



TESTIMONY OF
DANIEL NĀHO'OPI'I
Interim President & CEO
Hawai'i Tourism Authority
before the
HOUSE COMMITTEE ON FINANCE
Tuesday, February 25, 2025
2:00 p.m.
State Capitol, Room 308

In consideration of
HB 448 HD 1
RELATING TO TECHNOLOGY ENABLEMENT

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) supports HB448 HD 1, which appropriates funds to the Hawai'i Technology Development Corporation (HTDC) to assist small businesses, including those related to the tourism sector, with technology enablement. It also sets the effective date as July 1, 3000.

In 2024, visitors spent an estimated \$21 billion across the state. The better we help small businesses connect with visitors, the more of those dollars stay in Hawai'i and circulate in our local economy.

Patronizing small local businesses and purchasing local products is a key part of our message to visitors. Additionally, a number of our initiatives directed by the community-driven Destination Management Action Plans support local businesses through visitor education, technical assistance, and capacity building.

We support HB 448 HD 1, stand ready to assist in informing visitor industry stakeholders, and defer to our colleagues at the HTDC on matters related to the implementation of this measure.

Mahalo for the opportunity to share our support of HB 448 HD 1.



Hawai'i Technology Development Corporation

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JOSH GREEN M.D

GOVERNOR

SYLVIA LUKE

LT. GOVERNOR

Written Statement of
Sandi Kanemori
Interim Executive Director
Hawai'i Technology Development Corporation
before the
House Committee On Finance
Tuesday, February 25, 2025
2:00 p.m.
Conference Room 308 & Videoconference
In consideration of
HB448 HD1
RELATING TO TECHNOLOGY ENABLEMENT.

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee.

The Hawai'i Technology Development Corporation (HTDC) supports HB448 HD1, which allocates funds for technology implementation to assist small businesses, including those in the tourism sector. HTDC believes that technology is a vital tool enabling small businesses to overcome critical challenges and remain competitive in the global market.

HTDC firmly agree that technology integration is essential for Hawaii's small businesses to thrive in today's competitive global marketplace. By adopting digital tools and technologies, these businesses can reduce operational costs, expand their market reach, and enhance customer experiences. Technology also enables small to medium size businesses to overcome geographical isolation by leveraging ecommerce and online market opportunities. Technology will assist in long-term economic sustainability, and the growth of Hawaii's business communities.

Thank you for your consideration of supporting this bill.

**Testimony to the House Committee on Finance
Representative Kyle T. Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair**

**Tuesday, February 25, 2024, at 9:15AM
Conference Room 325 & Videoconference**

RE: HB454 HD1 Relating to Technology Enablement

Aloha e Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 448 (HB448), which appropriates funds to the Hawaii Technology Development Corporation to assist small businesses, including those related to the tourism sector, with technology enablement.

HB448 HD1 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Travel & Tourism. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

Hawaii's tourism sector, a key economic driver, is highly seasonal and vulnerable to global disruptions, leaving small businesses financially unstable. Many operate on thin margins, requiring innovation to stay competitive. Technology adoption is crucial for reducing costs, expanding market reach, and enhancing visitor experiences. Digital tools like booking systems, online marketing, and data analytics improve efficiency while mitigating geographic isolation through e-commerce and remote work. Without action, economic vulnerabilities will worsen. The Hawaii Technology Development Corporation (HTDC), with its expertise in fostering innovation and economic diversification, is well-equipped to help small businesses integrate technology for long-term sustainability.

This bill funds HTDC to assist small tourism-related businesses in adopting technology. HTDC may collaborate with state and county agencies and will report progress to the legislature in 2026 and 2027. By investing in digital transformation, this initiative strengthens local businesses, boosts economic resilience, and enhances Hawaii's global competitiveness. The Chamber supports this effort as it equips small businesses with essential resources to innovate, adapt, and drive long-term economic growth.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

We respectfully ask to pass House Bill 448 House Draft 1. Thank you for the opportunity to testify.

Statement of
Meli James
Cofounder
Mana Up
before the
House Committee on Finance

Tuesday, February 25, 2025
2:00 PM
State Capitol, Conference Room 308 & Videoconference

In consideration of
HB448 HD1
RELATING TO TECHNOLOGY ENABLEMENT

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

Mana Up **supports** HB448 HD1 that appropriates funds for support small businesses with advanced technology development and integration related to small to medium size manufacturing businesses supporting Hawaii's tourism industry.

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. HB448 HD1 aligns with this mission by equipping small businesses with advanced technology to scale their operations, expand market reach, and compete in a digital-first economy.

Mana Up has operated an accelerator for the past seven years, with 95 Hawaii-based graduates to date. 100% of companies are headquartered in Hawaii. As of 2024, this portfolio accounted for over \$100 million in annual revenue (with 43% of revenue coming from markets outside Hawaii, bringing new dollars into the State), 1,100+ jobs, and a 33% median growth rate.

Funds will be used to understand and implement cutting edge tools to address Hawaii's unique challenges and focus on new opportunities to grow Hawaii's locally made products. Empowering local manufacturing businesses with additional resources will help foster innovation and

economic growth which will lead to thriving sectors of Hawaii’s manufacturing industry. Value-added product development, renewable energy, and fashion are some of the industries that could provide the State with new economic growth.

This bill directly makes it possible for Mana Up to exist, and we know bill HB448 HD1 will be crucial in supporting the economic development work given that value-added product development and fashion are some of the industries that could provide the State with new economic growth. We hope this momentum continues as we leverage these early successes and continue to strengthen the diversification of the economy and tourism.

In 2024, here are ways in which Mana Up supported the local entrepreneur ecosystem:

- Helped 10 companies across 4 islands graduate from Mana Up’s six-month accelerator program in its ninth cohort; including a cohort launch event with Hawai’i Governor Josh Green and First Lady Jaime Kanani Green.
- Hosted several events including a community event panel with Bank of Hawai’i featuring financial executives and alumni to offer business resources and expert advice for growing small businesses
- Provided a two-day “retreat” for 51 Mana Up graduate businesses as part of our robust alumni program to support growth beyond the six-month accelerator program and further expansion
- Expanded retail channels supporting the businesses that participated in Mana Up’s program including a shop at South Shore Market.
- Created unique opportunities and sales channels on the US Mainland with two “Aloha Market” retail pop-ups in New York City (April 2024) and Los Angeles (September 2024) helping 50+ Hawaii-based companies scale to new markets
- Generated national media with exposure on Good Morning America highlighting Maui businesses and Mana Up alumni (Napili FLO Farm and Maui Chili Chili Oil), boosting interest and sales.
- Provided a platform (Mana Up annual Showcase event) in which Mana Up alumni entrepreneurs generated a total \$143,000 in sales. Additionally, this event helped generate 6 million impressions with a broadcast and livestreamed special.

Companies in the Mana Up portfolio are having national successes, including:

- Maui-based company, Wrappily launched eco-friendly wrapping paper products in 650 Target stores nationwide
- Meli Wraps, the Kauai-based company making eco-friendly beeswax food wrap products launched in 90% of Whole Foods locations nationwide



- Hawaii Island company Ha Tonics was named a finalist in the global Pow Wow Pitch competition and received \$15,000 as part of another competition designed for local companies using local agriculture
- Several companies opened brick-and-mortar stores including Kakou Collective and YIREH. Some opened pop-up retail locations including NOHO Home and Nick Kuchar. Banan also opened its first location on the US Mainland in San Francisco.
- Hawaiian Pie Co launched a partnership with GoldBelly to ship its baked goods nationwide
- Ashley Johnson, founder of Mohala Eyewear was selected to be part of the Obama Foundation USA Leaders Program and was featured during a big AAPI campaign

Thank you for the opportunity to offer these comments.

Sincerely,

Meli James
Cofounder, Mana Up

96-1205 Waihona Street, Pearl City, Hawaii 96782



Phone: (808) 687-6277 Fax (808) 681-7159

ALOHA SHOYU COMPANY

Statement of
David Y. Morikawa
Vice President - Operations

**Testimony to the House Committee on Finance
Thursday, February 25, 2025 at 2:00 P.M.
Conference Room 308, State Capitol**

In consideration of
**HOUSE BILL 448 HD1
RELATING TO ECONOMIC DEVELOPMENT**

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee on Finance:

The Aloha Shoyu Company, Ltd. **supports** HB448 HD1 that appropriates funds for support small businesses with advanced technology development and integration related to small to medium size manufacturing businesses supporting Hawaii's tourism industry.

Funds will be used to understand and implement cutting edge tools to address Hawaii's unique challenges and focus on new opportunities to grow Hawaii's locally made products. Empowering local manufacturing businesses with additional resources will help foster innovation and economic growth which will lead to thriving sectors of Hawaii's manufacturing industry. Value-added product development, renewable energy, and fashion are some of the industries that could provide the State with new economic growth.

Our company has received the benefit of HTDC programs and initiatives including the manufacturing grant program resulting in plant equipment expansion and upgrades. We look forward to the favorable view of such programs including grant funding for equipment upgrades and provide additional products to Hawaii and to the mainland.

Thank you for the opportunity to offer these comments.



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TO: Committee on Finance
FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 25, 2025
TIME: 2pm

RE: HB448 HD1 Relating to Technology Enablement
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.

HFIA is in support of this measure. As the measure notes HTDC has successfully facilitated numerous projects funded by the State and ensured effective use of state resources with a proven track record of fostering innovation and economic diversification through state-funded initiatives, demonstrating expertise in administering grants, supporting start-ups, promoting public-private partnerships, empowering local businesses, and driving economic progress. HTDC's expertise spans a wide range of industries, enabling the effective implementation of cutting-edge technologies tailored to Hawaii's unique challenges and opportunities. HTDC is the ideal partner to assist small businesses with technology enablement and ensure that our local businesses have the technological resources they need to grow and thrive.

We encourage the Committee to pass this measure and we thank you for the opportunity to testify.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308
Tuesday, February 25, 2025 AT 2:00 P.M.

To The Honorable Representative Kyle T. Yamashita, Chair
The Honorable Representative Jenna Takenouchi, Vice Chair
Members of the Committee on Finance

SUPPORT HB448 HD1 RELATING TO TECHNOLOGY ENABLEMENT

The Maui Chamber of Commerce wholeheartedly **SUPPORTS HB448 HD1** which appropriates funds to the Hawaii Technology Development Corporation to assist small businesses, including those related to the tourism sector, with technology enablement.

The Chamber agrees that the tourism sector, a cornerstone of the state's economy, is highly seasonal and vulnerable to global economic shifts, natural disasters, and pandemics. These factors leave small businesses with inconsistent revenue streams and heightened risks. These compounded pressures have forced many small enterprises to operate with razor-thin margins, making resilience and adaptability essential for survival.

Furthermore, we agree that technology adoption is crucial for small businesses in Hawai'i, particularly those in the tourism sector, to overcome these challenges and remain competitive in an increasingly digital marketplace. Leveraging digital tools such as booking systems, online marketing platforms, and data analytics can help reduce costs, expand market reach, and enhance customer attraction and retention while improving the overall visitor experience. Technology also mitigates the risks of geographic isolation by enabling remote work, virtual services, and e-commerce opportunities.

Supporting small businesses in adopting technology ensures their ability to innovate and adapt, strengthening their resilience and contributing to the long-term economic sustainability of Hawai'i's communities.

For these reasons, we **SUPPORT HB448 HD1**.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



Hawai'i Island Chamber of Commerce

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TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE

HB 448 HD1 - Relating to Technology Enablement – IN SUPPORT

Tuesday, February 25, 2025 2:00 PM

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee,

On behalf of the Hawai'i Island Chamber of Commerce, representing over 300 businesses and individual members primarily on the East side of Hawai'i Island, I submit this testimony in strong support of House Bill 448 (HB448). This bill appropriates funds to the Hawai'i Technology Development Corporation (HTDC) to assist small businesses, including those in the tourism sector, with technology adoption.

HB448 aligns with the Chamber of Commerce Hawai'i's *2030 Blueprint for Hawai'i: An Economic Action Plan*, specifically under the Travel & Tourism policy pillar. This measure supports policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawai'i's residents. Hawai'i's tourism sector, a major economic driver, faces seasonality and global disruptions, leaving small businesses financially vulnerable. Operating on thin margins, these businesses must embrace innovation to stay competitive. Technology adoption—such as online booking, digital marketing, and data analytics—reduces costs, expands market reach, and enhances visitor experiences. Without action, these economic vulnerabilities will persist. HTDC, with its expertise in fostering innovation, is well-positioned to help small businesses integrate technology for long-term sustainability. This bill funds HTDC's efforts to assist tourism-related businesses, collaborate with state and county agencies, and report progress to the legislature in 2026 and 2027. Investing in digital transformation strengthens local businesses, enhances economic resilience, and improves Hawai'i's global competitiveness.

Our Chamber strongly supports this initiative as it equips small businesses with essential tools to innovate, adapt, and drive sustained economic growth. Aligned with the *2030 Blueprint for Hawai'i*, this bill fosters competitiveness, strengthens the workforce, diversifies the economy, and builds long-term local wealth.

We respectfully urge the passage of HB448. Thank you for the opportunity to testify.

Sincerely,

Carla Kuo

Executive Officer

Hawai'i Island Chamber of Commerce