HOUSE OF REPRESENTATIVES THIRTY-THIRD LEGISLATURE, 2025 STATE OF HAWAII H.B. NO. 448

A BILL FOR AN ACT

RELATING TO TECHNOLOGY ENABLEMENT.

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

1 SECTION 1. The legislature finds the tourism sector, a 2 pillar of the State's economy, to be highly seasonal and 3 vulnerable to global economic shifts, natural disasters, and 4 pandemics, leaving small businesses with inconsistent revenue 5 streams and heightened risks. These compounded pressures have forced many small enterprises to operate with razor-thin 6 margins, making resilience and adaptability critical for 7 8 survival.

9 The legislature further finds that technology adoption for small businesses in Hawaii, particularly the tourism sector, is 10 vital for those businesses to overcome these critical challenges 11 12 and remain competitive in an increasingly digital marketplace. Leveraging digital tools such as booking systems, online 13 14 marketing platforms, and data analytics can help reduce costs, 15 expand market reach, and help tourism-based businesses attract 16 and retain customers while enhancing the overall visitor 17 experience. Furthermore, technology mitigates the risks of



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1 geographic isolation by enabling remote work, virtual services,
2 and e-commerce opportunities. Supporting small businesses with
3 technology adoption ensures their ability to innovate and adapt,
4 bolstering their resilience and contributing to the long-term
5 economic sustainability of Hawaii's communities. However,
6 non-action would exacerbate Hawaii's economic vulnerabilities.

7 The legislature additionally finds that the Hawaii 8 technology development corporation (HTDC) was established to 9 foster innovation and economic diversification by supporting the 10 growth and development of Hawaii's technology sector. With 11 decades of experience implementing technology-driven 12 initiatives, HTDC has successfully facilitated numerous projects 13 funded by the State and ensured effective use of state 14 resources, with a proven track record in fostering innovation 15 and economic diversification through state-funded initiatives, 16 demonstrating expertise in administering grants, supporting 17 startups, promoting public-private partnerships, empowering 18 local businesses, and driving economic progress. HTDC's 19 expertise spans a wide range of industries, enabling the 20 effective implementation of cutting-edge technologies tailored 21 to Hawaii's unique challenges and opportunities. HTDC's



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1 commitment to leveraging state funding for impactful technology projects underscores the agency's role as a critical catalyst 2 for innovation and competitiveness in Hawaii's economy. 3 4 Accordingly, the purpose of this Act is to promote economic 5 development and tourism by appropriating funds to the Hawaii 6 technology development corporation to assist small businesses 7 with technology enablement. 8 SECTION 2. There is appropriated out of the general 9 revenues of the State of Hawaii the sum of \$250,000 or so much 10 thereof as may be necessary for fiscal year 2025-2026 and the 11 same sum or so much thereof as may be necessary for fiscal year 12 2026-2027 for the Hawaii technology development corporation to 13 assist small businesses, including those related to the tourism 14 sector, with technology enablement; provided that the Hawaii 15 technology development corporation may collaborate with other 16 state or county agencies as necessary for the implementation of any projects for the purposes of this section. 17 18 The sums appropriated shall be expended by the Hawaii 19 technology development corporation for the purposes of this Act. 20 SECTION 3. The Hawaii technology development corporation

21 shall submit a report to the legislature on the status of



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assisting small businesses with technology enablement using the
 funds appropriated pursuant to section 2 of this Act no later
 than twenty days prior to the convening of the regular sessions
 of 2026 and 2027.

5 SECTION 4. This Act shall take effect on July 1, 2025.

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INTRODUCED BY:

/W

JAN 1 7 2025



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Report Title:

Hawaii Technology Development Corporation; Small Businesses; Technology Enablement; Appropriation

Description:

Appropriates funds to the Hawaii Technology Development Corporation to assist small businesses, including those related to the tourism sector, with technology enablement.

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