



Hawaii Technology Development Corporation
521 Ala Moana Blvd, Ste 255 | 808-539-3806
Honolulu, Hawaii 96813 | www.htdc.org

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

Written Statement of
Wayne Inouye
Interim Director
Hawaii Technology Development Corporation
before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Thursday, February 01, 2024
1:00 PM
State Capitol, Conference Room #229

In consideration of
SB2113
RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Decoite, Vice Chair Wakai and members of the Committee.

The Hawaii Technology Development Corporation (HTDC) strongly supports SB2113 that appropriates money to the Hawaii Technology Development Corporation for its manufacturing assistance programs.

HTDC is dedicated to advancing the infrastructure, capital, and talent essential for fostering the growth of technology and manufacturing jobs in Hawai'i. Aligned with our mission, HTDC's programs are designed to offer both technical and financial assistance to innovative small businesses, offering support from any phase to reach expansion and global outreach. These initiatives are closely coordinated with other programs from the Department of Business, Economic Development and Tourism (DBEDT) and the University of Hawaii (UH) to maximize their impact and effectiveness.

HTDC actively supports initiatives geared towards the promotion of technology and manufacturing jobs. Since 1989, HTDC has been instrumental in providing Phase I matching grants to companies awarded under the Small Business Innovation Research (SBIR) program. In FY16, HTDC expanded its support by awarding Phase II and Phase III matching grants. The federal SBIR funds, while highly competitive and with a fixed budget annually, have been crucial for Hawai'i. Despite a consistently high number of qualified applicants each year, the available funds fall short, leading to none of the Phase II/III

applicants receiving the full eligible amount since FY16. However, the program is expected to yield success metrics like the Phase I matching program over time. The HSBIR program has proven to be a sound investment, with every dollar invested resulting in the attraction of over 20 federal dollars back to the state, along with additional commercialization funding.

Since FY16, HTDC has been offering MAP matching grants specifically tailored for manufacturers. Under the federally funded INNOVATE Hawai'i program, HTDC extends comprehensive support services alongside the matching grants, aiming to enhance the global competitiveness of Hawai'i manufacturers. Hawai'i manufacturers contribute significantly to areas such as food security, sustainability, resilience initiatives, and serve as a crucial driver for innovation.

Business accelerator programs are designed to accelerate the growth of startups by providing seed funding, mentorship, and business network to the strongest applicants. While the Silicon Valley origin of these programs were exclusively targeting software internet businesses, Hawai'i accelerator programs have evolved into a broad range of specializations including software, renewable energy, products, aquaculture technologies, social impact, female founders, fashion, creative media, University, and defense research. The state has partnered/co-invested/sponsored many of the private sector accelerator programs. The model is an extremely cost-effective way of providing support to emerging Hawai'i businesses. Before the accelerator programs were established in Hawai'i, entrepreneurs had to leave the state to receive this type of capital and business support.

HTDC believes the 3 core grant programs provide leverage and positive economic development value for the State.

Thank you for the opportunity to testify.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented to the
Senate Committee on Energy, Economic Development, and Tourism
Thursday, February 1, 2024 at 1:00 p.m.

by

Vassilis L. Syrmos
Vice President for Research and Innovation
University of Hawai'i System

SB 2113 – RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee:

The University of Hawai'i supports this bill that appropriates funds to support the Hawaii Small Business Innovation Research Grant, Manufacturing Assistance Program Grant Program, and Excelsior Grant Program offered by the Hawaii Technology Development Corporation (HTDC).

The University of Hawai'i shares a similar vision with HTDC to help establish a thriving innovation-based sector to boost the local economy, create jobs and to develop a highly skilled technical workforce. Manufacturing is an important component of this process to help keep these businesses in Hawai'i.

Continued or increased funding for HTDC programs is crucial to moving innovation, commercialization and manufacturing efforts forward in the state.

The University of Hawai'i appreciates the opportunity to testify on this measure.



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e-mail info@hfbf.org; www.hfbf.org

February 1, 2024

HEARING BEFORE THE
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

TESTIMONY ON SB 2113
RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Conference Room 229 & Videoconference
1:00 PM

Aloha Chair DeCoite, Vice-Chair Wakai, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports SB 2113, which appropriates funds to the Hawai'i Technology Development Corporation for its manufacturing assistance program.

As expenses rise, increases in farm revenues and profits are critical to the continued viability of farms and ranches. One way farmers can do this is by "adding value" to raw agricultural crops. Currently, off-grade and excess production is sometimes wasted due to market conditions. Converting them into value-added products will not only increase farm revenue but also provide new business opportunities, increase employment opportunities, and address Hawai'i's goals of increased self-sufficiency and sustainability.

High production costs are a major driver of narrow profit margins for Hawai'i's farmers and value-added food producers. Labor, taxes, land, transportation, utilities, and supplies are all costs of doing business that often result in value-added food producers just being able to break even.

Hawai'i is potentially losing millions of dollars because of the cost of processing agricultural crops into value-added products. HFB supports any program that supports the production of value-added products so that farmers can increase their income while allowing locally produced value-added goods can compete with imported products, strengthening our local economy.

The strength of Hawai'i's economy is dependent upon a diversity in commerce that is resilient to economic downturns and aggressive in creating new growth opportunities. The HTDC manufacturing assistance program supports this goal.



Chamber of Commerce HAWAII

The Voice of Business

Testimony to the Senate Committee on Energy, Economic Development, and Tourism
Thursday, February 1, 2024, at 1PM
Conference Room 229

RE: SB2113 Relating to the Hawaii Technology Development Corporation

Chair DeCoite, Vice Chair Wakai, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports SB2113**, which appropriates funds to the Hawaii Technology Development Corporation to support its core functions and assist with growth of emerging industries across our state.

HTDC has aided SBIR awarded companies since 1988; as a result, Hawaii companies have attracted federal dollars in return to the state plus commercialization funding for every state dollar invested through the program. This bill would allow HTDC to continue to provide the necessary support of a commercialization assistance program to all phases in the program for local businesses in Hawaii.

As stated in this measure, the manufacturing industry is a critical part of the State's economy. This program has become a positive resource to aid companies with their investments for manufacturing equipment, training, and energy efficiency. Continued funding of these programs will help fuel manufacturing in Hawaii to grow and provide more products for both local consumption and export.

Accelerator programs can help launch tech companies to provide in depth training, mentoring, and a modest investment. Hawaii is home to nationally recognized accelerator programs, and continued funding is necessary for the benefit of our small businesses.

The Chamber supports Hawaii Technology Development Corporation and its programs, as the core functions of HTDC and support the state in its goal accelerate economic diversification while providing the state the opportunity to increase workforce development, growth, and retention.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Thank you for the opportunity to testify.



holomua

COLLABORATIVE

OUR MISSION

To support and advance public policies that make Hawai'i affordable for all working families.

OUR VISION

Collaborative, sustainable, and evidence-based public policies that create a diverse and sustainable Hawai'i economy, an abundance of quality job opportunities, and a future where all working families living in Hawai'i can thrive.

BOARD MEMBERS

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Josh Wisch
President & Executive Director

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HolomuaCollaborative.org

Page 1 of 1

Committee: Senate Committee on Energy, Economic Development, and Tourism
Bill Number: SB 2113, Relating to Hawaii Technology Development Corporation
Hearing Date and Time: February 1, 2024 at 1:00pm (Room 229)
Re: Testimony of Holomua Collaborative in support

Aloha Chair DeCoite, Vice Chair Wakai, and Committee Members:

We write in support of SB 2113, Relating to Hawaii Technology Development Corporation. This bill appropriates moneys to the Hawaii Technology Development Corporation (HTDC) for its manufacturing assistance programs.

Holomua is focused on helping to keep all local working families in the state by making sure that they can afford to stay. To accomplish that, we must have a healthy, local diversified economy. And as the authors of SB 2113 correctly note, Hawaii's manufacturing industry is a critical part of the State's economy. And our local manufacturing industry is overwhelming comprised of small local businesses – everything from local clothing makers to chocolate makers to building suppliers and so much more.

HTDC has consistently played an important role in supporting these local small business manufacturers through administering programs like the small business innovation research program, the manufacturing assistance grant program, and the accelerator grant program. To invest in our *future* as a state – and to give our current and budding entrepreneurs a reason to stay and grow our local economy – we must keep investing in these programs *now*.

We are pleased to support this bill and appreciate the opportunity to testify.

Sincerely,

Josh Wisch
President & Executive Director



Written Statement of
DR. PATRICK K. SULLIVAN
PRESIDENT/CEO OCEANIT

Before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Thursday, February 1, 2024
1:00 P.m.
State Capitol, Conference Room 229 and Videoconference

In Support of
**SB2113 RELATING TO THE HAWAII TECHNOLOGY
DEVELOPMENT CORPORATION**

To: Senator Lynn DeCoite, Chair, Senator Glenn Wakai, Vice Chair, and Members of the Committee

From: Dr. Patrick K. Sullivan, President/CEO

Re: Testimony in Support of SB2113

Honorable Chair, Vice-Chair and Committee Members:

Testimony in Support of SB2113

The technology industry in Hawaii has grown over the past 25 years and has made significant strides towards achieving the goal of diversifying and stimulating Hawaii's economy. The continuation of the Small Business Innovation Research ("SBIR") grants is crucial to move the technology towards prototyping, customer interface, and commercialization.

The objectives of the SBIR grants are:

- To support economic growth and the diversification of our economy;
- To launch new ventures based on new technology innovations; and
- To support the growth of the tech industry and the creation of intellectual property and innovation in the State.

When the SBIR matching program started a few decades ago, Hawaii was ranked close to the bottom in the U.S. when compared with other States. After the program was launched, Hawaii's success ranking improved to 29th out of 50 States. Continued support from the State will further improve Hawaii's competitive position and contribute additional research capital into Hawaii's economy, providing a positive ROI, supporting economic diversification, and creating living wage jobs for locals.

Therefore, Oceanit is in Strong Support of SB2113.



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Executive Officers

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Paul Kosasa, ABC Stores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*
Toby Taniguchi, KTA Superstores, *Advisor*
Joe Carter, Coca-Cola Bottling of Hawaii, *Advisor*
Eddie Asato, Pint Size Hawaii, *Immediate Past Chair*

TO: Committee on Energy, Economic Development

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 1, 2024

TIME: 1pm

PLACE: Conference Room 229

RE: SB2113 Relating to Hawaii Technology Development Corporation

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

Chair DeCoite, Vice Chair Wakai, and Members of the Committee,

I am writing on behalf of the Hawaii Food Industry Association (HFIA) to express our strong support for S.B. NO. 2113, which aims to appropriate funds to the Hawaii Technology Development Corporation (HTDC) for its manufacturing assistance programs. HFIA is in full support of this measure, recognizing its critical importance in nurturing and advancing Hawaii's manufacturing sector.

The Hawaii manufacturing industry, although relatively small, holds significant value to our economy. Hawaii's food products, clothing, and other goods are widely recognized for their quality and value, making them sought after around the world. However, in order to further grow and sustain this sector, our manufacturers require essential support in controlling costs, providing training, and accessing the latest technology.

As proud organizers of the Made in Hawaii Festival each year, HFIA has a deep understanding of the potential for growth within Hawaii's manufacturing sector. The products of Hawaii have the quality and uniqueness that resonate with consumers globally. To tap into this potential and ensure the longevity of our manufacturing industry, it is crucial that our local businesses receive the necessary assistance and resources.

The proposed appropriation of \$10,000,000 for the Hawaii small business innovation research program, \$2,000,000 for the manufacturing assistance grant program, and an additional \$2,000,000 to support the excelerator grant program in fiscal year 2024-2025 aligns with HFIA's vision for the growth and sustainability of Hawaii's manufacturing sector. These funds will provide our manufacturers with the tools they need to control costs, enhance training, and adopt the latest technologies, ultimately driving business growth.

HFIA urges the members of the Senate to pass S.B. NO. 2113, as it represents a crucial investment in the future of Hawaii's manufacturing industry. By doing so, the legislature will be supporting the growth of local businesses, fostering innovation, and contributing to the overall economic well-being of our state.

We appreciate your commitment to the prosperity of Hawaii and its industries. Thank you for considering our testimony in support of this important legislation.



Statement of
Hermann Kugeler
Vice President of Business Development
Makai Ocean Engineering, Inc.
before the
Senate Committee on Energy, Economic Development, and Tourism
Thursday, February 1, 2024
1:00 pm
Videoconference
State Capitol, Conference Room 229
In consideration of
SB2113
RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Chair DeCoite, Vice Chair Wakai, and Members of the Committee

Makai Ocean Engineering, Inc. **STRONGLY SUPPORTS SB2113** that makes an appropriation to HTDC to provide grants to businesses through the manufacturing assistance program.

Makai Ocean Engineering, Inc. is a locally-owned and operated technology company based in Hawaii for 50 years. While Makai has historically been an engineering services provider, with the help of the State's manufacturing assistance program, Makai has been able to diversify into low-volume manufacturing. Makai has been involved in marine-related engineering in Hawaii for 50 years, and began a heat exchanger R&D program in 2009. Now, we are ramping up production from a small manufacturing plant for heat exchangers on the Big Island of Hawaii, which is sustaining approximately 6 highly-skilled, high-paying STEM / engineering jobs in rural Kona. We have a strategic advantage for developing and manufacturing low-volumes of these components in Hawaii for two reasons: the U.S. Navy and Air Force's presence in Hawaii, and Makai already owns and operates a marine heat exchanger test facility and marine corrosion lab on the Big Island. As an example, Makai has been awarded contracts by the U.S. Air Force, U.S. Army, and U.S. Department of Energy to design new heat exchangers for vehicle cooling and renewable energy applications. We hope to continue and scale-up manufacturing units over the coming years.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. Because they are matching funds, a manufacturer is eligible only if they are already making an investment in the local community and providing jobs. The program amplifies these efforts, and shows the State's support for local manufacturers willing to make the investment and commitment to adding jobs, and growing their businesses and the industry in Hawaii.

This is why we **STRONGLY SUPPORT SB2113**, which would provide the state matching funds for manufacturing assistance to enable companies to build a manufacturing base in the islands. Not only would this expansion of funding enable our tech industry to advance manufacturing within the State, it would provide highly-skilled manufacturing jobs for our keiki here at home.

Thank you for the opportunity to offer these comments.

SB-2113

Submitted on: 1/30/2024 4:53:43 PM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cynthia L Warner	Testifying for MorphOptic, Inc.	Support	Written Testimony Only

Comments:

Dear Sirs or Madams, I **SUPPORT** HTDC and this SB2113. The work HTDC does is supportive of new, growing and good business for our State. They support development and expansion of businesses and the islands economies. Please support this bill and HTDC. Cynthia Warner, Business Development Manager, MorphOptic, Inc. (Maui-based tech start up business.) If you have any questions, please email cindy@cindywarner.com or phone 808-283-2552.

Mahalo,

Cindy

Statement of
Brandon Damitz
Co-Founder & COO
Big Island Coffee Roasters
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Big Island Coffee Roasters **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Our purpose at Big Island Coffee Roasters is to foster Hawai'i's intergenerational specialty coffee economy for the people and land. We do this by paying everyone in the supply chain a livable wage and maximizing the supply chain value of Hawai'i-grown coffee at home through manufacturing: milling, roasting and packaging for retail and wholesale sales. HTDC's Manufacturing Assistance Program (MAP) financially assisted us to purchase the necessary manufacturing equipment to add this value. The MAP helped us procure over \$300k of equipment that resulted in 13 additional full time jobs as our team grew from 13 to 26 people in 2023. In addition, this equipment increased our annual production capacity from 150k pounds of roasted coffee to 550k pounds of roasted coffee.

HTDC's programs and efforts are vital to the success of Hawai'i economic resiliency. Myself and the entire team at Big Island Coffee Roasters wholeheartedly endorse continued funding for HTDC. They helped us tremendously and we are not alone. Programs such as this must be funded for the sake of our future well-being.

Thank you for the opportunity to offer these comments.



Ai.Fish LLC

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+1.808.262.2666

To whom it may concern,

I strongly support bill SB2113 and am an avid advocate of HTDC and the work they do. The matching grants of the SBIR program give startup companies like Ai.Fish a huge competitive advantage for a local company like ours to compete on the national and international stage. It's extremely beneficial.

Being one of the few companies not only in Hawaii, but in the whole world that performs cutting edge Artificial Intelligence development in the marine space, this type of funding is critical for us to attract and keep the necessary talent to perform machine learning and computer vision algorithm development.

Our work in the marine space using computer vision is perfected for us to stay in Hawaii. We have worked with UH, specifically HIMB (Coconut Island), identifying and classifying different corals from drone footage, the Hawaii Longline Association and NOAA identifying and counting fish on longline boats among many other interesting projects in a space in which we have carved out a nice niche.

Please don't hesitate to have anyone from your office contact me with any questions a business owner and multiple entrepreneur might be able to answer for you.

Mahalo,

Jimmy Freese

CEO and Co-Founder, Ai.Fish

jimmy@ai.fish

(808) 262 2666



4009 Black Point Rd, Honolulu, HI 96816

Statement of
Rex Jakobovits, PhD
President,
Experiad LLC
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Experiad **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Experiad was recently named as one of the **Top Startups to Watch** in Pacific Business News. We could not have achieved this success without HTDC and the State's SBIR matching grants funds. As you know, small businesses are the backbone of our local economy, providing jobs and driving innovation. By providing these businesses with access to additional funding, we are supporting their ability to grow and expand, leading to increased economic activity and job creation. Furthermore, SBIR grants provide valuable opportunities for small businesses to bring their innovative ideas to market, which can have a positive impact on the local economy by attracting new businesses and industries to our state.

Our story is direct proof that the HTDC SBIR program is critical to attracting high tech startups to Hawaii, and it has brought millions of additional federal dollars to our local economy. My software startup Experiad has received matching funds for our Phase I and Phase II SBIRs, funded by the National Institutes of Health (NIH) to develop software for behavioral therapists who **treat kids with autism**. The funds distributed by HTDC have been critical to our success, allowing us to conduct an extensive field test of our prototype product in the homes of kids with



4009 Black Point Rd, Honolulu, HI 96816

autism. The data we gathered allowed us to win a new fast-track NIH grant proposal last year. We could not have done it without the research funded by the Hawaii matching grant. Thus, **the Hawaii SBIR matching grant was directly responsible for us being awarded \$3.6M in additional federal dollars.** That money is feeding the local high tech economy, and acting as critical seed capital that will generate dozens of high tech jobs in Hawaii if we succeed.

Furthermore, HTDC has served as a critical conduit for bringing Hawaii tech entrepreneurs together, leading to collaboration and team-building that propelled our success. We met our VP of Clinical Product, Emaley McCulloch, when she was building a business within HTDC's manoa site, and without her, we would not be where we are today. HTDC is a vital hub for Hawaii's technology entrepreneurship, and we are an example of that.

In conclusion, I strongly urge the Senate Committee to consider appropriating state funds to match Small Business Innovative Research grants. This investment in our small businesses will pay dividends for our local economy, creating jobs and driving economic growth. HTDC is exactly the type of investment that our economy needs right now.

Mahalo for listening!

A handwritten signature in black ink that reads "Rex Jakobovits". The signature is fluid and cursive, with a long horizontal flourish extending from the end of the name.

Rex Jakobovits, PhD
President, Experiad LLC

SB-2113

Submitted on: 1/30/2024 6:21:31 PM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Maya Rogers	Testifying for Blue Startups	Support	Written Testimony Only

Comments:

My name is Maya Rogers, I am a partner at Blue Startups, Hawaii's venture accelerator.

I am writing to support 2113 SB RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Blue Startups is an accelerator that has operated in Hawaii for the last 10 years. With the help of HTDC, we have been able to create and support the entrepreneurial ecosystem that has shaped and expanded our business industries beyond tourism and the military.

Through Blue Startups, over 100 companies have been given a chance to create and thrive Blue Startups has created hundreds of jobs and has attracted millions of investment dollars to the state of Hawaii. We have even seen a company IPO, Volta, on the NYSE.

HTDC plays a key role in the future of Hawaii and its entrepreneurs. Without their support, more of our young people are forced to live elsewhere where there are jobs available and cost of living is affordable.

Please help in supporting this bill. The future of Hawaii depends upon it.

Thank you.

SB-2113

Submitted on: 1/30/2024 6:48:19 PM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bob Gunter	Testifying for Koloa Rum Company	Support	Written Testimony Only

Comments:

Aloha,

Koloa Rum Company has benefited immeasurably over the past years through grants received from the MAP program. The program has contributed measurably to our growth and output capacity that has led to the and expansion of sales outside of Hawaii, to the mainland U.S., Canada, Japan, Germany, Austria, IFrance, taly, U.K., Czech Republic, and Ukraine. It is extremely challenging and expensive for Hawaii manufatures to compete nationallly and internationally considering the substantial cost of doing business in Hawaii and the MAP grant is an extremely importatant program that I hope will continue to be funded.

Mahalo - Bob Gunter, President & CEO - Koloa Rum Company

SB-2113

Submitted on: 1/30/2024 7:12:03 PM

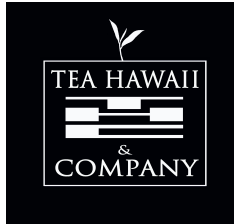
Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ronald Weidenbach	Testifying for Hawaii Fish Company Inc.	Support	Written Testimony Only

Comments:

Hawaii Fish Company Inc. is a Hawaii-registered, family-owned small business focused on aquaculture farming and R&D of innovative aquafarming technologies. We have been actively involved in the federal small business innovation research (SBIR) program since 1993, were awarded the U.S. Small Business Administration's Tibbitts Award and a place in the SBIR Hall of Fame in 2000, and currently have two SBIR Phase II manufacturing awards, from the U.S. Department of Energy and the U.S. Department of Agriculture. The High Tech Development Corporation (HTDC)'s training support and Hawaii SBIR matching grant program have been important contributors to our company's ongoing success. SB2113 will provide continuing support for HTDC's three important manufacturing support programs. Thank you for the opportunity to testify in strong support of SB2113.

Statement of



Eva Lee
Director
Tea Hawaii. Com
DBA Tea Hawaii & Company

Tel: 808-217-5411 www.teahawaii.com www.hawaii teasociety.org www.TOTUS1awards.com

before the
Senate Committee on Energy, Economic Development, and Tourism
Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference
In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Tea Hawaii & Company supports SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Tea Hawaii & Company is one of Hawaii's largest producers of the specialty crop *Camellia sinensis* tea. We manufacture green and black teas as well as many value added products for statewide distribution and export. While Hawaii is the leading state in domestic production there is great demand for manufacturing expansion utilizing innovative technology to assist the scaling up of Hawaii grown teas for many diverse markets. HTDC program assistance helps our industry local needs in addressing economic development in a timely manner for sustainable long term gains serving our communities.

Thank you for the opportunity to offer these comments.

Aloha,

Eva Lee Director Tea Hawaii & Company PO Box 362 Volcano, HI 96785

Statement of
Sonia Romero
Executive Director
ThriveHI
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

ThriveHI **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Founded in 2022, ThriveHI is a nonprofit organization on the mission to build Hawaii's startup and tech ecosystem. ThriveHI works with partners to grow the necessary talent, capital investment, government support, and sense of community to help local entrepreneurs and techies thrive. HTDC has been a key partner in implementing our projects, and is a pillar to startup and tech development in Hawaii.

Thank you for the opportunity to offer these comments.

Statement of
Karen (Chang) Barr
Small and Mobile Food Business Consultant
Ho`onui LLC
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Ho`onui LLC **supports** SB2113 that appropriates funds for Hawaii Technology Development Corporation (HTDC) core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Ho`onui LLC will be submitting a proposal to pilot a small and mobile food vendor startup accelerator business training program to help food vendor startups on Maui and Kaua'i. These startup programs will equip new small and mobile food entrepreneurs to develop business fundamentals, planning, financial projection and credit-building skills as a foundation for running their businesses for success. The funding that HTDC will provide will equip pilot programs (like mine) and longstanding accelerator programs to support Hawai'i's economic development and job creation. When small businesses learn skills to improve how they run their business, they remain in business and create jobs.

My program is a pilot program focused on providing needed business training on the neighbor islands of Maui and Kaua`i, where limited business training programs are available. It will help the small businesses entrepreneurs to start and run legitimate food vendor businesses by developing a business skills foundation. As these small and mobile food businesses grow through sound business principles and, possibly, additional skills training, they will have a chance to earn a good living, create jobs for their community, contribute to Hawai`i's State tax revenue, be part of their respective island's ecosystem and keep locals home in Hawai`i.

Please help existing and prospective small businesses thrive by approving SB2113 to continue funding HTDC's programs.

Thank you for the opportunity to offer these comments.



Statement of
Morris Wise
OWNER

KO BAKERY, 1611 Haleukana St. #3, Lihue HI 96766

before the

Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024

1:00 PM

State Capitol, Conference Room 229 & Videoconference

In consideration of

SB2113

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Ko Bakery **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

We are a homegrown Hawaiian Bakery and production facility on the island of Kauai. Our company has benefited greatly from support of HTDC and grants have allowed us to expand our operations, thereby employing more people more consistently, and supplying more products to the island food market. These are principles that apply to HTDC in any of their associations and I support grants to help our state grow our local businesses.

Thank you for the opportunity to offer these comments.



Statement of
Adrian Hong,
President of
Island Plastic Bags, Inc.

before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

In consideration of
SB 2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Lynn DeCoite, Vice Chair Glenn Waikai, and Members of the Committee;

Island Plastic Bags, Inc. **supports** SB 2113 that appropriates funds for the HTDC and the Manufacturing Assistance Program (MAP). The MAP grant we received helped us modernize our production process. The new equipment we purchased helped us improve our efficiency, productivity, and safety. Island Plastic Bags, Inc. is grateful to have participated in this program and we hope other companies will be able to do so as well.

Thank you for the opportunity to offer these comments. Should you have any questions or comments about my testimony you can contact me by email at ahong@islandplasticbags.com or by phone at 808-484-4046.



Statement of
Brian Watanabe
President
Island Grown Foods, Inc.
before the
House Committee on Finance

Monday, February 27, 2023
10:00 AM
State Capitol, Conference Room 308 & Videoconference

In consideration of
HB395 HD1
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee on Finance.

Island Grown Foods, Inc. dba: Hawaii Food Products **supports** HB395 HD1 that appropriates funds to the Hawaii Technology Development Corporation for the Hawaii Small Business Innovation Research (HSBIR) Program to fund the matching grant for SBIR Phase II and Phase III awards to assist companies in getting their product to market. For every dollar invested through the Hawaii SBIR program, Hawaii companies have attracted over 20 federal dollars in return to the State, plus commercialization funding.

Hawaii Food Products is a longtime kama'aina company with roots in local livestock farming. We manufacture authentic Hawaiian and local foods, which are marketed locally and on the US mainland. HTDC has helped us with technical assistance for equipment purchases and certifications. The MAP grant is important to help offset the high costs of equipment and shipping. Financial assistance for small businesses is vital to growing sales, creating new products, food safety initiatives, and increasing Brand awareness.

Thank you for the opportunity to offer these comments.

Written Statement of
Brittany Heyd
Cofounder
Mana Up
before the
House Committee On Finance
Thursday, February 1, 2023
1:00 p.m.
CR 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Aloha Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism:

Mana Up **supports** SB2113, Relating to Hawaii Technology Development Corporation. This bill appropriates monies to the Hawaii Technology Development Corporation (HTDC) for its manufacturing assistance programs (MAP).

Mana Up's mission is to create a thriving local product ecosystem in Hawaii that will help solve challenges our island economy faces, including lack of affordability for many residents and an outmigration trend of Hawaii-born residents. By creating this ecosystem, we hope to (1) create meaningful job opportunities for the next generation as Hawaii is one of the only states to have a declining local population, with more Native Hawaiians leaving than ever before, (2) foster sustainable tourism by integrating local people and companies, (3) diversify the economy through exports based on our unique niche in the international market, bringing in new dollars to the state and expanding our economic growth, (4) through value added agricultural products, generate use of agricultural land.

Mana Up has operated an accelerator for the past five years, with seven cohorts and 74 graduates. 100% of companies are headquartered in Hawaii. In 2023, this portfolio accounted for \$61 million in annual revenue (with 67% of revenue coming from markets outside Hawaii, bringing new dollars into the State), 595 jobs, and a 33% median growth rate. In analyzing revenues of graduates before and after the program, Mana Up has helped add \$61 million in annual revenue in 2023 – and revenues continue to grow.

We believe that this bill is important to support the economic development work that is being undertaken by the accelerators and others. Accelerator grants in the past have made it possible



for Mana Up to be in existence. We hope this momentum continues as we leverage these early successes and continue to strengthen the diversification of the economy.

SB2113 accelerates economic diversification by building upon HTDC core programs: Accelerator, Hawai'i Small Business Innovation Research (HSBIR) and Manufacturing Assistance Program (MAP). Many Mana Up companies have participated in the MAP grant. These grants help companies to enhance their manufacturing capacity. The companies report that each piece of manufacturing machinery helps to grow their revenue and add employees.

Thank you for the opportunity to offer these comments.

Brittany Heyd
Cofounder
Mana Up



ALOHA SHOYU COMPANY

Statement of
David Y. Morikawa
Vice President - Operations

**Testimony to the Senate Committee on Energy,
Economic Development and Tourism
Thursday, February 1, 2024 at 1:00 P.M.
Conference Room 229, State Capitol**

In consideration of
SENATE BILL 2113
RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism:

The Aloha Shoyu Company, Ltd. **supports** SB 2113 that appropriates funds to HTDC for the Manufacturing Assistance Program, Hawaii Small Business Innovation Research (HSBIR), and Accelerator Programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawaii. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Our company has received the benefit of partial funding through the manufacturing grant program resulting in plant equipment expansion and upgrades. If the program is extended, we intend to continue utilizing grant funding for equipment upgrades and provide more products to Hawaii and to the mainland.

Thank you for the opportunity to offer these comments.

Written Statement of
Meli James
Cofounder
Mana Up
before the
House Committee On Finance
Thursday, February 1, 2023
1:00 p.m.
CR 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Aloha Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism:

HVCA **supports** SB2113, Relating to Hawaii Technology Development Corporation. This bill appropriates monies to the Hawaii Technology Development Corporation (HTDC) for its manufacturing assistance programs (MAP).

HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

The Hawaii Venture Capital Association (HVCA) is a local nonprofit that stands as a nexus for entrepreneurs, capital foundation, and networking opportunities in Hawaii. Our organization helps to foster entrepreneurship through education and exposure to key members in our business community in order to support our islands' emerging entrepreneurs, all while sustaining a vibrant and successful business community. By creating this ecosystem, we hope to (1) create meaningful job opportunities for the next generation as Hawaii is one of the only states to have a declining local population, with more Native Hawaiians leaving than ever before, (2) foster sustainable tourism by integrating local people and companies, (3) diversify the economy through exports based on our unique niche in the international market, bringing in new dollars to the state and expanding our economic growth, (4) through value added agricultural products, generate use of agricultural land.

SB2113 accelerates economic diversification by building upon HTDC core programs: Accelerator, Hawai'i Small Business Innovation Research (HSBIR) and Manufacturing

Assistance Program (MAP). Many local entrepreneurs have participated in the MAP grant. These grants help companies to enhance their manufacturing capacity. The companies report that each piece of manufacturing machinery helps to grow their revenue and add employees.

Thank you for the opportunity to offer these comments.

Meli James

A handwritten signature in black ink, appearing to read 'Meli James', with a stylized, cursive script.

President
HVCA

Statement of
Joshua Rivera
Community Director
Hub Coworking Hawai'i
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Hub Coworking Hawai'i **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Hub Coworking Hawai'i is a locally owned and operated community space offering coworking, meeting rooms, event spaces, and private offices. HTDC's programs help Hub Coworking in providing community programs like our Social Impact Incubator Program (SIIP) that enables us to impact other local small businesses, organizations, and entrepreneurs.

Thank you for the opportunity to offer these comments.



Statement of
Scott Taylor
Co-Chief Executive Officer
Startwise, Inc.
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Startwise, Inc. supports SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Startwise is a workforce development company that facilitates employment for people underrepresented in technology jobs. We specifically work with municipalities who have been left out of the tech boom, reliant on a single or small minority of industries, or are otherwise unable to support a technology workforce locally. As a champion of global employment and startup development in underrepresented communities, we rely on programs similar to those offered by HTDC to transform the lives of people everywhere. Failure to fund such programs risks further isolating people in these communities from global opportunities and stagnating local economic growth and prosperity.

Thank you for the opportunity to offer these comments.

Statement of
Gregory Wong
Co-Founder and New Product Introduction Engineer
WaiHome LLC
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

WaiHome **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Over the past couple years, HSBIR funding has been pivotal for WaiHome in advancing our next generation of wastewater treatment solutions, addressing Hawaii's critical cesspool replacement mandate. This support has fueled R&D efforts aimed at making cesspool replacement more affordable for homeowners in an eco-friendly way. As WaiHome moves towards local manufacturing, the continuation of such funding is essential for this crucial transition, promising significant impact on both environmental sustainability and local economic growth and diversity.

Thank you for the opportunity to offer these comments,



Gregory Wong
Co-founder and New Product Introduction Engineer
WaiHome LLC



**Hawaii
Legislative
Council
Members**

Joell Edwards
Wainiha Country
Market
Hanalei

Russell Ruderman
Island Naturals
Hilo/Kona

Dr. Andrew Johnson
Niko Niko Family
Dentistry
Honolulu

Robert H. Pahia
Hawaii Taro Farm
Wailuku

Maile Meyer
Na Mea Hawaii
Honolulu

Tina Wildberger
Kihei Ice
Kihei

L. Malu Shizue Miki
Abundant Life
Natural Foods
Hilo

Kim Coco Iwamoto
Enlightened Energy
Honolulu

Chamber of
Sustainable
Commerce
P.O. Box 22394
Honolulu, HI
96823

Sen. Lynn Decoite, Chair
Sen. Glenn Wakai, Vice Chair
Comm. on Energy, Economic Dev. & Tourism

Thursday, February 1, 2024
1:00 pm
Via Videoconferencing

RE: **SB2113** Hawaii Technology Development Corporation - **Support**

Dear Chair Decoite, Vice Chair Wakai, and Members of the Committee,

The Chamber of Sustainable Commerce represents over 100 small businesses across the State of Hawaii that strive for a triple bottom line: people, planet and prosperity; we know we can strengthen our economy without hurting workers, consumers, communities or the environment.

This is why we support SB2113, which appropriates moneys to the Hawai'i Technology Development Corporation (HTDC) for its manufacturing assistance programs.

The Hawaii small business innovation research program, manufacturing assistance grant program, and excelerator grant program offered by HTDC help fund and support the State's manufacturing businesses. Most of the start-ups impacted by this funding are designed to achieve success within a more sustainable economy for Hawaii – leaving extractive capitalism in our past.

Collective investment in businesses that help other businesses thrive, so they can compensate workers with a living wage, keep communities healthy and safe from toxins, and restore our natural resources for future generations - these investments will have exponential returns beyond just increased tax revenue for the state.

Statement of
Anette Aga
Events and Programming Coordinator
Hub Coworking HI
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

We **support** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

HTDC's programs provide space and opportunity for companies to do well and do better for the people of Hawai'i. Their commitment to diversity and inclusion is what makes HTDC so great!

Thank you for the opportunity to offer these comments.



WorkNowHawaii.org

1050 Queen St Suite 100
Honolulu, HI 96814

<https://WorkNowHawaii.org>

Call or Text: (808) 202-2310

Aloha,

We are writing in support of SB 2113 - RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Work Now Hawaii is a community based nonprofit organization focused on workforce development, and supporting pathways to quality employment for people with disabilities. We serve people whose interests are in careers in STEM. The Hawaii Technology Development Corporation's charge of diversifying Hawaii's economy by developing a flourishing industry of technology aligns closely with our mission.

Imagine a young woman with autism, brilliant and passionate about coding, trapped in a dead-end job because employers overlook her talents. Work Now Hawaii is her lifeline, connecting her with the training and support she needs to launch a career in the booming tech industry. And thanks to the Hawaii Technology Development Corporation's innovative programs, there are more opportunities than ever before for people like her. Every technology job HTDC helps to create paves the way for someone with a disability to unlock their full potential, contribute to our economy, and build a brighter future for themselves.

Mahalo for your consideration!

A handwritten signature in black ink, appearing to read "Patrick Gartside".

Patrick Gartside
Executive Director
Work Now Hawaii

Patrick@WorkNowHawaii.org

(808) 202-2310



Ken Hayashida, P.E. | *President*
Michael Hunnemann, P.E. | *Vice President*

Statement of
Ken Hayashida
President
KAI Hawaii, Inc.
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

KAI Hawaii, Inc. supports SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Thank you for the opportunity to offer these comments.

Sincerely,

Ken Hayashida
President

SB-2113

Submitted on: 1/31/2024 11:10:54 AM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Paul Schmitz	Testifying for Hawaii Standard Time Brewing	Support	Written Testimony Only

Comments:

Dear Sirs or Madams -

I am writing in support of bill SB2113 to continue providing funds for the Manufacturing Assistance Program (MAP). I am an owner of a brewery in development, and we are projecting that it will be difficult to operate profitably in Hawaii. Shipping costs and limited access to brewing supplies make it extra challenging, but we are excited to push forward and provide a quality, locally made product to the residents of Kauai.

While we will not be able to apply for the MAP Grant until at least 2027, I would like to voice my support to continue funding it. If awarded those funds in the future, it will give us incredible financial relief and allow us to continue operating, as well as allow room for the possibility of expansion.

Thank you for your time and consideration on this matter.

Paul Schmitz

Owner, Hawaii Standard Time Brewing

Kauai, HI



T E N
T O M O R R O W

Statement of
Summer Shiigi
Owner
Ten Tomorrow
before the

Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024

1:00 PM

State Capitol, Conference Room 229 & Videoconference

In consideration of

SB2113

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Ten Tomorrow **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

We are a modern women's clothing brand here in Honolulu. Our business has been a graduate of the Innovate Hawaii incubator program, a recipient of the MAP grant, and we've attended several of the programs HTDC provides to small businesses. This is our 10th year in business and as we reflect on our progress, we wouldn't still be here today without the assistance that HTDC has given us. The culmination of their support has allowed us to grow our team, invest in technology otherwise unattainable, and increase revenue each year since we've launched our first collection.

We hope you decide to continue funding for these efforts. Thank you for the opportunity to offer these comments.

Sincerely,



31 January 2024

Testimony before the

Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024

1:00 PM

State Capitol, Conference Room 229 & Videoconference

In consideration of

SB2113

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Dear Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

I write in **strong support of SB2113** that appropriates funds to the Hawaii Technology Development Corporation for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Our company is an exemplar of how *matching SBIR funds can be crucial to the success of local research efforts*. Consider our experience with the Velella Project, which was awarded one of **TIME Magazine's "25 Best Inventions of the Year"** for 2012. The Velella Project was funded by the National Science Foundation's SBIR program. Our Phase I and Phase II research work laid the ground-work for understanding the opportunity, but did not identify a ready path to commercialization. By the end of the Phase II project, we were still a long way from having a viable business plan.

By good fortune, one of our collaborating partners – the Illinois Soybean Association – had provided a significant matching contribution to our Phase II research to allow us to obtain a **further \$500,000 in Phase IIB funds from NSF**. This follow-on funding meant we could go back out offshore, and deploy and operate a modified version of the original concept, which could

then more clearly demonstrate the social, ecological and commercial benefits of the project. Out of that Phase IIB work grew a new Lockheed-Martin spin-off company – Forever Oceans that now operates independently out of NELHA, with Kona-based employees totaling over fifteen engineers and biologists. **Their head of biological research is a UH Hilo graduate, and his deputy is a UH Manoa graduate. Forever Oceans has raised \$125 million in equity and debt financing** (Source: Tracxn: <https://tracxn.com/d/companies/forever-oceans/>).

The Velella Project technologies developed through these matching funds also underpin the commercial expansions that we are pursuing offshore of `Ewa Beach, as well as in Florida. These technologies are also applicable to the Kona-based kampachi farm, and other future offshore farms in Hawaii and the Pacific Islands.

Without the Phase II matching support of Illinois soybean farmers, then the NELHA-based Lockheed spin-off company, and our own ongoing research program at NELHA would all have wilted on the vine. As a Hawaii company, we cannot always rely on friends from Illinois; such critical support for Phase II and Phase III match needs to be also available locally.

Thank you for the opportunity to offer these comments, and for your ongoing support of high technology development in Hawai`i.

Mahalo, and aloha,



Neil Anthony Sims, M.Sc.
Founder, CEO, Ocean Era, Inc.

Statement of
David Clements
Director of Vaccine Research
Hawaii Biotech, Inc.
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Hawaii Biotech, Inc. (HBI) **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

HBI has been a cornerstone of biotechnology in Hawaii for 40 years. The company is focused on the research and development of vaccines and therapeutics for established and emerging infectious diseases. The company has developed proprietary expertise in the production of recombinant proteins and have established a platform technology applicable to the development of safe and effective vaccines. Current vaccine candidates in clinical or pre-clinical development target the West Nile virus, Tick borne flaviviruses, Chikungunya virus and Coronaviruses. HBI's drug development activities are focused on small molecule drugs that block intracellular and extracellular bacterial toxins. Product opportunities include anti-toxin drugs for the lethal factor from B. anthracis and the botulinum toxin from C. botulinum.

Over the years HBI has been awarded over \$130 million in federal research and development grants and contracts. HBI currently has 17 employees and has projected annual revenues of \$5.5 mil. HBI strives to create as many high paying technology positions as possible and it is our mission to expand further and open new positions. In addition, HBI has been awarded matching funds from HDTDC through the Hawaii Small Business Innovation Research (HSBIR) Program for some of our programs. The HSBIR

program is instrumental to the company to further our research, support our current staff, fill gaps, and bolster our ability to secure additional federal funding.

HBI has demonstrated the quality of its vaccine candidates against complex viruses such as Dengue as well as the utility of vaccine technology platform. The dengue vaccine program was acquired by Merck & Co. HBI has also demonstrated a regulatory pathway for its vaccines through successful interactions with the FDA. Through our active West Nile virus vaccine program, HBI has established manufacturing capabilities in the Iwilei facilities. The West Nile vaccine project serves both to demonstrate these capabilities as well as advance the vaccine to human testing. It is important to note that with these efforts being done here in Honolulu, jobs and funds are kept in Hawaii rather than engaging a contract manufacturer on the mainland.

Thank you for the opportunity to offer these comments.



1144 10th Avenue, Suite 200 Honolulu, HI 96816 Tel: 808-539-3706 Fax: 808-791-4075 info@oicinc.com www.oicinc.com

Written Statement of
Roxanne Howell
Chief Executive Officer
Oceanic Imaging Consultants, Inc.
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Oceanic Imaging Consultants **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

OIC is a Hawaii small business that got its start from within the walls of the Manoa Innovation Center in 1998. Since then OIC has become a leading manufacturer of easy-to-use seafloor mapping software systems. Our software systems are used by commercial, federal, military, and academic clients worldwide.

OIC was awarded SBIR Phase 1 and 2 contracts for topic N211-036, Innovative Simultaneous Localization and Mapping Techniques for Unmanned Underwater Vehicles. OIC received HSBIR matching funds in 2022 and 2023. Given the economic difficulties caused by the Covid-19 pandemic, HSBIR matching funds played a critical role in OIC's ability to perform during phase 1. We are confident that 2024 HSBIR matching funds will be equally beneficial in phase 2 option years.

Thank you for the opportunity to offer these comments.

Statement of
Nam Vu
COO
Hub Coworking Hawaii
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Hub Coworking Hawaii **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Hub Coworking Hawaii Serves as a part of the ecosystem of innovation. We value the work that HTDC does to enable and advance innovation and technology for the betterment of Hawaii.

Thank you for the opportunity to offer these comments.

Sincerely,



Nam Vu

LATE

Statement of
Seibert L. Murphy
CEO
Guide Star Engineering LLC
before the
Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024
1:00 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB2113
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Guide Star Engineering LLC (GSE) **supports** SB2113 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

HTDC provides a valuable forum for small and large businesses with presence in Hawaii to showcase their products and services with the help of the state. The core programs give us unique opportunity to sit around a table, in person or virtual, to discuss collaboration of mutual business opportunities. GSE is proud to continue to support student interns developing technical and teamwork skills on Oahu and the Big Island. With your support of HTDC/HSBIR/MAP we look forward to expanding our business capabilities and intern programs to all islands.

Thank you for the opportunity to offer these comments.

Sincerely,



Seibert L. Murphy, CEO
Guide Star Engineering LLC

SB-2113

Submitted on: 2/1/2024 7:29:58 AM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Paolo Vidali	Testifying for Hidden Gears	Support	Written Testimony Only

Comments:

As a business leader who has supported 5 cohorts of Hawaii manufacturer e-commerce programs, I fully endorse continued and expanded funding for HTDC. Their programs enable crucial business assistance for digitizing and modernizing sales and marketing processes for companies that are still adjusting to major changes in wholesaling and tourism which have continued to affect their businesses. HTDC programs help increase efficiency and provide training to local employers to help them grow and thrive. HTDC forms a crucial bridge between experts in the business and investor community, and facilitates collaboration and education in areas where there are few other resources on the islands.

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Submitted on: 1/31/2024 9:17:56 PM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Omar Sultan	Testifying for Sultan Ventures	Support	Written Testimony Only

Comments:

HTDC's core programs: the manufacturing assistance programs (MAP), Hawaii Small Business Innovation Research/Small Business Tech Transfer (SBIR/STTR) and Accelerator programs are crucial for supporting innovation, startups, and overall economic development and prosperity in Hawai'i. As a recipient of the Accelerator program funding via XLR8HI, our accelerator program preX's portfolio of companies has gone on to generate over \$112M in Hawaii, raise nearly \$50M more in funding, and create or retain over 400 jobs in the last 3 years alone, directly positively impacting Hawaii's economy. As such, I strongly support Bill SB2113.

SB-2113

Submitted on: 1/31/2024 9:16:18 PM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tarik Sultan	Testifying for XLR8HI	Support	Written Testimony Only

Comments:

HTDC's core programs: the manufacturing assistance programs (MAP), Hawai'i Small Business Innovation Research/Small Business Tech Transfer (SBIR/STTR) and Accelerator programs are crucial for supporting innovation, startups, and overall economic development and prosperity in Hawai'i. As a recipient of the Accelerator program funding, our preX program's portfolio of companies has gone on to generate over \$112M in Hawai'i, raise nearly \$50M more in funding, and create or retain over 400 jobs in the last 3 years alone, directly positively impacting Hawai'i's economy. As such, I strongly support Bill SB2113.

SB-2113

Submitted on: 1/30/2024 5:12:26 PM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robbie Melton	Individual	Support	Written Testimony Only

Comments:

Dear Chair DeCoite, Vice Chair Wakai and members of the Energy, Economic Development and Tourism committee,

The Small Business Development Center of Kauai provides assistance to all industries on our island. Manufacturing Companies are a flourishing industry on our small island. In 2023 I assisted 35 manufacturing companies. Many of them are expanding their production and are selling products beyond Hawaii. The Manufacturing Assistance Program is vital to our manufacturers and Kauai's economy. They provide solid jobs, many of them high skilled labor. They also diversify our economy and makes Kauai less reliant on tourism. The MAP grant helps even the smallest of manufacturers purchase needed equipment. It also gives them hope that there are opportunities to help support their business.

Thank you for the opportunity to submit my testimony in favor of SB2113.

Aloha,

Robbie Melton

SB-2113

Submitted on: 1/30/2024 7:16:51 PM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lourdes	Testifying for Hawaii boost	Support	Written Testimony Only

Comments:

I am a small farmer on kauai and own a food manufacturing center for past 8 years. I have been trying to rise out of the ashes of Covid, and I have been looking forward to applying for this program for the 1st time.. Im a struggling female and minority farmer and local foods (including canoe plants) producer. Losing this opportunity can potentially hurt my obility to bounce back and not only survive but thrive especially in my industry post Covid.

I am hoping that you would consider funding the program a few more years, especially because now more than ever the localization of food production is critical and essential to our very survival as a specified.

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Submitted on: 1/31/2024 9:03:54 AM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anne Weber-Yarbrough	Individual	Support	Written Testimony Only

Comments:

Statement of Anne Weber-Yarbrough

before the

Senate Committee on Energy, Economic Development, and Tourism

Thursday, February 1, 2024

1:00 PM

State Capitol, Conference Room 229 & Videoconference

In consideration of

SB2113

RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.

Anne Weber-Yarbrough supports SB2113 that appropriates funds for HTDC’s core programs: the Manufacturing Assistance Program (MAP), Hawai‘i Small Business Innovation Research (HSBIR), and Accelerator programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai‘i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

As a member of the founding Impact Hub Honolulu team, we greatly benefited from partnership and services from HTDC. I firmly support this bill and the work HTDC does with the entrepreneurial community.

Thank you for the opportunity to offer these comments.

SB-2113

Submitted on: 1/31/2024 9:05:18 AM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jesse Daniel Thompson	Individual	Support	Written Testimony Only

Comments:

HTDC plays a vital role in diversifying the state's economy and providing new opportunities for the state. If it weren't for HTDC events and spaces, I may have never connected to my place of employment or pursued higher education in technology. With startups, they have provided incubation spaces for growth. In collaboration with UH Manoa's HITIDE program, they have also supported seeking federal funding opportunities and education in SBIR and STTR. Whether from the Manoa Innovation Center or the Entrepreneurs Sandbox, I hope they can continue to be a positive force for economic growth and prosperity for the people of Hawaii. For the legislators, I express my support for SB2113 appropriations for the SBIR program, the manufacturing assistance grant program, and the accelerator grant program under HTDC.

SB-2113

Submitted on: 1/31/2024 9:06:39 AM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ferdinand Dosono	Individual	Support	Written Testimony Only

Comments:

SB2113 IS A PROGRAM THAT HELPS JAWAII BUSINESSES GROW. IT HELPS THEM IMPLEMENT NEW MACINERY AND TECHNOLOGY TO COMPETE. THE PROGRAM HELPS BUSONESS TO MOVE FORWARD AND EXPAND CAPACITY AMD VIABILITY. PLEASE keep this program going. Thank you.

SB-2113

Submitted on: 1/31/2024 10:26:08 AM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cornelius Channing Chow II	Testifying for Cloudstone Innovations, Inc.	Support	Written Testimony Only

Comments:

I strongly support SB2113.

HTDC's HSBIR program is a vital resource for small businesses in Hawaii. The opportunity to obtain additional funds to supplement SBIR awards helps offset certain advantages germane to mainland competitors (e.g., cheaper manufacturing, faster shipping, larger labor pool). In essence, it helps level the playing field.

Sincerely,
C. Channing Chow II, PhD

LATE

SB-2113

Submitted on: 2/1/2024 7:14:57 AM

Testimony for EET on 2/1/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Garrett W. Marrero	Individual	Support	Written Testimony Only

Comments:

Sorry for the late testimony, mahalo for the opportunity to support the HTDC funding of MAP. Hawaii must invest in manufacturing. We keep talking about diversifying our economy however we continually fail to invest in other areas of the economy. Manufacturing has declined tremendously over the last couple of decades and we've seen Hawaiian Brands leave hawaii in pursuit of manufacturing elsewhere due to a highly unfriendly regulatory and tax environment as well as high costs. Finding ways to repatriate and expand manufacturing will help to diversify and build an economy. Please SUPPORT HTDC.