



Written Statement of
Len Higashi
 Acting Executive Director
 Hawaii Technology Development Corporation
 before the
SENATE COMMITTEE ON WAYS AND MEANS

Tuesday, February 22, 2022
 10:00 a.m.
 Videoconference

In consideration of
SB2807
RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Dela Cruz, Vice Chair Keith-Agaran 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 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.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented to the
Senate Committee on Ways and Means
Tuesday, February 22, 2022 at 10:00 a.m.

by

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

SB 2807 – RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

The University of Hawai'i (UH) shares a similar vision with the Hawai'i Technology Development Corporation (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 businesses in Hawai'i and UH supports this bill that appropriates funds to the Manufacturing Assistance Program (MAP) at HTDC.

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.

Thank you for the opportunity to testify in support of 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 SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 2807

February 22, 2022
10:00 a.m.
Room 211 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 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, 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.



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

Tues, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Shifted Energy 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.

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

SB-2807

Submitted on: 2/16/2022 3:58:19 PM

Testimony for WAM on 2/22/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Steve Miller	Testifying for Sweet Brown Hawaii	Support	No

Comments:

Hello Legislators,

As I know you are aware manufacturing can be difficult in Hawaii. Anything that can help ease the burden on small businesses goes a long way. I fully support the Manufacturing Assistance Grant to help small businesses grow and thrive, thank you.

Aloha and stay safe,

Steve

Steve Miller - Owner Sweet Brown Hawaii

THE SENATE
THE THIRTY-FIRST LEGISLATURE SESSION OF 2022
TESTIMONY ON SENATE BILL NO. 2807, RELATING TO THE HAWAII TECHNOLOGY
DEVELOPMENT CORPORATION

Position: **Support**

To the Honorable Senator Donovan M. Dela Cruz, Chair; Senator Gilbert S.C. Keith-Agaran, Vice Chair; and Members of the Committee:

Please accept this testimony in **support** of this bill, to restore funding to the HTDC Manufacturing Assistance Program.

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.



KYD, Inc. dba k. yamada distributors

An independent leader in packaging and wholesale distribution

P.O. BOX 29669, Honolulu, Hawaii 96820 Phone: (808) 836-3221 Fax: (808) 833-8995

Statement of
Dexter Yamada
President
KYD, Inc.
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

KYD, Inc. **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.

With the plastic ban, we are embarking on new products to replace banned items. This grant will allow us to purchase needed machinery to support the manufacture of these new products in order to keep all our employees and make our company continue in our packaging business.

Thank you for the opportunity to offer these comments.



WILL CALL, G&A, AND WAREHOUSE OFFICES: 2949 Koapaka Street, Honolulu, Hawaii 96819-1923 Phone: (808) 836-3221 Fax: (808) 833-8995

MANUFACTURING FACILITIES: 747 Umi Street, Honolulu, Hawaii 96819-2394 Phone: (808) 836-3221 Fax: (808) 845-7754



HYPERSPECTIVE
INSPIRE BELIEF

Statement of:
Todd J. Robertson
President/CEO
Hyperspective
Before the
Senate Committee on Ways and Means
Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807 RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Hyperspective **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.

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



Statement of
Kelsey Amos
Chief Operating Officer
Purple Mai'a Foundation
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Purple Mai'a Foundation **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.

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.

A handwritten signature in black ink, appearing to read "Kelsey Amos".

SB-2807

Submitted on: 2/17/2022 10:24:11 AM

Testimony for WAM on 2/22/2022 10:00:00 AM

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

Comments:

Dear Honorable Senators,

Support.

Diamond Bakery has been very fortunate to have participated in this program. It has catapulted growth of our business over the last six years. And we have increased the pay of our front line employees and management as a result. They have in turn spend more in our economy. The MAP program truly works and more funds are needed to keep our manufacturing industry growing.

As President of the Hawaii Food Manufacturing Association, I also know of the many other local companies that have benefited from the MAP grant. But many others have not been able to participate. And manufacturing is by nature a capital intensive business. So consistently available funding is needed to meet industry needs for new and existing companies.

Please support and increase the level of funding for this program. Mahalo nui loa!

TO: Chair Donovan M. Dela Cruz; Vice Chair Gilbert S.C. Keith-Agaran; and Committee

FROM: Adrian Hong, President of Island Plastic Bags, Inc.

RE: SB 2807

POSITION: Strong Support

Island Plastic Bags, Inc. supports SB 2807 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 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.

Should you have any questions or comments about my testimony you can contact me by email at ahong@islandplasticbags.com or by phone at 808-484-4046.

Sincerely,

Adrian K. Hong, CPA*

President

Island Plastic Bags, Inc.

www.islandplasticbags.com

Email: ahong@islandplasticbags.com | Phone: 808-484-4046 | Fax: 808-488-8505

*Not in public practice

SB-2807

Submitted on: 2/17/2022 11:54:18 AM

Testimony for WAM on 2/22/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Paolo Vidali	Testifying for Hidden Gears	Support	No

Comments:

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

Hidden Gears 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.

We have been fortunate to partner with HTDC over the past 2 years and have assisted many dozens of Hawaii companies and entrepreneurs pivot and grow during these trying times. In providing e-commerce consulting and trainings via HTDC, we have helped manufacturers reduce their reliance on tourism-based wholesale accounts, and have provided the tools and the knowledge to grow direct sales online. This has led to economic stabilization, job retention and sustainable growth.

Thank you for the opportunity to offer these comments.



1050 Bishop St. PMB 235 | Honolulu, HI 96813
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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 Ways and Means
Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 22, 2022
TIME: 10am
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.



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

before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022

10:00 am

Videoconference & State Capitol, Conference Room 211

In consideration of

SB2807

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 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.

SB-2807

Submitted on: 2/18/2022 10:21:54 AM

Testimony for WAM on 2/22/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Collin Kobayashi	Testifying for 3D Innovations	Support	No

Comments:

Statement of

Collin Kobayashi

President

3D Innovations

before the

Senate Committee on Ways and Means

Tuesday, February 22, 2022

10:00 AM

State Capitol, Conference Room 211 & Videoconference

In consideration of

SB2807

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

3D Innovations **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.

3D Innovations has been involved with the advanced manufacturing industry for 10+ years and having a manufacturing program that can support our industry is extremely important to keep the technology and manufacturing sectors moving forward.

Investment in equipment is vital to the industry and to allow companies to improve on manufacturing process with up to date machinery. The Manufacturing Assistance Program can help companies to do this. With the support of this program, companies will be better equipped to operate while supporting Hawaii's economic industry.

Thank you for the opportunity to offer these comments.



Statement of
Isar Mostafanezhad, Ph.D.
Founder and CEO, Nalu Scientific, LLC
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022 at 10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Senator Donovan M. Dela Cruz, Chair; Senator Gilbert S.C. Keith-Agaran, Vice Chair; and members of the Committee on Ways and Means:

Nalu Scientific, LLC **supports** SB2807, 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 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.

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.



Testimony Presented to
Senate Committee on Ways and Means
February 22, 2022 10:00am Conference Room 211

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

SUBJECT: Support for SB 2807 – RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Dela Cruz, Vice Chair Keith-Agaran, members of the Committee:

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 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 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.

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



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

February 22, 2022

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON SB 2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Room 211 & Videoconference
10:00 AM

Aloha Chair Dela Cruz, Vice-Chair Keith-Agaran, 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, which appropriates funds to the Hawai'i Technology Development Corporation for its 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.

Statement of
Jason Brand
Co-Founder
Manulele Distillers, LLC
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Manulele Distillers, LLC, DBA Ko Hana Distillers, strongly 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.

Manulele Distillers manufactures one of the world's finest pure cane spirits, Ko Hana Hawaiian Agricole Rum. Manufacturing in Hawaii requires scale, and scale requires capital. The MAP grant can assist our company to acquire the needed equipment for our growth. This growth leads to more employment, more exports in our case, and more skilled labor.

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 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 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 Manulele Distillers, LLC.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jason Brand', with a stylized flourish extending to the right.

Jason Brand
Co-Founder
Manulele Distillers, LLC

Statement of
Meli James
Cofounder
Mana Up
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Mana Up strongly 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.

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 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. Mahalo for the opportunity to submit this testimony on behalf of Mana Up.

Sincerely,



Meli James
Cofounder, Mana Up

SB-2807

Submitted on: 2/20/2022 11:32:34 PM

Testimony for WAM on 2/22/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Blaine Kusler	Individual	Support	No

Comments:

Elements of the Sea HI, LLC strongly 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.

For our company, the grant is important because it assists our skincare company being able to scale up faster, hire more employees and accelerate our growth as company based in Hawaii. As a small business, having resources like this, enable our skincare company to purchase equipment that will enable a greater output which will translate to further reach beyond as a skincare manufacturer.

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 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 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 <company>.

Sincerely,

Blaine Kusler

Owner, Elements of the Sea HI, LLC (Ua Body Skincare)

Statement of
Thomas K. Walker
President
Ohana Nui Group LL
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Ohana Nui strongly 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.

I am a small manufacturer of cookies. We are hoping to build out our kitchen. Last year's revenues were less than \$100,000 for the year. This year we have already exceeded that amount and look to expand our facilities.

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 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 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 **Ohana Nui**.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas K Walker". The signature is fluid and cursive, with a large initial "T" and "K".

Thomas K Walker
President, Ohana Nui Group, LLC.

Statement of
Jan Hori
Co-Founder and Owner
Hawaiian Pie Company, LLC
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Hawaiian Pie Company strongly 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.

We are a family-owned multi-generational bakery located on the Island of Oahu. We specialize in melt-in-your-mouth fruit pies and baked goods that feature some of Hawaii's finest tropical flavors. This grant will help as we continue to grow our business locally and now nationally by way of shipping. We are currently looking at equipment that will simplify our operations. The labor force is currently very unstable, it slowed our production as each person on our line now covers 2-3 positions. We've had to turn down valuable opportunities due to the time loss. We are currently looking at equipment that can be added to our operation that will help eliminate some steps that currently are covered by manpower.

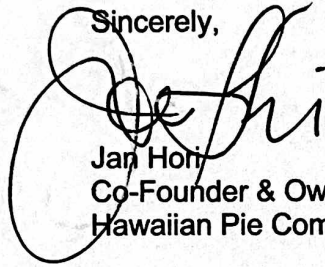
HTDC is a key state agency in the development and support of the State's manufacturing industry and has been the backbone of innovation here in the Islands. They have been a strong supporter of Mana Up and have helped us drive our statewide initiative to expand Hawaii's economy and create jobs for locals 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 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 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 Hawaiian Pie Company.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jan Hori', written over a large, stylized circular flourish.

Jan Hori
Co-Founder & Owner
Hawaiian Pie Company

Statement of
David K Sebag
Owner
Big Island Moonbow Farms L.L.C
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Big Island Moonbow Farms strong 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.

Big Island Moonbow Farms L.L.C. produces Wai Meli Local Raw Honey and Wai Meli Jun, a honey based kombucha. These products require a substantial amount of equipment for processing and packaging for market. In 2020, revenue double from 2019 to \$186,000. In 2021, revenue jumped to \$371,000. With the forecasted growth for 2022 we see revenue doubling again. Having this grant would allow the company to utilize the funds to purchase more machinery to automate many of the processing while providing jobs for the community.

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 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 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 Moonbow Farms L.L.C.

Sincerely,

--



Kawika Sebag

Owner & Apiculturist

808-987-7821

kawika@waimeli.com

WAIMELI.COM

W A I M E L I
L O C A L R A W H O N E Y

Statement of
Nicholas Vericella
Part Owner
Pawniolo Pets LLC
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Pawniolo Pets LLC strongly 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.

At Pawniolo Pets LLC we produce and manufacture raw pet food, single ingredient pet treats, as well as other natural pet products. We do all the production and manufacturing of our goods at our family ranch using animals 100% from Hawaii. This grant is very important to our business because we are in continual need of manufacturing equipment that can help to streamline our operation. New equipment not only can help make our business more efficient but also allows room for expansion and scaling.

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 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 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 Pawniolo Pets LLC.

Sincerely,

Nicholas Vericella
Part Owner, Pawniolo Pets LLC



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the Senate Committee on Ways and Means
Tuesday, February 22, 2022, at 10:00 A.M.
Conference Room 211 & Videoconference**

RE: SB 2807 Relating to the Hawaii Technology Development Corporation

Chair Dela Cruz, Vice Chair Keith-Agaran, 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, 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.

LATE

Statement of
William Davis
Owner
Vitalitea Group LLC dba VITALITEA HAWAII
before the
Senate Committee on Ways and Means
Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
**RELATING TO HAWAII TECHNOLOGY DEVELOPMENT
CORPORATION**

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

Vitalitea Group LLC strongly 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.

In the past few years, without the grant, we have added and improved our manufacturing equipment to increase product quality and food safety. We continue to grow and improve our already robust food safety program, add jobs and provide the safest, healthiest product possible, sourcing all materials available in Hawaii. In order to continue to improve and grow as a 100% Hawaii-made brand, we will need to invest in even more equipment. We are hopeful the grant will continue, and we may one day be able to benefit from it.

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 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

scale their business to global markets. The domino effect of manufacturing assistance would result in more opportunities for locals and economic diversification.

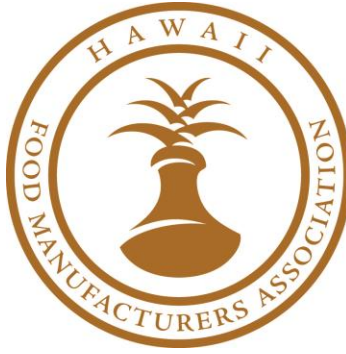
We respectfully ask for your support of SB2807 to support local manufacturers who are trying to scale their businesses in Hawaii and helping to grow the industry and economy. Mahalo for the opportunity to submit this testimony on behalf of Vitalitea Group LLC.

Sincerely,



William Davis

Owner/Founder Vitalitea Group LLC



LATE

**Testimony to the Senate Committee on Ways and Means
Tuesday, February 22, 2022, at 10:00 A.M.
Conference Room 211 & Videoconference**

RE: SB 2807 Relating to the Hawaii Technology Development Corporation

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

The Hawaii Food Manufacturers Association **supports** SB 2807, 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 of 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.

LATE

Statement of
Loren Shoop
CEO
Ulu Mana Inc.
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022
10:00 AM

State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT
CORPORATION

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

Ulu Mana strongly 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.

Ulu Mana creates delicious snack foods out of locally grown agriculture products, especially 'ulu (breadfruit). We have had early success with our products and are putting plans together to build a larger manufacturing facility here in the state to support the demand. This would allow us to purchase over 100,000lbs of 'ulu per year from local farmers and 10's of thousands of lbs of other crops like okinawan sweet potato and molokai sweet potato. Along with purchasing direct from

local farmers, we plan to build this facility in a rural area and would hire 15 or more workers to run the facility.

A grant like this is essential for our company. Knowing the state is behind us and using this additional money to hire more employees and purchase more local product is a win win for everyone.

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 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 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 Ulu Mana Inc.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Loren Shoop', with a long horizontal flourish extending to the right.

Loren Shoop
CEO, Ulu Mana Inc.

LATE



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

**HEARING BEFORE THE SENATE COMMITTEE ON
WAYS AND MEANS
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 211
TUESDAY, FEBRUARY 22, 2022 AT 10:00 A.M.**

To The Honorable Senator Donovan M. Dela Cruz, Chair
The Honorable Senator Gilbert S.C. Keith-Agaran, Vice Chair
Members of the committee on Ways and Means

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
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
Meli James
President
HVCA
before the
Senate Committee on Ways and Means

Tuesday, February 22, 2022
10:00 AM
State Capitol, Conference Room 211 & Videoconference

In consideration of
SB2807
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

HVCA strongly 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.

The Hawaii Venture Capital Association (HVCA) is a local nonprofit that stands as a nexus for entrepreneurs, capital foundation, and networking opportunities in Hawaii. Our organization helps to foster entrepreneurship through education and exposure to key members in our business community in order to support our islands' emerging entrepreneurs, all while sustaining a vibrant and successful business community.

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. 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 would greatly benefit the Hawaii businesses that we work with. 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 across the manufacturing businesses in our community, manufacturing assistance would greatly benefit them 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. Mahalo for the opportunity to submit this testimony on behalf of HVCA.

Sincerely,

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

Meli James
President, HVCA

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

February 18, 2022

Aloha, Senator Donovan M. Dela Cruz, Chair; Senator Gilbert S.C. Keith-Agaran, Vice Chair; and members of the Committee on Ways and Means:

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

Similar to the Hawaii Small Business Innovation Research (SBIR) program, MAP 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 Kawaiiani Ozawa