STAND. COM. REP. NO. 314T

Honolulu, Hawaii

MAR 2 0 2024

RE: H.B. No. 2356

H.D. 2 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Energy, Economic Development, and Tourism, to which was referred H.B. No. 2356, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Change the cap for awards to assist businesses applying for the Small Business Innovation Research Grant Program and the Small Business Technology Transfer Grant Program of the Hawaii Technology Development Corporation;
- (2) Add purchasing of renewable energy technology systems as an eligible expense for the Manufacturing Development Grant Program;
- (3) Clarify that training on new and existing manufacturing equipment is an eligible expense for the Manufacturing Development Grant Program; and
- (4) Make appropriations.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and

Tourism; Hawaii Technology Development Corporation; University of Hawai'i System; Hawai'i Farm Bureau; Chamber of Commerce Hawaii; Hawaii Food Industry Association; Small Kine Farm; Hawai'i Integrated Analytics, LLC; Ai.Fish LLC; Maui Brewing Co.; Omao Labs LLC; Hawaii Fish Company Inc.; Piko Provisions; Hawaii Innovations & Technologies LLC; 3D Innovations LLC; Blue Startups, LLC; Oceanit Laboratories, Inc.; Nalu Scientific, LLC; Aloha Shoyu Company, Ltd.; Mana Up; Maui Chamber of Commerce; WaiHome LLC; Holomua Collaborative; and OceanBit Inc.

Your Committee finds that the strength of the State's economy depends upon a diversity in commerce that is resilient to economic downturns and aggressive in creating new growth opportunities. Your Committee further finds that the Hawaii Technology Development Corporation's (HTDC) core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs and also provides technical and financial support for innovative small businesses from the startup stage through growth and export. This measure supports and expands upon HTDC's programs, which will drive technological innovation, create high-quality jobs, and stimulate economic growth in the State.

Your Committee has amended this measure by inserting an effective date of January 1, 2060, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2356, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2356, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

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Respectfully submitted on behalf of the members of the Committee on Energy, Economic Development, and Tourism,

LYNN DECOITE, Chair

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Energy, Economic Development, and Tourism EET

	Committee Referral: Date:				
HB 2356 HD2 EET, WAM 3-12-24					
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
DECOITE, Lynn (C)		/			
WAKAI, Glenn (VC)		V,			
FUKUNAGA, Carol					
KIM, Donna Mercado		V/			
FEVELLA, Kurt					
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**					
TOTAL		5	Q	0	D
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes