
A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

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

1 SECTION 1. The legislature finds that technology adoption
2 for small businesses in Hawaii is vital for these businesses to
3 remain competitive in an increasingly digital marketplace.
4 Leveraging technology can help small businesses optimize
5 operations, reduce costs, and expand their reach beyond the
6 islands. Digital tools such as booking systems, online
7 marketing platforms, and data analytics can help reduce costs,
8 expand market reach, and help tourism-based businesses attract
9 and retain customers while enhancing the overall visitor
10 experience.

11 Furthermore, technology mitigates the risks of geographic
12 isolation by enabling remote work, virtual services, and e-
13 commerce opportunities. Supporting small businesses with
14 technology adoption ensures their ability to innovate and adapt,
15 bolstering their resilience and contributing to the long-term
16 economic sustainability of Hawaii's communities. At the same



1 time, non-action would exacerbate Hawaii's economic
2 vulnerabilities.

3 The legislature further finds that the Hawaii technology
4 development corporation was established to foster innovation and
5 economic diversification by supporting the growth and
6 development of Hawaii's technology sector. With decades of
7 experience implementing technology-driven initiatives, the
8 Hawaii technology development corporation has successfully
9 facilitated numerous projects funded by the State and ensured
10 effective use of state resources, with a proven track record of
11 fostering innovation and economic diversification through state-
12 funded initiatives, demonstrating expertise in administering
13 grants, supporting startups, and promoting public-private
14 partnerships, which has empowered local businesses and driven
15 economic progress. The Hawaii technology development
16 corporation's expertise spans a wide range of industries,
17 enabling the effective implementation of cutting-edge
18 technologies tailored to Hawaii's unique challenges and
19 opportunities. Its commitment to leveraging state funding for
20 impactful technology projects underscores its role as a critical
21 catalyst for innovation and competitiveness in Hawaii's economy.



1 Therefore, the purpose of this Act is to promote economic
2 development by:

- 3 (1) Establishing a program that provides technology
4 enablement for small businesses related to the tourism
5 industry in the State; and
6 (2) Appropriating funds for assisting in the development
7 and promotion of Hawaii-manufactured products through
8 the INNOVATE Hawaii program.

9 SECTION 2. (a) The Hawaii technology development
10 corporation shall establish a program for technology enablement
11 for small businesses related to the tourism industry in the
12 State.

13 (b) The Hawaii technology development corporation shall
14 submit a report on the status of the program, including the
15 number of small businesses participating in the program, and
16 recommendations, including any proposed legislation, to the
17 legislature no later than twenty days prior to the convening of
18 the regular session of 2026.

19 (c) For the purposes of this section, "technology
20 enablement" means the strategic use of technology to improve a



1 business's operations, increase efficiency, and drive
2 innovation.

3 SECTION 3. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$500,000 or so much
5 thereof as may be necessary for fiscal year 2025-2026 and the
6 same sum or so much thereof as may be necessary for fiscal year
7 2026-2027 for assisting in the development and promotion of
8 Hawaii-manufactured products through the INNOVATE Hawaii
9 program.

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

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

13

INTRODUCED BY:



JAN 17 2025



H.B. NO. 449

Report Title:

Economic Development; Technology Enablement; Hawaii-manufactured Products; Hawaii Technology Development Corporation; Appropriation

Description:

Establishes a program that provides technology enablement for small businesses related to tourism in the State. Appropriates funds for assisting in the development and promotion of Hawaii-manufactured products through the INNOVATE Hawaii program.

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