

Written Statement of Sandi Kanemori Interim Executive Director Hawai`i Technology Development Corporation before the Senate Committee on Economic Development and Tourism Tuesday, March 11, 2025 1:00 p.m. Conference Room 229 & Videoconference In consideration of HB448, HD1 RELATING TO TECHNOLOGY ENABLEMENT.

Chair DeCoite, Vice Chair Wakai, 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 strongly believes that technology integration is essential for Hawai'i's small businesses, particularly those in the tourism sector, to thrive in today's competitive global marketplace. By adopting digital tools and technologies, these businesses can lower operational costs, expand their market reach, and enhance customer experiences. Technology also enables small to medium-sized businesses to overcome geographical isolation by leveraging e-commerce and online market opportunities. This technological advancement is crucial for long-term economic sustainability and the growth of Hawai'i's business communities, especially in the tourism industry.

Thank you for your consideration of supporting this bill.



# TESTIMONY OF DANIEL NĀHO'OPI'I Interim President & CEO Hawai'i Tourism Authority before the SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM Tuesday, March 11, 2025 1:00 p.m. State Capitol, Room 229

# In consideration of HB 448 HD 1 RELATING TO TECHNOLOGY ENABLEMENT

Aloha Chair DeCoite, Vice Chair Wakai, 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.



### Testimony to the Senate Committee on Economic Development and Tourism Senator Lynn DeCoite, Chair Senator Glenn Wakai, Vice Chair

#### Tuesday, March 11, 2025, at 1:00PM Conference Room 229 & Videoconference

# RE: HB448 HD1 Relating to Technology Enablement

Aloha e Chair DeCoite, Vice Chair Wakai, 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 House Draft 1 (HB 448 HD1)), which appropriates funds to the Hawai'i 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 cornerstone of the state's economy, faces challenges from its seasonal nature and vulnerability to global economic shifts, natural disasters, and pandemics. These factors leave small businesses with thin margins and unpredictable revenue, underscoring the urgent need for resilience through technology adoption. Digital tools—such as online booking, marketing platforms, and data analytics—reduce costs, broaden market reach, and support remote work and e-commerce, thereby lessening isolation and improving visitor experiences.

The legislature has appropriated funds for fiscal years 2025-2026 and 2026-2027 to help the Hawaii Technology Development Corporation support small tourism businesses in adopting digital solutions. With a strong record in fostering innovation and economic diversification, the corporation will implement these projects in collaboration with state and county agencies. The Chamber supports this initiative because it will make Hawaii's small tourism businesses more resilient, competitive, and capable of driving 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.



#### **Executive Officers**

Maile Miyashiro, C&S Wholesale Grocer, Chair Kit Okimoto, Okimoto Corp., Vice Chair Jayson Watts, Mahi Pono, Secretary/Treasurer Lauren Zirbel, HFIA, Executive Director Paul Kosasa, ABC Stores, Advisor Derek Kurisu, KTA Superstores, Advisor Toby Taniguchi, KTA Superstores, Advisor Joe Carter, Coca-Cola Bottling of Hawaii, Advisor Eddie Asato, Pint Size Hawaii, Advisor Gary Okimoto, Safeway, Immediate Past Chair

TO: Committee on Economic Development and Tourism FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: March 11, 2025 TIME: 1pm

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.



#### HEARING BEFORE THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 229 Tuesday, March 11, 2025, 1:00 PM

To The Honorable Senator Lynn DeCoite, Chair The Honorable Senator Glenn Wakai, Vice Chair Members of the Committee on Economic Development and Tourism

## 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 Jumpap

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.



## Statement of Michael P. Matsumoto, President/CEO SSFM International, Inc. before the Senate Committee on Economic Development and Tourism

Tuesday, March 11, 2025 1:00 PM State Capitol, Conference Room 229 & Videoconference

# In consideration of HB448 HD1 RELATING TO TECHNOLOGY ENABLEMENT

Dear Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Economic Development and Tourism:

SSFM International, Inc. 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.

SSFM International, Inc. was established in the State of Hawaii in 1959 providing professional project management, planning, engineering services. In addition to providing a variety of professional services a multitude of local government agencies and private sector clients, we have engaged many small business architectural-engineering companies in Hawaii for our contracts. We understand, therefore, the benefits that supporting local small businesses has on our community.

Respectfully submitted,

SSFM INTERNATIONAL, INC.

Uchol Dhalsunsto

Michael P. Matsumoto, PE, SE, FACEC President/CEO email: <u>mmatsumoto@ssfm.com</u>



March 8, 2025

# To: Senate Committee on Economic Development and Tourism

From: Eric Dill, KO'OLAU Distillery

Subject: HB448 Support of HTDC

KO'OLAU Distillery 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.

HTDC has been a critical component in the success and growth of Ko'olau Distillery, providing essential grants, resources, and educational support that have directly contributed to our resilience and expansion. As a small business in Hawai'i's manufacturing sector, we faced significant challenges during the economic downturn caused by COVID-19, particularly in a state heavily reliant on tourism. The financial assistance and business development programs offered by HTDC enabled us to adapt, sustain operations, and continue to innovate during an incredibly difficult period. Without this support, many local businesses, including ours, would have struggled to survive the disruptions in supply chains, shifts in consumer behavior, and restrictions on commerce.

HTDC's impact goes beyond immediate financial assistance—it has made Ko'olau Distillery a stronger, more resilient company, better equipped to navigate economic fluctuations and industry challenges. The resources provided by HTDC have helped us optimize operations, implement new technologies, and enhance workforce training, all of which have directly contributed to our long-term stability and sustained growth. Over the past four years, we have consistently achieved over 20% growth annually, and HTDC has been a key factor in that success. The continued availability of HTDC programs and funding opportunities is vital for businesses like ours to remain competitive, expand local manufacturing, and contribute to Hawai'i's broader economic diversification.

Thank you for the opportunity to offer these comments.



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tel 808 261 0685 905 Kalaniana'ole Highway, Unit 5014, Kailua, HI 96734

Best Regards,

Eric Dill, CEO



Statement of Summer Shiigi Owner Ten Tomorrow before the Senate Committee on Economic Development and Tourism

Tuesday, March 11, 2025 1:00 PM State Capitol, Conference Room 229 & Videoconference

#### In consideration of HB448 HD1 RELATING TO TECHNOLOGY ENABLEMENT

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Economic Development and Tourism.

Ten Tomorrow **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.

We are a modern women's clothing brand here in Honolulu. Our business has been a graduate of the Innovate Hawaii incubator program, a recipient of the MAP grant, and we've attended several of the programs HTDC provides to small businesses. This is our 10th year in business and as we reflect on our progress, we wouldn't still be here today without the assistance that HTDC has given us. We've specifically used grant monies to invest in technological software, training, and equipment that have since made our manufacturing process faster, more streamlined, and allowed us to increase what we can offer to our customers.

Thank you for the opportunity to offer these comments.

Sincerely,

M

Summer Shiigi Owner Ten Tomorrow

#### HB-448-HD-1

Submitted on: 3/10/2025 10:32:51 AM Testimony for EDT on 3/11/2025 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Chenoa Farnsworth	Testifying for Blue Startups, LLC	Support	Written Testimony Only

Comments:

Blue Startups supports HB448 HD1 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Accelerator & Small Business Training programs. HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide programmatic business, technical, and financial support for innovative small businesses from the startup stage through growth and export.

Blue Startups benefits from the accelerator funding provided by HTDC. Without HTDC funding, we would not be able to provide the support for our technology based companies in Hawaii. We believe strongly that we need to grow the technology sector in Hawaii in order to provide high paying jobs in the future. To date, Blue Startups has supported 131 companies through its 12-week mentorship program. Those companies have gone on to attract over \$1 billion in funding and created over 1000 jobs.