H.B. NO. ⁴⁴⁸ H.D. 1 S.D. 1

A BILL FOR AN ACT

RELATING TO TECHNOLOGY ENABLEMENT.

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

1 SECTION 1. The legislature finds the tourism sector, a pillar of the State's economy, to be highly seasonal and 2 vulnerable to global economic shifts, natural disasters, and 3 pandemics, leaving small businesses with inconsistent revenue 4 streams and heightened risks. These compounded pressures have 5 forced many small enterprises to operate with razor-thin 6 7 margins, making resilience and adaptability critical for 8 survival.

9 The legislature further finds that technology adoption for 10 small businesses in Hawaii, particularly the tourism sector, is vital for those businesses to overcome these critical challenges 11 12 and remain competitive in an increasingly digital marketplace. Leveraging digital tools such as booking systems, online 13 14 marketing platforms, and data analytics can help reduce costs, 15 expand market reach, and help tourism-based businesses attract 16 and retain customers while enhancing the overall visitor 17 experience. Furthermore, technology mitigates the risks of

HB448 SD1 LRB 25-1642.docx

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H.B. NO. ⁴⁴⁸ H.D. 1 S.D. 1

1 geographic isolation by enabling remote work, virtual services,
2 and e-commerce opportunities. Supporting small businesses with
3 technology adoption ensures their ability to innovate and adapt,
4 bolstering their resilience and contributing to the long-term
5 economic sustainability of Hawaii's communities. However,
6 non-action would exacerbate Hawaii's economic vulnerabilities.

7 The legislature additionally finds that the Hawaii technology development corporation was established to foster 8 innovation and economic diversification by supporting the growth 9 10 and development of Hawaii's technology sector. With decades of 11 experience in implementing technology-driven initiatives, the 12 Hawaii technology development corporation has successfully 13 facilitated numerous projects funded by the State and ensured effective use of state resources, with a proven track record in 14 15 fostering innovation and economic diversification through 16 state-funded initiatives, demonstrating expertise in 17 administering grants, supporting startups, promoting public-private partnerships, empowering local businesses, and 18 19 driving economic progress. The Hawaii technology development corporation's expertise spans a wide range of industries, 20 21 enabling the effective implementation of cutting-edge

HB448 SD1 LRB 25-1642.docx

Page 2

H.B. NO. ⁴⁴⁸ H.D. 1 S.D. 1

1 technologies tailored to Hawaii's unique challenges and 2 opportunities. The Hawaii technology development corporation's 3 commitment to leveraging state funding for impactful technology 4 projects underscores the agency's role as a critical catalyst 5 for innovation and competitiveness in Hawaii's economy.

Accordingly, the purpose of this Act is to promote economic
development and tourism by appropriating funds to the Hawaii
technology development corporation to assist small businesses,
including those related to the tourism sector, with technology
enablement.

11 SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ 12 or so much thereof as may be necessary for fiscal year 2025-2026 and 13 14 the same sum or so much thereof as may be necessary for fiscal 15 year 2026-2027 for the Hawaii technology development corporation to assist small businesses, including those related to the 16 17 tourism sector, with technology enablement; provided that the Hawaii technology development corporation may collaborate with 18 19 other state or county agencies as necessary for the 20 implementation of any projects for the purposes of this section.

HB448 SD1 LRB 25-1642.docx

Page 3

3

Page 4



The sums appropriated shall be expended by the Hawaii 1 technology development corporation for the purposes of this Act. 2 3 SECTION 3. The Hawaii technology development corporation 4 shall submit a report to the legislature on the status of assisting small businesses, including those related to the 5 tourism sector, with technology enablement using the funds 6 appropriated pursuant to section 2 of this Act no later than 7 8 twenty days prior to the convening of the regular sessions of 2026 and 2027. 9

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SECTION 4. This Act shall take effect on July 1, 2050.





Report Title:

Hawaii Technology Development Corporation; Small Businesses; Technology Enablement; Appropriation

Description:

Appropriates funds to the Hawaii Technology Development Corporation to assist small businesses, including those related to the tourism sector, with technology enablement. Effective 7/1/2050. (SD1)

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