

Honolulu, Hawaii

FEB 14 2023

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

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

Sir:

Your Committee on Energy, Economic Development, and Tourism,
to which was referred S.B. No. 1296 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Hawaii Economic Development District Planning Organization and governing board to meet the requirements of the United States (U.S.) Economic Development Administration, as provided in title 13 Code of Federal Regulations section 304.2, by being broadly representative of the principal economic interests of the region, including private sector, public officials, community leaders, representatives of workforce development boards, institutions of higher learning, minority and labor groups, and private citizens; and
- (2) Designate the Office of Planning and Sustainable Development to organize the district organization assisted by professional staff with economic development planning qualifications.

Your Committee received testimony in support of this measure from the Office of Planning and Sustainable Development and



Department of Business, Economic Development, and Tourism. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that economic development districts are multi-county entities tasked to help lead and coordinate locally developed and regionally driven economic development. Economic development districts are crafted to develop long-term relationships with the U.S. Economic Development Administration, including annual federal funding to support the development and implementation of the region's Comprehensive Economic Development Strategy. Your Committee also finds that U.S. Economic Development Administration investment of federal funds is more likely within designated economic development district areas on a per capita basis than within areas not covered by an economic development district. This measure will provide the State an opportunity to foster a stronger relationship with the U.S. Economic Development Administration and the federal government and create the opportunity for more regular access to federal funds by establishing the Hawaii Economic Development District Planning Organization and governing board to meet the requirements of the U.S. Economic Development Administration and designating the Office of Planning and Sustainable Development to organize the district organization.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1296, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1296, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Energy, Economic
Development, and Tourism,



LYNN DECOITE, Chair



