

CONFERENCE COMMITTEE REP. NO. 1776

Honolulu, Hawaii

APR 28 , 2023

RE: H.B. No. 999  
H.D. 1  
S.D. 2  
C.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 999, H.D. 1, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Establish state goals for economic growth fueled by innovation and technology;
- (2) Appropriate funds to the Hawaii Technology Development Corporation to implement specific projects that address the state goals;

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- (3) Require the Hawaii Technology Development Corporation to submit annual reports to the Legislature on the progress, outcomes, and effectiveness of the projects;
- (4) Temporarily establish the Hawaii Office of Naval Research Grant Program to provide matching grants to Hawaii awardees of alternative energy research grants from the Department of Defense Office of Naval Research;
- (5) Establish the Alternative Energy Research and Development Revolving Fund and appropriate funds into and out of the Revolving Fund for the Hawaii Office of Naval Research Grant Program; and
- (6) Appropriate funds to establish one full-time equivalent asset manager position and one full-time equivalent aerospace development coordinator for the Hawaii Technology Development Corporation.

Your Committee on Conference has amended this measure by:

- (1) Amending the composition of the Hawaii Technology Development Corporation Board of Directors to include the Chairperson of the Board of Regents of the University of Hawaii, unless the Chairperson, with the approval of the Board of Regents and subject to quorum and majority requirements, designates another Regent to serve;
- (2) Inserting an appropriation amount of \$6,000,000 for fiscal years 2023-2024 and 2024-2025 for the purpose of economic diversification;
- (3) Clarifying that of the \$6,000,000 appropriated for the purpose of economic diversification, \$2,000,000 shall be used to support economic development opportunities with the defense sector, including aerospace, and to support companies conducting small business innovation research through matching grants;
- (4) Deleting language which would have appropriated funds:
  - (A) For the operations, administration, and award of grants by the Hawaii Small Business Innovation Research Program;



- (B) For the operations, administration, and award of grants by the Manufacturing Assistance Program; and
  - (C) To reduce and mitigate climate change through renewable energy technology demonstration projects;
- (5) Adding the requisite information for making an appropriation in excess of the general fund expenditure ceiling pursuant to article VII, section 9, of the Hawaii State Constitution and sections 37-91 and 37-93, Hawaii Revised Statutes;
- (6) Deleting language which would have:
- (A) Temporarily established the Hawaii Office of Naval Research Grant Program;
  - (B) Established the Alternative Energy Research and Development Revolving Fund and appropriated funds into and out of the Revolving Fund; and
  - (C) Appropriated funds to establish one full-time equivalent asset manager position and one full-time equivalent aerospace development coordinator;
- (7) Changing the effective date to July 1, 2023; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 999, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 999, H.D. 1, S.D. 2, C.D. 1.



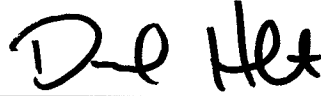
Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE SENATE

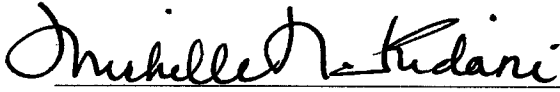
ON THE PART OF THE HOUSE




LYNN DECOITE  
Chair



DANIEL HOLT  
Co-Chair



MICHELLE N. KIDANI  
Co-Chair



RACHELE LAMOSAO  
Co-Chair



