

STAND. COM. REP. NO.

1500

Honolulu, Hawaii

MAR 24, 2023

RE: S.B. No. 1296
S.D. 2
H.D. 1

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

Sir:

Your Committee on Economic Development, to which was referred
S.B. No. 1296, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO DESIGNATED ECONOMIC
DEVELOPMENT DISTRICT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Hawaii Economic Development District
Planning Organization to implement the United States
Economic Development Administration-approved
comprehensive economic development strategy;
- (2) Establish temporary full-time equivalent positions to
support the Organization; and
- (3) Appropriate funds for the Organization and hiring of
necessary staff.

Your Committee received testimony in support of this measure
from the Department of Business, Economic Development, and
Tourism; Office of Planning and Sustainable Development; and
Office of Economic Revitalization of the City and County of

2023-2829 SB1296 HD1 HSCR HMSO



Honolulu. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that being designated as an economic development district by the United States Economic Development Administration provides opportunities to work comprehensively to achieve locally developed goals that leverage and build upon interrelated community assets. An economic development district also advances a long-term established relationship with the United States Economic Development Administration that includes annual federal funding to support the development and implementation of the Hawaii Comprehensive Economic Development Strategy.

Your Committee notes that for a region to be designated as an economic development district by the United States Economic Development Administration, the region must meet several requirements, including having an approved comprehensive economic development strategy, approval by the affected state and the United States Economic Development Administration Assistant Secretary, commitments from a majority of counties within the proposed district, and a district organization that meets federal requirements. This measure will establish a Hawaii Economic Development District Planning Organization to serve as the district organization required for the State to be eligible for the substantial benefits of a United States Economic Development Administration-designated economic development district.

Your Committee has amended this measure by:

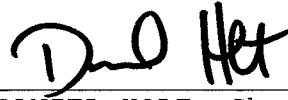
- (1) Increasing the number of full-time equivalent temporary economic development planning analyst positions to be established from two to four;
- (2) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1296, S.D. 2, as amended herein, and recommends that it pass



Second Reading in the form attached hereto as S.B. No. 1296, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development,



DANIEL HOLT, Chair



