
A BILL FOR AN ACT

RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

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

1 SECTION 1. The legislature finds that there is a need to
2 bolster business innovation and economic development in the
3 State through programs under the Hawaii technology and
4 development corporation. The legislature further finds that
5 these programs should work towards specific goals related to
6 economic growth and diversification. The legislature
7 additionally finds that the Hawaii technology development
8 corporation and its various programs should serve as a
9 facilitative catalyst for innovation in the State and help to
10 align the State with the emerging knowledge-based, zero-
11 emission, and digital global economy while putting Hawaii on the
12 path toward economic prosperity.

13 Accordingly, the purpose of this Act is to promote economic
14 recovery and diversification by:

- 15 (1) Establishing state goals for economic growth fueled by
16 innovation and technology;



(2) Appropriating funds to the Hawaii technology development corporation to support programs that address those goals; and

(3) Requiring the Hawaii technology development corporation to submit annual reports over three years to the legislature.

SECTION 2. (a) The legislature declares that the programs for which funds are appropriated pursuant to section 3 of this Act shall align with one or more of the following goals that address economic diversification:

(1) Economic diversification through participation in the digital economy: programs shall address economic diversification by strengthening Hawaii's participation in the digital economy, including:

- (A) Accessing new markets and market opportunities;
- (B) Strengthening business capacity and readiness to participate in the digital economy;
- (C) Retaining and strengthening businesses that are increasing revenues through the digital economy;



- 1 (D) Strengthening digital economy infrastructure
2 including broadband affordability and coworking
3 facilities; and
- 4 (E) Increasing the number of businesses, revenue, and
5 employees dedicated to the digital economy;
- 6 (2) Economic diversification through strengthened trade
7 activities: programs shall address economic
8 diversification by strengthening traded activities
9 that redistribute Hawaii's gross domestic product,
10 including:
- 11 (A) Increasing the export of goods manufactured in
12 the State;
- 13 (B) Increasing the export of knowledge-based
14 professional services;
- 15 (C) Increasing the value of knowledge-based
16 professional services through research and
17 development and intellectual property;
- 18 (D) Strengthening the post-production capacity for
19 value-added agriculture and manufacturing; and
- 20 (E) Increasing the number of businesses, revenue, and
21 employees in traded sectors; and



(3) Economic diversification through an increase in activity to reduce and mitigate climate change: programs shall address economic diversification by focusing on activities at the intersection of technology development and climate change mitigation, including:

(A) Making renewable energy more affordable;

(B) Retaining and strengthening businesses that are increasing revenues through solutions to reduce climate change;

(C) Increasing the export of knowledge-based professional services related to climate change mitigation; and

(D) Increasing the number of businesses, revenue, and employees in renewable energy sectors.

(b) The Hawaii technology development corporation shall implement the programs for which funds are appropriated in section 3 of this Act for the purpose of meeting the goals described in subsection (a); provided that the Hawaii technology development corporation may work with any other state or county agency for the implementation of the assigned programs.



(c) No later than twenty days prior to the convening of the regular sessions of 2026, 2027, and 2028, the Hawaii technology development corporation shall submit a report to the legislature that includes:

(1) A summary of the progress of the programs for which appropriations are made pursuant to this Act;

(2) The outcomes of the programs for which appropriations are made pursuant to this Act, including an assessment of each program's effectiveness in achieving the goals described in subsection (a); and

(3) Any findings and recommendations, including any proposed legislation.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$6,000,000 or so much thereof as may be necessary for fiscal year 2025-2026 and the same sum or so much thereof as may be necessary for fiscal year 2026-2027 for the purpose of economic diversification, as described in section 2(a) of this Act as follows:

(1) \$2,000,000 for the Hawaii small business innovation research program;



(2) \$2,000,000 for the manufacturing assistance program;

and

(3) \$2,000,000 for accelerator programs facilitated by the

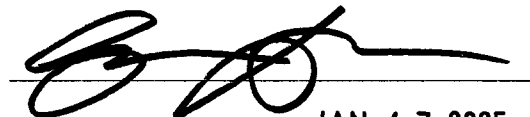
Hawaii technology development corporation.

The sums appropriated shall be expended by the Hawaii technology development corporation for the purposes of this Act.

SECTION 4. The appropriation made for programs authorized by section 3 of this Act shall not lapse at the end of the fiscal biennium for which the appropriation is made; provided that all moneys from the appropriation unencumbered as of June 30, 2027, shall lapse as of that date.

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

INTRODUCED BY:

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JAN 17 2025



H.B. NO. 454

Report Title:

Hawaii Technology Development Corporation; Economic
Diversification; Appropriation

Description:

Establishes a public policy framework that addresses state goals related to economic diversification. Appropriates funds to the Hawaii Technology and Development Corporation to implement specific programs that address these goals. Requires the Hawaii Technology Development Corporation to submit annual reports over three years to the legislature.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

