for a renewable jet fuel, green hydrogen, and firm renewable power manufacturing plant in Hawaii over the next several months. With the matching funding from those programs, we will be able to compete at the national level for the larger multi-million dollar competitive solicitations from federal agencies, such as the U.S. Department of Energy's \$5-8 million grants to construct pilot plants for new sustainable aviation fuel and green hydrogen manufacturing processes.

Sincerely,



Marie-Joelle Simonpietri
President

About Simonpietri Enterprises

Simonpietri Enterprises is an industrial innovation and sustainability company focused on technical innovation and first-of-kind project development of emerging clean and renewable technologies. We help established industrial companies improve the environmental and economic sustainability of their operations through technical and business advice in renewable energy conversion, waste reduction and re-use, and greenhouse gas lifecycle impact reduction. Simonpietri Enterprises is the voluntary convener of the Federal Aviation Administration's public-private Commercial Aviation Alternative Fuels Initiative (www.CAAFI.org) focal for Hawaii and tropical regions, and serves as an industry advisory committee member of the Federal Aviation Administration's Aviation Sustainability Center of Excellence on renewable aviation fuel production and certification (www.ascent.aero). Simonpietri Enterprises' founder and employees have participated in the strategy, planning, design, financing, development, construction, and energy efficiency/greenhouse gas reduction/sustainability renovation for over \$40 million in new renewable and first-of-kind sustainable fuel projects over the past 15 years.

SB-2807

Submitted on: 1/26/2022 12:32:27 PM

Testimony for EET on 1/28/2022 3:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Gary T. Yoshioka	Testifying for Diamond Bakery Co., Ltd.	Support	No

Comments:

Thank you honorable Senators for your support and generosity in recognizing the tremendous value of the MAP grant program to the local manufacturing industry. It has consistently delivered real ROI to every participant I know of, including Diamond Bakery. You have and will drive growth and greater economic value for Hawaii as a result of SB 2807's passage. Mahalo for the significant amount of the funding as well. Aloha and mahalo nui loa!

SB-2807

Submitted on: 1/26/2022 1:58:58 PM

Testimony for EET on 1/28/2022 3:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Peter Kam	Testifying for Hawaii Business Group Incorporated	Support	No

Comments:

Regarding SB 2807: Relating to the Hawaii Technology Development Corporation

I am in whole hearted support of appropriating funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. This is because I have witness the resultant value of promoting Hawaii manufacturers as a crucial part of our economy. Supporting local manufactures not only generates revenue, but increases exposure, interest, and benefit to our tourist industry and community. I have been in food manufacturing for 40 years, and fully support HTDC.

Sincerely,

Peter Kam, President

Hawaii Business Group Incorporated

First Commercial Kitchen LLC

Me Ke Aloha Hawaiian Popcorn

PeterKam.com



Chamber of Commerce HAWAII

The Voice of Business

Testimony to the Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022, at 3:00 P.M.
Conference Room 224 & Videoconference

RE: SB 2807 Relating to the Hawaii Technology Development Corporation

Chair Wakai, Vice Chair Misalucha, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 2807, 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, and this 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.



1928 Republican Street Honolulu, HI 96819 Phone: (808) 845-9868 Fax: (808) 848-7848

**Testimony to the Senate Committee on Energy, Economic Development,
and Tourism**

**Friday, January 28, 2022, at 3:00 P.M.
Conference Room 224 & Videoconference**

RE: SB 2807 Relating to the Hawaii Technology Development Corporation

Aloha Chair Wakai, Vice Chair Misalucha, and Members of the Committee:

The Hawaiian Chip Company supports SB 2807, to fund the Hawaii Technology Development Corporation (HTDC) for the Manufacturing Assistance Program (MAP).

The Hawaiian Chip Company is a Hawaii based food manufacturer that primarily specializes in making sweet potato and taro chips. Getting the MAP funds minimized the financial risk in purchasing new equipment. The equipment was critical in supporting the company's growth into new markets. This growth currently supports over twenty full-time jobs in Hawaii.

Thank you for your consideration.



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 Energy, Economic Development, and Tourism
Senator Glenn Wakai, Chair
Senator Bennette E. Misalucha, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: Friday, January 28, 2022
TIME: 3pm
PLACE: Via Videoconference

RE: SB2807 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.

SB-2807

Submitted on: 1/27/2022 12:25:26 PM

Testimony for EET on 1/28/2022 3:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Adrian Hong	Testifying for Island Plastic Bags, Inc.	Support	No

Comments:

Statement of

Adrian Hong

President

Island Plastic Bags, Inc.

before the

Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022

3:00 PM

State Capitol, Conference Room 224 & Videoconference

In consideration of

SB2807

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism.

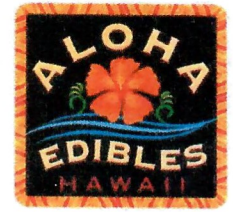
Island Plastic Bags, Inc. **supports** SB2806 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According the National Association of Manufacturers, Hawaii has an average of 11,000 manufacturing employees working at 750 manufacturing firms 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 grant we received from this program helped us modernize our production process. The new equipment we purchased helped us improve our efficiency, productivity, and safety. Island Plastic Bags, Inc. is grateful to have participated in this program and we hope other companies will be able to do so as well.

Thank you for the opportunity to offer these comments.

Aloha Edibles, Inc



Statement of
**Carri Loui
Manager**
Aloha Edibles Inc
before the
Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022
3:00 PM
State Capitol, Conference Room 224 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism.

Aloha Edibles Inc **supports** SB2806 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According 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.

This grant has helped us tremendously in the past. It helped us get equipment that is required by USDA to operate under their strict guidelines. We're hoping that this program will again be funded so that we can expand our operations on our FDA side. Pivoting through this pandemic is what saved our business. We're hoping that we can add on to our work force with our projected increase in sales.

Thank you for the opportunity to offer these comments.

94-334 UKEE STREET #101, WAIPAHU, HI 96797

PH: 808-732-2292 EMAIL: ALOHAEDIBLES@GMAIL.COM FEIN # 46-5734141



643 Ilalo St #203 Honolulu, HI 96813
Telephone: +1.808.664.0053 | Email: info@ShiftedEnergy.com

Statement of

Forest Frizzell
Co-Founder & CEO
Shifted Energy

Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022
3:00 PM
State Capitol, Conference Room 224 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism.

Shifted Energy supports SB2806 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.

Shifted Energy is a venture funded, Hawaii-based technology startup working to advance renewable energy integration by managing behind the meter energy loads such as water heaters, thermostats, and EV chargers. Shifted's platform, Grid Maestro, aggregates Internet connected controllers using patent-pending software to provide advanced energy management services to electrical grid operators. Shifted operates projects in Hawaii, multiple U.S. cities, and several countries. Shifted operates in the fast growing Demand Response industry providing modern energy services that will be required on nearly every electrical grid worldwide. While we have not directly benefited from Manufacturing Assistance Programs, we recognize and support scaling and diversifying access to funds for early stage startups is integral to building a ecosystem of innovation and entrepreneurship.

Thank you for the opportunity to offer these comments.

Forest Frizzell



A D V A N C E D
Silicon Carbide
M A T E R I A L S

3038 Aukele Street

Lihue, HI 96766

Tel: 808.246.0810

Advanced Silicon Carbide Materials (ASCM) supports SB 2807 for manufacturing development. The COVID-19 pandemic severely affected the economy, especially the accommodations and food industries. State of Hawaii employment data predicts a decline of employment in the manufacturing and technical industries, due to the pandemic, of 3.6% between 2020 and 2022; however, this is considerably less than the 23.7 and 37.7% decline in the food and accommodations industries respectively! ([www://hirenethawaii.com](http://hirenethawaii.com), Short Term Forecasts). State financial support would encourage small businesses, technology developers, and manufacturers to create and maintain jobs that are not dependent on the tourism industry, which in turn would support a more stable state economy. Continued support for the manufacturing industry is essential to Hawaii's economy.

Advanced Silicon Carbide Materials (ASCM), located in Kaua'i, designs and manufactures high performance mirrors and telescopes made of CVC SiC[®] or composites. These precision-engineered optical products are used in a wide range of civilian, military and aerospace applications.



T E N
T O M O R R O W

Statement of
Summer Shiigi, Owner
TEN TOMORROW

before the

Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022

3:00 PM

State Capitol, Conference Room 224 & Videoconference

In consideration of

SB2807

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism.

TEN TOMORROW **supports** SB2806 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According 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.

TEN TOMORROW is a small women's clothing brand with a store/workspace located in the heart of Kaimuki. We are proud to say 100% of our manufacturing happens in Hawaii. We've been recipients of the MAP grant program in the past and it has helped us purchase a CAD design program and training, a large plotter, and more sewing machines. All of this equipment has helped us go digital, reduce waste, and streamline our production. As a manufacturer who is dedicated to keeping production local, grants like this are essential. Growth can be hard for small businesses like us because it requires simultaneous investment in raw materials, staff, and equipment at the same time. The reimbursement gave us the security to take our company to the next level. Even through the pandemic, we have managed to increase gross sales, hire new staff, and explore new opportunities - which included our first showing in Japan. We truly hope you continue to support the efforts of HTDC with passing this bill.

Thank you for the opportunity to offer these comments.

RYAN KAWAILANI OZAWA

P.O. Box 892727

Mililani, HI 96789-8332

Main: (808) 707-3027

Fax: (808) 427-9227



@hawaii A row of social media icons including Instagram, Twitter, YouTube, LinkedIn, Facebook, and others.

Email: hawaii@hey.com

January 27, 2022

Aloha e Senator Glenn Wakai, Chair; Senator Bennette E. Misalucha, Vice Chair; members of the Committee on Energy, Economic Development, and Tourism:

I am writing to express my **support** of SB2807, which appropriates funds to Hawaii Technology Development Corporation for the Manufacturing Assistance Program.

Similar to the Hawaii Small Business Innovation Research Program, the Manufacturing Assistance Program has demonstrated itself to be a valuable resource for Hawaii businesses.

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.

For this substantial constituency, the program limits reimbursement to 20 percent of qualified expenses, and caps such reimbursements at \$100,000. Nonetheless, the program embodies the State's support for local manufacturers that are trying to scale their businesses and grow their respective industries.

Mahalo for your consideration.



Ryan Kawailani Ozawa



January 27, 2022

Statement of
Sandeep Patil MD PhD
CEO
Praxis Bioresearch
before the
Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022
3:00 PM
State Capitol, Conference Room 224 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism.

Praxis Bioresearch supports SB2807 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. HTDC support of local life science cluster and work force is highly essential as many companies in this sector take a long time to become profitable due to a lengthy research process.

Praxis Bioresearch is an innovative biopharmaceutical company focused on developing safe and effective solution for the treatment of neurobehavioral problems in Alzheimer's Disease (AD).

Thank you for the opportunity to offer these comments.



Statement of
Brian Watanabe
President
Island Grown Foods, Inc.
dba: Hawaii Food Products
Before the
Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022
3:00 PM
State Capitol, Conference Room 224 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee of Energy Economic Development, and Tourism.

Hawaii Food Products **Supports** SB2807 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.

Hawaii Food Products manufactures Hawaiian and local foods favorites such as Lau Lau, Kalua, Roast Pork (Lechon, Chinese style, Char Siu), Pastele, and other Ready to Eat products. The MAP Grant will allow us to invest in equipment with new technologies to meet USDA guidelines for controlling biological food hazards. New equipment is designed to meet scientific data supporting Critical Control Points and Critical Limits to control pathogens which cause foodborne illness and/or injuries to consumers. Without the resources to purchase equipment with new technologies, we are at risk for product recall and related financial penalties that we may not be able to survive.

Thank you for the opportunity to offer these comments.



Statement of
Hermann Kugeler
Business Development Manager
Makai Ocean Engineering, Inc.

before the
Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022

3:00pm

State Capitol, Conference Room 224 & Videoconference

In consideration of

SB2806

RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Chair Wakai, Vice Chair Misalucha, 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.

TeleVoice 2000

Statement of
Tom Leonard
Owner

TeleVoice 2000

before the

Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022

3:00 PM

State Capitol, Conference Room 224 & Videoconference

In consideration of

SB2807

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism.

TeleVoice 2000 **supports** SB2807 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According 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.

Our company has supplied telecommunications and information technology consulting services to Hawaii companies since 1997. For the past 6 years, we have actively participated in HTDC's programs to promote economic growth in the State through support for development of an active and robust technology sector.

Statement of
Blair Stultz
Vice President
Bear Machinery Inc.
before the
Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022
3:00 PM
State Capitol, Conference Room 224 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism.

Bear Machinery Inc. supports SB2806 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.

Hawaii will benefit in many ways by enabling new and existing businesses to develop and expand the High Tech Industry. More employment opportunities will allow the retention of local people and slow down the drain of talent from the islands. Hawaii has a small high tech community which continues to need reinforcement to grow and become a more significant presence in our economy. Bear Machinery benefits from helping local industry develop new products and supports the existing manufacturing in Hawaii.

Thank you for the opportunity to offer these comments.



Statement of
Kelsey Amos
Chief Operating Officer
Purple Mai'a Foundation
before the
Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022
3:00 PM
State Capitol, Conference Room 224 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism.

Purple Mai'a Foundation **supports** SB2806 that appropriates funds to the Hawaii Technology Development Corporation for the Manufacturing Assistance Program. According 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.

LATE

SB-2807

Submitted on: 1/27/2022 3:07:33 PM

Testimony for EET on 1/28/2022 3:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Krystl Apeles	Testifying for Alakoko (Rice Street Business Association)	Support	No

Comments:

Aloha,

Thank you for your time and considerations to this testimony. My name is Krystl Apeles and I grew up on Kauai. This past year I started a non-profit business on Kauai that supports small businesses thanks to a grant funded by the Hawaii Tourism Authority. Alakoko is the name of the store and it's a way for small business to sell their products at higher profit and receive education/guidance in the growth of their business. Businesses are carefully selected and interviews performed to better understand business needs while actively seeking opportunities to strengthen local manufacturing.

The grant was crucial for Alakoko to get started and the benefits to the community has been outstanding. We were able to bring life to downtown Lihue with community connections, activities, and now retail. Throughout the businesses I interview it's been clear that there is definitely missed manufacturing potential. Many businesses come to the same road block of needing machinery or equipment but the price tag is way too out of reach. These are inspiring and dedicated businesses who utilize local resources while creating circular economy within Hawaii are faced with the conflict of feeling the need to outsource to compete with other brands.

One example would be the need for a super critical extract machine that plays a role in both food and beauty products. Kauai has been pushing vanilla farms and this is just one market that this machine could help with.

For this reason I am in favor of bill SB2807.

Mahalo for all your time and dedication.

Krystl Apeles

LATE

SB-2807

Submitted on: 1/27/2022 5:16:40 PM

Testimony for EET on 1/28/2022 3:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Ronald Weidenbach	Testifying for Hawaii Aquaculture & Aquaponics Association	Support	No

Comments:

The Hawaii Aquaculture and Aquaponics Association strongly supports SB2807 which will provide \$1.5M in funds 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 is HTDC's second touch point to facilitate the diversification of the Hawaii economy and deserves to be strongly supported. For HAAA members, this program opens doors for both manufacturing and processing opportunities for our industry. The HAAA strongly supports this measure.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEE ON
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 224
FRIDAY, JANUARY 28, 2022 AT 3:00 P.M.**

To The Honorable Glenn Wakai, Chair;
The Honorable Bennette E. Misalucha, Vice Chair; and
Members of the Committee on Energy, Economic Development, and Tourism,

**SUPPORT SB2807 RELATING TO THE
HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

The Maui Chamber of Commerce supports SB2807 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

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.

Statement of
Tarik Sultan
Managing Partner
XLR8HI



before the

Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022

3:00 PM

State Capitol, Conference Room 224 & Videoconference

In consideration of

SB2807

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism.

XLR8HI supports SB2806 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.

XLR8HI elevates and empowers Hawaii founders and business owners at all stages of growth by fostering a culture of innovation and inclusion within Hawaii's entrepreneurial community. Our team carries a successful track record of working with and investing in Hawaii's entrepreneurs, startups, and small businesses. Through the Hawaii Manufacturing Assistance Program and partnerships with HTDC, we can better support the Hawaii businesses that we work with in bringing their products to local, national and international markets. Increased manufacturing ability and market presence by Hawaii companies further strengthen Hawaii's economic resilience and force as a regional economy.

Thank you for the opportunity to offer these comments.

Respectfully submitted,



Tarik Sultan
Managing Partner
XLR8HI

Statement of
Omar Sultan
Managing Partner
Sultan Ventures

LATE

before the

Senate Committee on Energy, Economic Development, and Tourism

Friday, January 28, 2022

3:00 PM

State Capitol, Conference Room 224 & Videoconference

In consideration of

SB2807

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Wakai, Vice Chair Misalucha, and Members of the Committee on Energy, Economic Development, and Tourism.

Sultan Ventures supports SB2806 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.

Sultan Ventures is a collaborative venture firm that builds visionary startups and innovation hubs. Founded in Honolulu, the company works closely with innovative early-stage startups and entrepreneurs focused on transformative solutions. This means we're engaged from initial idea to long-term success. Guided by a people-first approach, Sultan Ventures also invests in human capital by developing opportunities to educate and elevate entrepreneurs. Through the Hawaii Manufacturing Assistance Program and partnerships with HTDC, we are able to accelerate the growth of Hawaii businesses by bringing their products to local, national and international markets. Increased manufacturing ability and market presence by Hawaii companies enhance the investment potential in Hawaii, thus contributing to a stronger state economy and business environment.

Thank you for the opportunity to offer these comments.

Respectfully submitted,



Omar Sultan
Managing Partner
Sultan Ventures

SB-2807

Submitted on: 1/26/2022 11:33:00 AM

Testimony for EET on 1/28/2022 3:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Robbie Melton	Individual	Support	No

Comments:

Dear Chair Wakai and committee members,

I am writing in full support this bill. Kauai has a growing manufacturing industry. Many existing manufacturing companies want to expand their production capacity, but have limited financial resources. This bill would enable them to purchase the much needed equipment to increase their volume and it would also create jobs as their manufacturing capacity expands. It will also encourage new companies who want to do manufacturing. This funding would help purchase the much needed equipment to get started.

Thank you for this opportunity to present this testimony.

Aloha,

Robbie Melton