
A BILL FOR AN ACT

RELATING TO DESIGNATED ECONOMIC DEVELOPMENT DISTRICT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that being a United
2 States Economic Development Administration-designated economic
3 development district provides an opportunity to work
4 comprehensively to achieve locally developed goals that leverage
5 and build upon interrelated community assets, such as workforce,
6 infrastructure, and housing. An economic development district
7 develops a long-term established relationship with the United
8 States Department of Commerce, Economic Development
9 Administration that includes annual federal funding to support
10 the development and implementation of the Hawaii comprehensive
11 economic development strategy. An investment of federal funds
12 by the United States Economic Development Administration is much
13 more likely, on a per capita basis, to be located in an economic
14 development district area than in an area that is not covered by
15 an economic development district.

16 The legislature further finds that regional eligibility to
17 be designated as an economic development district by the United



1 States Economic Development Administration requires the region
2 to have a United States Economic Development
3 Administration-approved comprehensive economic development
4 strategy that contains a specific program for intra-district
5 cooperation, self-help, and public investment; is approved by
6 the affected state and the United States Economic Development
7 Administration Assistant Secretary; obtains commitments from a
8 majority of counties within the proposed district; and forms a
9 district organization that meets the economic development
10 district requirements. A district organization may be organized
11 as a public organization established under state-enabling
12 legislation for the creation of a multi-jurisdictional area-wide
13 planning organization.

14 To ensure that Hawaii is eligible for the substantial
15 benefits of a United States Economic Development
16 Administration-designated economic development district, the
17 purpose of this Act is to:

18 (1) Establish the Hawaii economic development district
19 planning organization and governing board that meet
20 the requirements of the United States Economic
21 Development Administration, as provided in title 13



1 Code of Federal Regulations section 304.2, by being
2 broadly representative of the principal economic
3 interests of the region, including the private sector,
4 public officials, community leaders, representatives
5 of workforce development boards, institutions of
6 higher learning, minority and labor groups, and
7 private citizens; and

- 8 (2) Designate the office of planning and sustainable
9 development to organize the district organization with
10 assistance from professional staff with economic
11 development planning qualifications.

12 SECTION 2. Chapter 226, Hawaii Revised Statutes, is
13 amended by adding a new section to part II to be appropriately
14 designated and to read as follows:

15 "§226- Hawaii economic development district planning
16 organization. (a) There is established the Hawaii economic
17 development district planning organization, which shall be the
18 district organization to implement the United States Economic
19 Development Administration-approved comprehensive economic
20 development strategy. The Hawaii economic development district
21 planning organization shall be placed within the department of



1 business, economic development, and tourism and attached to the
2 office of planning and sustainable development for
3 administrative purposes.

4 (b) The Hawaii economic development district planning
5 organization shall:

6 (1) Develop, manage, and support effective multi-level
7 partnerships to promote intra-district cooperation,
8 self-help, and public investment to restore and
9 sustain economic resilience and prosperity;

10 (2) Assist organizations within the economic development
11 district with applications for funding;

12 (3) Implement the United States Economic Development
13 Administration-approved comprehensive economic
14 development strategy; and

15 (4) Present to the governor and legislature any annual
16 updates to the comprehensive economic development
17 strategy.

18 (c) The Hawaii economic development district planning
19 organization shall be headed by a board that shall be composed
20 of fifteen members as follows:



- 1 (1) The director of the office of planning and sustainable
2 development, or the director's designee, who shall
3 serve as chair;
- 4 (2) The mayor of each county, or the respective mayor's
5 designee;
- 6 (3) The executive director of each county economic
7 development board, or the respective executive
8 director's designee;
- 9 (4) A representative of each county workforce development
10 board to be designated by the chair of the respective
11 board;
- 12 (5) The president of the University of Hawaii, or the
13 president's designee; and
- 14 (6) A representative of a labor organization to be
15 appointed by the governor.
- 16 (d) The nongovernmental members of the Hawaii economic
17 development district planning organization board shall serve for
18 not more than two consecutive terms of four years and without
19 compensation but shall be reimbursed for expenses, including
20 reasonable travel expenses, necessary for the performance of
21 their duties. Members shall not be subject to section 26-34(a).



1 (e) The Hawaii economic development district planning
2 organization board shall hold public meetings, subject to
3 chapter 92, at least twice a year."

4 SECTION 3. There are established two full-time equivalent
5 (2.0 FTE) temporary economic development planning analyst
6 positions to support the Hawaii economic development district
7 planning organization. The positions shall be hired without
8 regard to chapters 76 and 89, Hawaii Revised Statutes, and shall
9 be paid out of the general revenues of the State of Hawaii.

10 SECTION 4. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$ or so much
12 thereof as may be necessary for fiscal year 2023-2024 and the
13 same sum or so much thereof as may be necessary for fiscal year
14 2024-2025 to carry out the purposes of this Act, including the
15 hiring of necessary staff.

16 The sums appropriated shall be expended by the department
17 of business, economic development, and tourism.

18 SECTION 5. New statutory material is underscored.

19 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

OPSD; DBEDT; Hawaii Economic Development District Planning Organization; Appropriation

Description:

Establishes the Hawaii Economic Development District Planning Organization and board within the Department of Business, Economic Development, and Tourism. Designates the Office of Planning and Sustainable Development to organize the Hawaii Economic Development District Planning Organization. Establishes 2 full-time exempt positions. Makes an appropriation. Effective 7/1/2050. (SD2)

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