



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKA'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

Thursday, April 10, 2025
1:01 PM
State Capitol, Conference Room 229

In consideration of
HCR156
**REQUESTING THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION TO
INCREASE ITS FOCUS ON ADVANCED MANUFACTURING AND CYBERSECURITY
TO BUILD A STRONGER, DIVERSIFIED ECONOMY, CREATE HIGH-WAGE JOB
OPPORTUNITIES, AND POSITION HAWAII AS A LEADER IN INNOVATION AND
NATIONAL SECURITY IN THE PACIFIC.**

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

I appreciate the opportunity to submit testimony on HCR156, which requests the Hawaii Technology Development Corporation (HTDC) to increase its focus on advanced manufacturing and cybersecurity to build a stronger, diversified economy, create high-wage job opportunities, and position Hawaii as a leader in innovation and national security in the Pacific.

As outlined in DBEDT's 2025 Economic Landscape framework, Hawaii's economy is at a critical inflection point. Our state must transition from its over-reliance on tourism by investing in sectors that promote economic resilience, job creation, and long-term sustainability. HCR156 aligns with DBEDT's Moving the Needle strategy, which identifies advanced manufacturing and technology-driven sectors as key opportunities for economic diversification.

Aligning HCR156 with Hawaii's Economic Landscape

1. Strategic Growth in Advanced Manufacturing
 - a. Advanced manufacturing currently represents only 1.7% of Hawaii's GDP, compared to 10.2% nationally. Expanding this sector through targeted

investments will strengthen local supply chains, reduce import reliance, and create skilled jobs.

- b. Hawaii's Manufacturing Assistance Program (MAP) and the Small Business Innovation Research (SBIR) grants are critical incentives supporting this transition. HCR156 should integrate these programs to ensure funding and resources are directed toward high-impact projects.

2. Workforce Development and Economic Resilience

- a. Hawaii faces an outward migration of skilled labor, exacerbated by high living costs and limited job opportunities in technology and manufacturing. HCR156 can support workforce retention strategies by ensuring HTDC collaborates with DOE, UH, and private industry to develop career pathways in advanced manufacturing and cybersecurity.

3. Infrastructure and Policy Incentives

- a. Developing shared-use manufacturing facilities will lower barriers to entry for local businesses.

This measure is a timely and strategic initiative that aligns with the State's economic diversification priorities. By incorporating the recommendations outlined in DBEDT's Economic Landscape report, this resolution can serve as a catalyst for strengthening Hawaii's industrial base, securing high-wage employment, and positioning the state as a leader in cybersecurity and advanced manufacturing.

Mahalo for the opportunity to provide testimony.



Hawai'i Technology Development Corporation

521 Ala Moana Blvd, Ste 255
Honolulu, Hawaii 96813

808-539-3806

www.htdc.org

JOSH GREEN M.D

GOVERNOR

SYLVIA LUKE

LT. GOVERNOR

Written Statement of
Sandi Kanemori
Interim Executive Director
Hawai'i Technology Development Corporation
before the
Senate Committee on Economic Development and Tourism
Thursday, April 10, 2025
1:01 pm
Conference Room 229 & Videoconference
In consideration of
HCR156

REQUESTING THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION TO
INCREASE ITS FOCUS ON ADVANCED MANUFACTURING AND CYBERSECURITY
TO BUILD A STRONGER, DIVERSIFIED ECONOMY, CREATE HIGH-WAGE JOB
OPPORTUNITIES, AND POSITION HAWAII AS A LEADER IN INNOVATION AND
NATIONAL SECURITY IN THE PACIFIC

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

The Hawai'i Technology Development Corporation (HTDC) supports HCR156, which
will provide additional focus on advanced manufacturing and cybersecurity to build a stronger
and more diversified economy.

HTDC agrees that boosting advanced manufacturing and cybersecurity will result
creating higher paying-jobs and creating opportunities for local talent to work in Hawaii. This
focus will also leverage new and existing federal grant programs to provide resources and federal
funds to assist will training and additional HTDC wrap-around services to help ensure long-term
economic sustainability for the State of Hawaii.

Thank you for your consideration of supporting this measure.



**TESTIMONY IN SUPPORT OF HCR 156
REQUESTING THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION TO INCREASE ITS FOCUS
ON ADVANCED MANUFACTURING AND CYBERSECURITY TO BUILD A STRONGER, DIVERSIFIED
ECONOMY, CREATE HIGH-WAGE JOB OPPORTUNITIES, AND POSITION HAWAII AS A LEADER IN
INNOVATION AND NATIONAL SECURITY IN THE PACIFIC**

Committee on Economic Development & Tourism
Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair

Thursday, April 10, 2025 at 1:01 PM
Conference Room 229 & Videoconference
415 South Beretania Street

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

The Hawaii Military Affairs Council ("MAC") **supports** HCR 156 which requests the Hawaii Technology Development Corporation to increase its focus on advanced manufacturing and cybersecurity.

The MAC was established in 1985 when the Chamber was appointed by the State to serve as the liaison to the military. The MAC advocates on behalf of Hawaii's military, and is comprised of business leaders, academic institutions, State and County officials, members of the CODEL, community leaders, labor unions and organizations and retired U.S. flag and general officers. The MAC works to support Hawaii's location as a strategic U.S. headquarters in the Indo-Asia-Pacific region which is crucial for U.S. national and homeland security.

The defense industry is a vital economic driver for Hawaii, ranking as the state's second-largest industry after tourism. The MAC advocates for the integration of innovative technologies and advancements in cybersecurity to transform the fields of advanced manufacturing and digital security. These efforts could serve as powerful catalysts to further strengthen and diversify Hawaii's economy.

Thank you for the opportunity to offer testimony in support.