

Honolulu, Hawaii

MAR 01 , 2024

RE: H.B. No. 2356
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2356, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Increase the cap for awards to assist businesses applying for the Small Business Innovation Research Grant Program and Small Business Technology Transfer Grant Program;
- (2) Add purchasing of renewable energy systems as an eligible expense, and clarifies that training on new and existing manufacturing equipment is an eligible expense, for the Manufacturing Development Grant Program; and
- (3) Appropriate funds for the Hawaii Small Business Innovation Research Program, Manufacturing Assistance Grant Program, and Accelerator Grant Program.

Your Committee received testimony in support of this measure from the University of Hawai'i System; Department of Business, Economic Development, and Tourism; Hawaii Technology Development



Corporation; Hawaii Food Industry Association; Samurai, Inc.; Sultan Ventures; HIplan; Hawai'i Farm Bureau; Simonpietri Enterprises LLC; Dana Labels, Inc.; Craft 'Ohana; Hub Coworking Hawaii; OceanBit; Hawaii Ulu Cooperative; Hawaii Biotech, Inc.; Purple Mai'a Foundation; Meadow Gold Dairies Hawaii; Aloha Shoyu Company, Ltd.; WaiHome; Oceanit; PacMar Technologies; Chamber of Commerce Hawaii; Mana Up; Hawaii Venture Capital Association; Blue Startups, LLC; Holomua Collaborative; and three individuals.

Your Committee has amended this measure by:

- (1) Changing the per-grant cap for awards to assist businesses applying for the Small Business Technology Transfer Grant Program or Small Business Technology Transfer Grant Program to an unspecified amount;
- (2) Specifying that any renewable energy technology system purchased by a business that receives a grant under the Manufacturing Development Program shall not be eligible for the Renewable Energy Technologies Tax Credit under section 235-12.5, Hawaii Revised Statutes, to install or place that system in service; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2356, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2356, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



KYLE T. YAMASHITA, Chair



