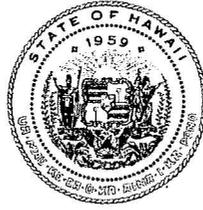


LINDA LINGLE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
DEPUTY DIRECTOR

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAIIOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

TESTIMONY OF THE CHAIRPERSON
OF THE BOARD OF LAND AND NATURAL RESOURCES

On House Bill 2500 - RELATING TO THE STATE BUDGET

BEFORE THE HOUSE COMMITTEE ON
FINANCE

March 5, 2008

The Department of Land and Natural Resources (Department) supports House Bill (H.B.) 2500. For the Fiscal Biennium 2007-2009 Supplemental Budget, the Department is requesting \$7.6 million for its operating and \$21.7 million for its Capital Improvement Projects (CIP) budgets. The summary of the Department's budget request is as follows:

Operating Budget

Administration: Request \$79,324 in general funds for a Personnel Management Specialist and an Account Clerk to provide administrative support to various divisions of the Department. The Personnel and Fiscal Offices experienced an increase in workload due to increase in the number of newly authorized positions and the increase of the Department's operating and CIP budgets over the past several years.

Enforcement: The Division of Conservation and Resources Enforcement (DOCARE) strives to promote the safe and responsible use of Hawaii's natural resources. As a means to deter, as well as affect consequences for inappropriate behavior, DOCARE needs the strength and range in its enforcement capabilities and activities.

- Request funding for 15 new positions and \$550,000 million in start-up cost for 11 Conservation and Resource Enforcement Officers (CREO's).
- Transfer two CREO's and three Account Clerks from DOCARE to the Division of Boating and Ocean Recreation (DOBOR). This request transfers Homeland Security functions for cruise ship activities to DOBOR who will be responsible for developing, implementing and overseeing facility security plans at the Lahaina Small Boat Harbor and at the Kailua-Kona Pier.

State Historic Preservation Division:

- \$220,000 in general funds for two Compliance Specialists and a Librarian. These positions will do the project intake and classification for the professional staff and provide a consistent data base and filing system for various reports.
- \$60,000 for lease rent and utility costs for the Kona Office
- \$70,000 for the re-interment of human skeletal remains

Bureau of Conveyances:

- \$500,000 in special funds to automate current processes to provide electronic filings and system upgrades.

Engineering Division, Flood Control Program:

- \$20,000 in general funds for consultant services to update and maintain the General Flood Control Plan for Hawaii, as mandated by Chapter 179, Hawaii Revised Statutes, to aid in documenting significant and/or recurring flooding problems statewide.
- Convert the temporary Information Technology Specialist position to permanent

State Parks:

- \$47,304 additional general funds to supplement additional lifeguard services at Kaena Point State Park on Oahu
- \$300,000 special funds for modifications to streamline the State Parks Reservation and Visitor Information System and implement online permit process

Increase Special and Federal Fund Expenditure Ceiling:

- Increase State Parks Special Fund ceiling by \$900,000 to expend the Transient Accommodation Tax funds received from the Hawaii Tourism Authority
- Increase Natural Area Reserve Special Fund ceiling by \$2 million to fund various program expenditures and purchase of motor vehicles
- \$80,000 federal fund ceiling increase in LNR 153, Commercial Fisheries and Resource Enhancement, to fund the ongoing Fish Aggregating Device System
- \$972,500 federal fund ceiling increase in LNR 401, Aquatic Resources, to continue the Hawaii Marine Recreational Survey projects, the co-management of Hawaiian Island Humpback Whale Sanctuary, instream flow project, monitoring of bottomfish populations, stream/estuarine fisheries studies, and projects involving coral reef management, and the Northwestern Hawaiian Island Marine National Monument.
- \$206,2000 federal fund ceiling increase for biological control of topminnows and fishery data of short/long term trends in marine protected areas

Other requests:

- \$120,000 in special funds to purchase replacement vehicles for Land Division

- \$64,321 special fund ceiling increase for DOBOR's property management services
- \$22,458 in special funds to redescribe three temporary General Laborer positions to permanent Forestry and Wildlife Worker positions
- Transfer the Aquatics Program Manager position from LNR 153 to LNR 401
- Convert Fishery Aid position from Full Time Equivalent (FTE) .49 % to FTE .50%

CIP Budget

State law mandates that the Department cannot make capital improvements without legislative authorization – this approval of the Department's CIP budget request is critical to making improvements across the State. The Fiscal Biennium 2007-09 Supplemental Budget request exceeds \$21 million in needed statewide departmental capital improvements. The projects include:

- \$10 million lump sum for improvements to harbor facilities, statewide
- \$5 million lump sum for improvements to state parks, statewide
- \$2.9 million for the North Kona Water System Improvements
- \$1.9 million for the Waimea Wells in Hawaii. Project includes planning, land acquisition, design, and construction funds for well exploration and development, including well drilling, casing installation, pup testing, control building, connecting pipeline and other related work.
- \$500,000 additional funding for state match for Army Corps of Engineers for the Kawai Nui Marsh Habitat restoration Project.
- \$250,000 for the State Parks Energy Efficiency and Conservation Improvements, statewide
- \$600,000 for DOCARE Offices and Baseyard in Hawaii and Oahu
- Request \$2.3 million in general obligation funds to change the means of financing for dam assessments, maintenance and remediation, for DLNR-owned dams statewide. This project is currently funded from the Special Land Development Fund (SLDF). If the funding is not changed to GOB funds, the Department will not be able to proceed with this project, since the SLDF does not have sufficient funds to support this project.
- \$500,00 in special funds for the following projects:
 - \$150,000 for warning and information signage at various Division of Forestry and Wildlife (DOFAW) facilities, statewide
 - \$100,000 to construct a parking lot attendant booth for the Ahihi-Kinohi'o Natural Area Reserve in Maui
 - \$250,000 for the Mauna Kea Composting Toilets, Hawaii
The Mauna Kea Forest Reserve campsites are closed due to lack of toilet facilities. Propose to replace 10 toilets with composting, no-maintenance-required toilets so that DOFAW can open up the campsite area to the public.

Linda Lingle
GOVERNOR



ORLANDO "DAN" DAVIDSON
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO

Statement of
Orlando "Dan" Davidson
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON FINANCE

March 5, 2007, 10:00 a.m.
Room 308, State Capitol

In consideration of
H.B. 2500
RELATING TO THE STATE BUDGET.

The HHFDC supports H.B. 2500, and has the following specific priority requests for the Committee's consideration. Funding of these supplemental requests is needed to implement the HHFDC's production plan to assist in the development of over 7,000 affordable units over the next five years.

BED-160/HA (HHFDC Administration)

This program provides for the overall administration of the HHFDC. We are requesting an operating adjustment of \$408,567 in revolving funds (W) in Other Current Expenses to increase the allocation for HHFDC's office rent. This adjustment is needed to correct the failure to include the portion of rent on the HHFDC's Queen Street offices that had been previously allocated to the Hawaii Public Housing Authority in our Biennium Budget request.

BED-160/HD (Housing Development)

This program facilitates the development or preservation of affordable and workforce housing. Our supplemental Capital Improvement Program (CIP) requests are to:

1. Provide \$2.8 million in General Obligation (GO) Bond (C) funds for the replacement of the Waiahole Valley Potable Water System;
2. Provide an additional \$26 million in GO Bond (C) funds, the second and final part of funding for the acquisition of a portion of Kukui Gardens to preserve it as affordable rental housing in the Honolulu urban core;
3. Provide an infusion of \$25 million in GO Bond (C) funds into the Rental Housing Trust Fund to provide financing for the development of an additional 266 affordable rental units; and
4. Provide an infusion of \$25 million in GO Bond (C) funds into the Dwelling Unit Revolving Fund to support the development of over 1,700 affordable units.

BED-160/HF (Housing Finance)

HHFDC Finance facilitates the development or preservation of affordable housing for low- and moderate-income households. We are requesting an operating adjustment to increase the Rental Housing Trust Fund expenditure ceiling by an additional \$25 million (to a total of \$50, 018,949) to authorize the HHFDC to expend out from the Rental Housing Trust Fund the GO Bond funds we have requested.

Thank you for the opportunity to provide written testimony in support of these important requests.

FINTestimony

From: kailuakona3000@gmail.com on behalf of Guy Toyama [guy@h2-techs.com]
Sent: Monday, March 03, 2008 9:37 PM
To: FINTestimony
Subject: HB2500 Testimony of Support

H2 Technologies, Inc.

73-4347 Malie Place

Kailua-Kona, HI 96740

DATE: March 3, 2008

TO: The Honorable Representative Marcus Oshiro, Chair

House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair

House Committee on Economic Development & Business Concerns

FROM: Guy Toyama

RE: Support for HB2500 Hawaii Small Business Innovation Research Grant Programs

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies.

To effectively compete, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to research & development (R&D) companies seeking to commercialize their technologies here in Hawaii. Initial funding for research is done through competitive submittals to federal agencies. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development and commercialization.

There are 3-phases of funding:

1. Phase I – Federal grant/contract generally up to \$100,000 to explore the technical merit or

feasibility.

2. Phase II – Federal grant/contract generally up to \$750,000 for 2 years to expand Phase I efforts.
3. Phase III – Commercialization of the project (no SBIR funds used in this phase).

There are currently 67 Hawaii companies that have used the SBIR program to successfully fuel the commercialization of their R&D, including Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue Water Farms. Hawaii companies have won research grants from:

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army, Defense Advanced Research Projects Agency)
- Department of Energy
- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
- National Science Foundation

Over the past 18 years these 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total

value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

My company supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.

Mahalo, Guy Toyama
Chief Operating Officer
H2 Technologies, Inc.
www.h2-techs.com
Tel: 808-938-6325
Email: guy@h2-techs.com



16-1370 Kaaau Pahoa Road
Kaaau, Hawaii 96749

Phone (808)982-9700 Fax (808)982-7141 Email makana@happyhawaiianplants.com

DATE: March 4, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Neal Okimoto President Happy Hawaiian Plants Inc.

RE: Support for Hawaii Small Business Innovation Research Grant Programs

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Thank you for the opportunity to offer comments in strong support of funding these important programs.



.hawaii
Consortium
for Medicine
& Health

PICHTER – Pacific Guardian Tower
1440 Kapiolani Blvd, Suite 1225
Honolulu Hawaii 96814

808.943.3771 office
808.943.9582 fax

DATE: March 4, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Frank Fukunaga, President
Hawaii Consortium for Medicine and Health

RE: Support for Hawaii Small Business Innovation Research Grant
Programs

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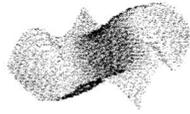
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Thank you for the opportunity to offer comments in strong support of funding these important programs.



Global Optima, Inc.
1621 Dole Street #1101
Honolulu, HI 96822

DATE: March 3, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Gail Honda, Ph.D., President

RE: Support for Hawaii Small Business Innovation Research Grant Programs

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Tel: 808.942.4783 • Fax: 808.942.4674
Web site: www.globaloptima.com • Email: info@globaloptima.com

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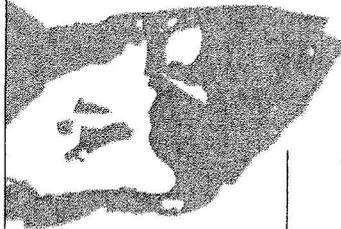
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Honolulu, Hawai'i 96839
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DOCUMENTARIES

WRITTEN TESTIMONY TO HAWAII STATE LEGISLATURE (Written Testimony Only)

Date 3 March 2008

To The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business
Concerns

From Lynn B. Wilson, PhD
Owner & Creative Director
WEBfish Pacific
PO Box 61156
Honolulu, Hawai'i 96839
<lbwilson@webfishpacific.com>

Re Support for Hawaii Small Business Innovation Research Grant
Programs (HSBIR)

For Hearing on State Budget, HB 2500, Agenda #1
Wednesday, 5 March, 10am, Conference Room 308
State Capitol

Hawaii's Legislature now has a unique opportunity to support the growth of cutting edge "clean" technologies in Hawaii, to expand the scope of the science, research and technology sector in Hawaii in the near future, and to mobilize resources of federal programs to invest in Hawaii's small businesses for the benefit Hawaii's communities.

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs that are administered by the High Technology Development Corporation, a state agency (BED 143).

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There are currently 67 Hawaii companies that have used the SBIR program to successfully fuel the commercialization of their R&D, including Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue Water Farms. Hawaii companies have won research grants from:

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army, Defense Advanced Research Projects Agency)
- Department of Energy
- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
- National Science Foundation

Over the past 18 years these 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget for the past 18 years despite the fact that more and more

companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

My company supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.

TREX  **HAWAII, LLC**

DATE: March 3, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Ky-Hien Do, Senior RF/MMW Engineer at Trex Hawaii

RE: Support for Hawaii Small Business Innovation Research Grant Programs

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies.

To effectively compete, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to research & development (R&D) companies seeking to commercialize their technologies here in Hawaii. Initial funding for research is done through competitive submittals to federal agencies. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development and commercialization.

There are 3-phases of funding:

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2. Phase II – Federal grant/contract generally up to \$750,000 for 2 years to expand Phase I efforts.
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- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
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- Department of Education
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Personally, I had been effectively supported, through the SBIR matching grant program, with three Phase I awards (one with the Air Force and two with the Navy, in the area of Micro-electronic Circuits applicable to the Next-Generation Military Communication Systems). These matching grants allowed me better means and more opportunities to enhance my research for the three stated SBIR projects. As a result, a Phase II award was awarded to Trex Hawaii in December 2007.

I support these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.

Concentris systems

DATE: March 4, 2007

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Tareq Hoque, President, Concentris Systems LLC

RE: Support for Hawaii Small Business Innovation Research Grant Programs

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

Concentris Systems is a small business engaged in technology research, primarily for DOD and other Federal sponsors. Winning Small Business Innovation Research and Small Business Technology Transfer contracts is integral to our business plan. The HSBIR and HSTTR programs provide Federal program managers with an extra incentive to work with Hawaii companies such as Concentris Systems by offering matching funds. This incentive is critical for Hawaii companies, who are competing with firms that are often located much closer to the Program Manager.

Statistics show that for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

Our firm supports the HSBIR and HSTTR programs because they encourage and facilitate innovation and the growth of Hawaii's high technology industry. SBIR/STTR funds encourage Hawaii's small businesses to develop commercially viable technologies and innovations and are an essential catalyst for Hawaii's innovation based economy.

Thank you for the opportunity to offer testimony in strong support of funding these important programs.

Sincerely



Tareq Hoque

Concentris Systems LLC
Indestructible Instant Networks™

2800 Woodlawn Drive, Suite 238
Honolulu, HI 96822
Phone: 808-781-2003
www.concentris-systems.com

FINTestimony

From: Scott Weeker [sweeker@ambient-micro.com]
Sent: Monday, March 03, 2008 5:49 PM
To: FINTestimony
Subject: Testimony in Support of HB2500

TIME: 10:00 A.M.
PLACE: Conference Room 308
State Capitol
415 South Beretania Street

AGENDA # 1

<u>HB 2500</u>	RELATING TO THE STATE BUDGET.	FIN
<u>Status</u>	Amends the General Appropriations Act of 2007 that appropriates general, general obligation bond, federal, revenue bond, special and other funds for departmental operating and capital improvements budgets.	
<u>(Email Testimony)</u>		



Maui Research & Technology Center | Suite 208, 590 Lipoa Parkway, Kihei, Hawaii 96753
tel 866.561.4823 | cell 808.250.7061 | fax 866.728.9726 | email info@ambient-micro.com

DATE: March 3, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Scott A. Weeker, Ambient Micro

RE: Support for Hawaii Small Business Innovation Research Grant Programs

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

Our company, Ambient Micro is a Maui-based research and development company that is developing micro energy harvesting technologies to power sensors and unmanned systems for Defense and Homeland Security applications. Ambient Micro has directly benefited from this HTDC program. In 2007, with HTDC's HSBIR grant assisted us in winning a Air Force Phase II. This year, HTDC is again helping us on our efforts to secure a second Phase II contract from the Army

Over the past 18 years, 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

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Thank you for the opportunity to offer comments in strong support of funding these important programs.

Aloha,

Scott A. Weeker
Ambient Micro
Maui research & Technology Center
590 Lipoa Parkway, Suite 208
Kihei, HI 96753

Scott A. Weeker

3/4/2008

ambient

Ambient Micro, LLC
Maui Research & Technology Center
590 Lipoa Parkway, Suite 208
Kihei, HI 96753
office: (866) 561-4823
fax: (866) 728-9726
cell: (808) 250-7061
www.ambient-micro.com

log/file

March 4, 2008

(TESTIMONY FOR 3/5/08)

To: House Finance Committee ^{2008-MAR} -4 A 9:36

Re: Urgent Request for Funding of the design Money Instalment (\$3.6 M) for UHM Performing Arts Facility (Kennedy Theatre Annex).

I am writing to urge you to consider and fund the CIP request for the third and final instalment of design money for the UHM Performing Arts Facility.

For decades now, students and faculty in Theatre and Dance at UHM have worked with severe difficulties in making adequate course offerings and rehearsing productions.

No new teaching spaces have been added since 1963, when Kennedy Theatre opened. The Mainstage and smaller Ernst Lab Theatre cannot be used concurrently for performance because the sound doors separating the theatres are inadequate. The Dance and Theatre programs function in different buildings, and the Dance Building in the quarry is often unusable because of the Marching Band schedule. We have very few spaces to rehearse, and since the UH Lab School fire in 2006 we have only one space left in that facility, without which we would not be able to function. The main room in which beginning acting is taught in Kennedy Theatre cannot accommodate more than 20 students, and other courses are taught in a Men's Dressing Room which is likewise restricted in dimensions and in the number of people it can accommodate. (Acting cannot be taught in regular UHM classrooms because of the noise acting classes generate.) The costume storage situation is desperate--bugs invade the refrigerated containers, which were secondhand purchases to start with, and we lose hundreds of dollars worth of valuable Asian costumes a year.

All these problems have made teaching an incredibly difficult task and the lack of space has put a ceiling on the number of students we can accept, especially in Directing, because there is no space for them to rehearse. As a result of substandard teaching and rehearsal facilities, professional accreditation cannot be gained from the National Association of Schools of Theatre and National Assoc. of Schools of Dance.

Thanks for your consideration,

Yours Faithfully,

Dennis Carroll
Dennis Carroll

Post-it® Fax Note	7671	Date	3/4/08	# of pages	1
To	OFFICE - MARCUS OSTRO	From	D. CARROLL		
Co./Dept.	HOUSE FINANCE	Co.	UHM THEATRE / DANCE		
Phone #		Phone #	752 2588		
Fax #	586 6201	Fax #	956 4234		

UNIVERSITY OF HAWAII AT MĀNOA

The William S. Richardson School of Law

Testimony

March 4, 2008

House Committee on Finance
Hearing on HB2500
March 5, 2008
10:00 a.m., Conf. Room 308

Dear Chair Oshiro, Vice Chair Lee, and Members:

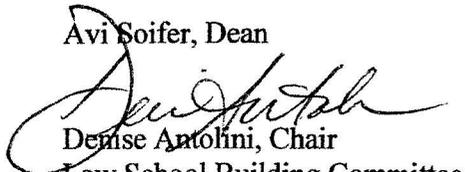
The William S. Richardson School of Law strongly supports an **amendment to HB2500 to include the \$7.2 million in design funds** that are critical to continuing the progress toward modernizing “Hawaii’s Law School.” The School of Law’s supplemental CIP request is ranked 16 for Manoa campus priorities and 22 on the President’s priority list. It now needs to be included in HB2500.

Please find attached a letter to all members of the Legislature from the sixteen distinguished members of the House and Senate who are proud graduates of the School of Law. As their letter states, the project is badly needed and the design funds are essential to the school’s efforts to obtain firm commitments from promising prospects of private, federal, foundation, and other funds – all of which will leverage any future state funds and contribute to maintaining the School of Law as a first-class state school, and to making it a model for sustainable green building in Hawaii.

We appreciate your support and **request that this priority item be included in the House version of the budget.**

Sincerely,

Avi Soifer, Dean



Denise Antolini, Chair
Law School Building Committee

Attachment (Feb. 20, 2008 letter from Law School Alumni Legislators)



HAWAII STATE LEGISLATURE
STATE CAPITOL
HONOLULU, HAWAII 96813

February 20, 2008

Hawaii State Senate
House of Representatives
State Capitol
Honolulu, Hawaii 96813

Re: CIP Priority – HB2500 Amendment to Support Law School Design Funds

Dear Colleagues:

As you know, the William S. Richardson School of Law needs to modernize its facilities by expanding the library building to the originally planned second floor and by renovating both buildings up to gold-LEED standard for sustainable design. Both parts of this project are badly needed – the School of Law is simply out of space, limiting its ability to serve our community in the future.

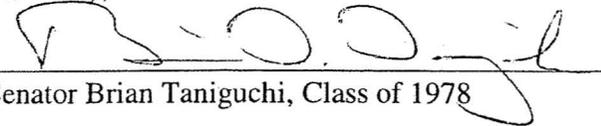
The Law School worked long and hard and has produced a first-rate conceptual plan with the \$500,000 allocated by the Legislature in 2006. The critical next step is the design phase, the key to allowing the Law School to obtain private, foundation, federal, and other funds they already have begun to seek to supplement future state funding for construction. As part of the University of Hawaii Biennium Supplemental Budget Request for CIP, the School of Law is seeking \$7.2 million for design. This item is ranked 16 among Mānoa campus priorities and 22 on the President's priority list, though it is not in the Governor's Budget. It was in last year's biennium budget, however, and it has to be added to the Legislature's list of priority projects for final approval this year.

In a multitude of ways, the Law School is *Hawaii's Law School*, not simply another building on the Mānoa campus. Its contributions to the community stretch very far beyond its success in training future leaders for Hawai'i, including clinics that serve our most vulnerable citizens, leadership in environmental and Native Hawaiian issues, and numerous programs that contribute to and help shape the economic future of our state. The modernization of the school for the 21st century also is a fitting tribute to the life and legacy of its namesake, former Chief Justice William S. Richardson, who is now 88 years old.

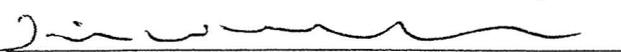
Please join me, Senator Taniguchi, and other alumni of the Law School who have signed below. We are requesting that priority for this CIP item be included as an amendment to HB2500, scheduled for decking on March 10, 2008.

Mahalo for your support.

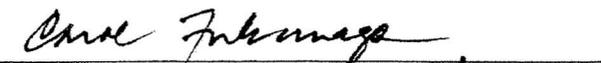
Sincerely,



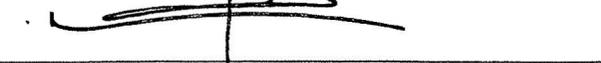
Senator Brian Taniguchi, Class of 1978



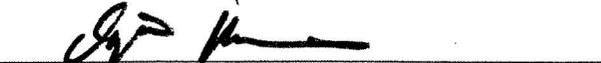
Representative Kirk Caldwell, Class of 1984



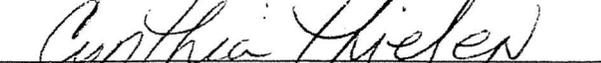
Senator Carol Fukunaga, Class of 1976



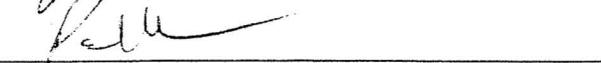
Senator Colleen Hanabusa, Class of 1977



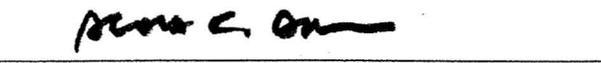
Representative Dwight Takamine, Class of 1978



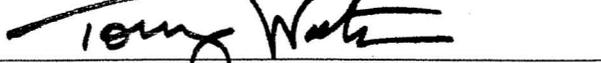
Representative Cynthia Thielen, Class of 1978



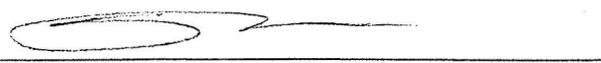
Senator Paul Whalen, Class of 1991



Representative Scott Saiki, Class of 1991



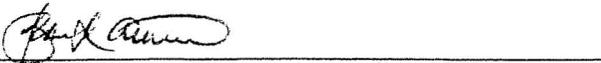
Representative Tommy Waters, Class of 1993



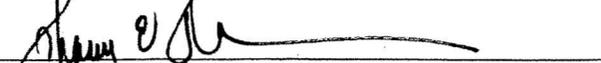
Representative Alex Sonson, Class of 1993



Representative Sylvia Luke, Class of 1995



Representative Blake Oshiro, Class of 1996



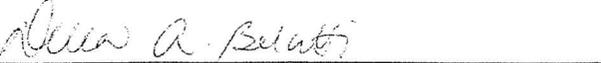
Representative Sharon Har, Class of 1998



Representative Maile Shimabukuro, Class of 2000



Representative Scott Nishimoto, Class of 2002



Representative Della Au Belatti, Class of 2003



UNIVERSITY OF HAWAII AT MĀNOA
WILLIAM S. RICHARDSON SCHOOL OF LAW

March 3, 2008

Chair Marcus Oshiro and Vice-Chair Marilyn Lee
House Committee on Finance
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Re: STRONG SUPPORT of HB2500: Amendment to Add Law School Design Funds

Aloha Chair Oshiro, Vice-Chair Lee, and Members of the Committee:

We, serving as representatives of the over 300 current students at the William S. Richardson School of Law, collectively write in strong support of amending HB2500 to add the design funds for the School of Law. Our Law School is Hawaii's Law School, one of which we can all be very proud. The school continues to garner national and international attention, yet the existing facilities are simply unable to keep up with our elevating standards of academic achievement and community service. Utilizing \$500,000 allocated by the Legislature in 2006, the Law School has developed conceptual plans for renovating its two buildings in a way that will serve as a model for high performance green buildings in Hawaii. The renovated buildings will be designed for LEED Gold certification, at minimum. To achieve these goals, we ask you to amend HB2500 to include \$7.2 million for the design phase of the University of Hawaii at Manoa Law School expansion and renovation project.

With an average 80% of the student body hailing from our Hawaiian islands, the William S. Richardson School of Law directly provides legal education, access, and public service for all the people of Hawaii. To better serve the local community, a part-time law program has just been authorized to begin next year, expanding these opportunities even further. The Law School also serves as a hub to connect the United States, the South Pacific, Southeast Asia, Asia, and beyond. We play a vital role already, but we could do much more with an expanded, professional, and smart-technology facility.

Funding to commence the design phase at this point is vital. Only with this design funding can the Law School move forward with plans for raising supplemental federal and private funding for the construction phase of this project. As part of the University of Hawaii Biennium Supplemental Budget Request for CIP, the \$7.2 million sought by the Law School is ranked 16 among Manoa campus priorities and 22 on the President's priority list, although it was not included in the Governor's list of Manoa projects in HB2500. We greatly appreciate your support for this important amendment. As Retired Chief Justice Richardson said, "Now we must build for the future." We are committed to honoring his original vision for Hawaii's Law School and to fulfilling his legacy by building excellence for Hawaii's future. Mahalo for your support.

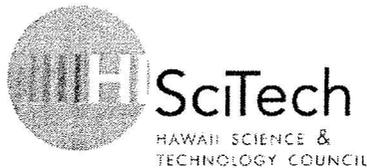
Should you have any questions, please contact Cameron Black at (808) 620-3379 or cblack@hawaii.edu.

Sincerely,

Cameron Black, 3L Class Representative, Building Committee
Kirby Shaw, 2L Class Representative, Building Committee
Kalani Sloat, 2L Class Representative, Building Committee
Kau'i Yamane, 1L Class Representative, Building Committee

Post-It™ brand fax transmittal memo 7671		# of pages
To	Marcus Oshiro	1
Co.	Marilyn Lee	
Dept.	House Com. Fin.	
Ext #	586 6001	
From	Law School	
Co.	Students	
Phone #		
Fax #	9566402	

3/4/08



DATE: February 5, 2008
10:00 AM, Conference Room 308

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Lisa H. Gibson
President
Hawaii Science & Technology Council

RE: Support for Hawaii Small Business Innovation Research Grant Programs.

Aloha Chair, Vice Chair, and Members of the Committee:

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In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies.

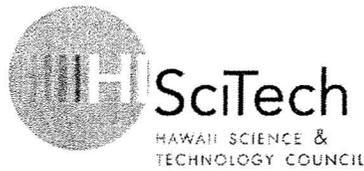
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- Department of Energy
- Department of Education
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- National Science Foundation

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The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

The Hawaii Science & Technology Council supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

The Hawaii Science & Technology Council is a private tax-exempt 501(c)6 industry association with a 28-member board. The council serves Hawaii companies engaged in ocean sciences, agricultural biotechnology, astronomy, defense aerospace, biotech/life sciences, information & communication technology, energy, environmental technologies, and creative media.

Thank you for the opportunity to offer comments in strong support of funding these important programs.

Lisa H. Gibson
President

FINTestimony

From: Bob Hunter [robert.m.hunter@hawaiiantel.net]
Sent: Tuesday, March 04, 2008 10:21 AM
To: FINTestimony
Subject: HB 2500

ROBERT M. HUNTER PLLC

65-1116 HOKU'ULA ROAD. • P.O. BOX 2709 • KAMUELA, HAWAII 96743
PHONE (808) 885-4194 • FAX (808) 885-4114
E-MAIL: bob@webpatent.com. • Web: www.webpatent.com

DATE: March 4, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Robert M. Hunter, Registered Patent Agent

RE: Support for Hawaii Small Business Innovation Research Grant Programs

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies.

To effectively compete, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to research & development (R&D) companies seeking to commercialize their technologies here in Hawaii. Initial funding for research is done through competitive submittals to federal agencies. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development and commercialization.

There are 3-phases of funding:

1. Phase I – Federal grant/contract generally up to \$100,000 to explore the technical merit or feasibility.

2. Phase II – Federal grant/contract generally up to \$750,000 for 2 years to expand Phase I efforts.
3. Phase III – Commercialization of the project (no SBIR funds used in this phase).

There are currently 67 Hawaii companies that have used the SBIR program to successfully fuel the commercialization of their R&D, including Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue Water Farms. Hawaii companies have won research grants from:

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army, Defense Advanced Research Projects Agency)
- Department of Energy
- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
- National Science Foundation

Over the past 18 years these 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

My company supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important

programs.

Aloha,

Robert M. (Bob) Hunter, Ph.D., P.E.
65-1116 Hokuula Rd.
P.O. Box 2709
Kamuela, HI 96743
tel 808-885-4194
fax 808-885-4114
robert.m.hunter@hawaiiantel.net
www.webpatent.com

Written Statement of
YUKA NAGASHIMA
Executive Director & CEO
High Technology Development Corporation
before the
HOUSE COMMITTEE ON FINANCE
Wednesday March 5, 2008
10:00 AM
State Capitol, Conference Room 308

In consideration of
HB 2500 RELATING TO THE STATE BUDGET.

Chair Oshiro, Vice Chair Lee, and Members of the House Committee on Finance.

The High Technology Development Corporation (HTDC) strongly supports the section in HB 2500 which provides funding for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation (BED 143).

HTDC recognizes that research and development (R&D) is the cornerstone of an innovation-based economy and that it is and should be a significant investment by any government focused on diversifying its economy. HTDC also recognizes that the State does not wish to nor can it bear the investment burden alone. HTDC proposes that the State better utilize the funding vehicles available at the federal level. Among the federal programs geared for encouraging small businesses to engage in further R&D with the goal to commercialize, is Small Business Innovation Research (SBIR). A successful program with many supporters nationally as well as for Hawaii, especially after the legislature started to provide more state-level support. The support can be found at two levels, as our budget request reflects:

1. Providing a matching fund for SBIR Phase I winners to increase their chances to obtain Phase II awards which are more significant in value and open up doors for other contracting opportunities with federal agencies; and,
2. Providing education and grant writing support so we will have sufficient number of Hawaii companies entering the federal SBIR pipeline to win the initial Phase I awards.

Over the past 18 years 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget appropriation for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. Below are some of current impacts of this matching grant and assistance program:

- *In the first 14 years of the state program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years.*

- *These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii.*
- *Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years.*
- *These same local companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.*

In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies. There are 3-phases of funding:

1. Phase I – Federal grant/contract generally up to \$100,000 to explore the technical merit or feasibility.
2. Phase II – Federal grant/contract generally up to \$750,000 for 2 years to expand Phase I efforts.
3. Phase III – Commercialization of the project (no SBIR funds used in this phase).

To effectively compete, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to R&D companies seeking to commercialize their technologies here in Hawaii. Initial funding for research is done through competitive submittals to federal agencies. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development and commercialization.

Of the current 67 Hawaii companies that have used the SBIR program to successfully fuel the commercialization of their R&D, including Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue Water Farms, Hawaii companies have won grants from these federal SBIR agencies:

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army, Defense Advanced Research Projects Agency)
- Department of Energy
- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
- National Science Foundation

The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The

smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers.

The state's role is to encourage and facilitate innovation and the growth of Hawaii's high technology industry, these funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to submit testimony in support of HB 2500.

TO : COMMITTEE ON FINANCE
Rep. Marcus R. Oshiro, Chair
Rep. Marilyn B. Lee, Vice Chair

FROM: Eldon L. Wegner, Ph.D.
POLICY ADVISORY BOARD FOR ELDER AFFAIRS (PABEA)

HEARING: 3:30 pm Wednesday, February 20, 2008
Conference Room 308, Hawaii State Capitol

SUBJECT: HB 2500 RELATING TO THE STATE BUDGER

PURPOSE: Amends the General Appropriations Act of 2007.

POSITION: The Policy Advisory Board for Elder Affairs **supports with reservations approval** of HB 2500. We advise that the bill be amended to provide only the minimum \$1 tax refund to taxpayers in order that any surplus revenue be available to address existing state needs.

RATIONALE:

The Policy Board for Elder Affairs has a statutory obligation to advocate on behalf of the senior citizens of Hawaii. While we advise the Executive Office on Aging, we do not speak on behalf of the Executive Office of Aging.

§ The Hawaii State Constitution requires the legislature to provide a refund to taxpayers in years where there is a budget surplus. We advise that the refund provided this year be the minimum of \$1 in view of the slowdown in the growth of the economy and the many existing needs in our state.

§ It is inadvisable to reduce revenue when there are so many existing needs which require funding by the state.

Thank you.

HB 2500

FAX COVER SHEET

TO	House Appropriations Committee
COMPANY	Hawaii Legislature
FAX NUMBER	18005353859
FROM	Scott Weeker
DATE	2008-03-04 03:54:08 GMT
RE	Testimony in Support of HB 2500

COVER MESSAGE

DATE:
Wednesday, March 5, 2008

TIME:
10:00 A.M.

PLACE:
Conference Room 308
State Capitol
415 South Beretania Street

A G E N D A # 1

HB 2500
Status

RECEIVED
 2008 MAR -3 P 6:02
 SERGEANT-AT-ARMS
 HOUSE OF
 REPRESENTATIVES

RELATING TO THE STATE BUDGET.
 Amends the General Appropriations Act of 2007 that appropriates general, general obligation bond, federal, revenue bond, special and other funds for departmental operating and capital improvements budgets.
 FIN



Maui Research & Technology Center | Suite 208, 590 Lipoa Parkway, Kihui, Hawaii 96753
tel 866.561.4823 | cell 808.250.7061 | fax 866.728.9726 | email info@ambient-micro.com

DATE: March 3, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Scott A. Wecker, Ambient Micro

RE: Support for Hawaii Small Business Innovation Research Grant Programs

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

Our company, Ambient Micro is a Maui-based research and development company that is developing micro energy harvesting technologies to power sensors and unmanned systems for Defense and Homeland Security applications. Ambient Micro has directly benefited from this HTDC program. In 2007, with HTDC's HSBIR grant assisted us in winning a Air Force Phase II. This year, HTDC is again helping us on our efforts to secure a second Phase II contract from the Army

Over the past 18 years, 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget

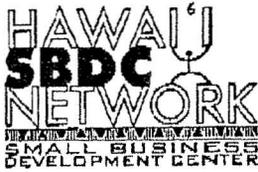
for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

My company supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.

Aloha,

Scott A. Wecker
Ambient Micro
Maui research & Technology Center
590 Lipoa Parkway, Suite 208
Kihei, HI 96753



A Partnership Program between the
University of Hawai'i at Hilo and the
U.S. Small Business Administration

State Administrative Office
Hilo, Hawai'i

East Hawai'i Center
Hilo, Hawai'i

Mau'i Center
Kihei, Hawai'i

Honolulu Center
Honolulu, Hawai'i

Kaua'i Center
Lihu'e, Hawai'i

Hawai'i Business Research Library
Kihei, Hawai'i

DATE: March 3, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chairman
House Committee on Economic Development & Business
Concerns

FROM: Caroline Kim, Director, Honolulu Small Business
Development Center (SBDC)

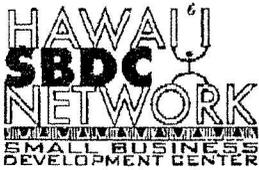
RE: Support for Hawaii Small Business Innovation Research
Grant Programs HB 2500

SBDC, Honolulu is requesting your support for the Hawaii Small
Business Innovation Research (HSBIR) and Hawaii Small Business
Technology Transfer (HSTTR) matching grant programs which are
administered by the High Technology Development Corporation, a state
agency (BED 143).

SBIR, created in 1982, provides small businesses with federal
funding competitions to generate innovative solutions to some of the most
pressing needs faced by our nation. Hawaii companies receiving SBIR
grants have been successful leveraging these funds to create good research,
products and companies.

There are currently 67 Hawaii companies that have used the SBIR
program to successfully fuel the commercialization of their R&D, including
Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean
Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue
Water Farms. Hawaii companies have won research grants from:

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce
(National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army,
Defense Advanced Research Projects Agency)
- Department of Energy
- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health
(National Institute Allergy Infectious Disease, National Cancer Institute,



A Partnership Program between the
University of Hawaii at Hilo and the
U.S. Small Business Administration

State Administrative Office
Hilo, Hawaii

East Hawaii Center
Hilo, Hawaii

Maul Center
Kihui, Hawaii

Honolulu Center
Honolulu, Hawaii

Kauai Center
Lihu'e, Hawaii

Hawaii Business Research Library
Kihui, Hawaii

Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
National Science Foundation

In addition, over the past 18 years these 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

SBDC supports these programs because this program encourages and facilitates innovation and the growth of Hawaii's high technology industry. Funding encourages Hawaii's small businesses to develop commercially viable technologies and innovations. By supporting small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace, the economy of Hawaii grows and the day to day lives of the population benefits from that collaboration.

Thank you for the opportunity to offer comments in strong support of funding these important programs as the SBIR has provided assistance and resources to some of the clients of the SBDC as well.

Sincerely,

Caroline Kim, Director, Honolulu SBDC



IMS, Inc.

46-001 Kamehameha Highway
Suite 301
Kaneohe, HI 96744
Phone: 808-247-0676
Fax: 808-247-6710

DATE: March 3, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

RE: Support for Hawaii Small Business Innovation Research Grant Programs

FROM: Sharon M. Wong, President

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies.

To effectively compete, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to research & development (R&D) companies seeking to commercialize their technologies here in Hawaii. Initial funding for research is done through competitive submittals to federal agencies. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development and commercialization.

There are 3-phases of funding:

1. Phase I - Federal grant/contract generally up to \$100,000 to explore the technical merit or feasibility.
2. Phase II - Federal grant/contract generally up to \$750,000 for 2 years to expand Phase I efforts.
3. Phase III - Commercialization of the project (no SBIR funds used in this phase).

There are currently 67 Hawaii companies that have used the SBIR program to successfully fuel the commercialization of their R&D, including Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue Water Farms. Hawaii companies have won research grants from:

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army, Defense Advanced Research Projects Agency)
- Department of Energy

sage
software
Authorized Partner

- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
- National Science Foundation

Over the past 18 years these 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

My company supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.



Hawaii Aquaculture Association

To: THE HOUSE of REPRESENTATIVES
THE TWENTY-FOURTH LEGISLATURE
REGULAR SESSION OF 2008

COMMITTEE ON FINANCE
Rep. Marcus R. Oshiro, Chair
Rep. Marilyn B. Lee, Vice Chair

From: Ron Weidenbach, President, Hawaii Aquaculture Association
Phone: 429-3147, Email: hawaiiifish@gmail.com

Re:

DATE: Wednesday, March 5, 2008
TIME: 10:00 A.M.
PLACE: Conference Room 308
State Capitol
415 South Beretania Street

A G E N D A # 1

HB 2500
Status

(Email Testimony)

RELATING TO THE STATE BUDGET.
Amends the General Appropriations Act of 2007 that appropriates general, general obligation bond, federal, revenue bond, special and other funds for departmental operating and capital improvements budgets.

Chair Oshiro, Vice Chair Lee, and Committee Members:

The Hawaii Aquaculture Association (HAA) strongly supports the Aquaculture Development Program (ADP) administered by HDOA (Program ID AGR 153), the Sea Grant Aquaculture Extension Program (SGAEP) administered by UH, the Pacific Aquaculture and Coastal Resource Center (PACRC) administered by UH Hilo, and the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs administered by the High Technology Development Corporation (HTDC), a State agency, (Program ID BED 143), included in HB 2500.

ADP is the lead agency for aquaculture development and health management in the State and has overseen the development and growth of the industry from a few small farms in the 1970s to more than 100 farms at

present with combined revenues of greater than \$21M. Great opportunities exist for continued industry growth. Continued and increased support for ADP will greatly facilitate this effort.

SGAEP is a jointly funded State:Federal program supported by ADP and the U.S. Department of Commerce, National Sea Grant Program. This program transfers worldwide aquaculture research and development information and technologies directly to Hawaii's aquaculture farmers enabling them to be more productive and to remain competitive in the face of increasing global competition.

HAA therefore urges increased support of ADP, SGAEP, and PACRC in the combined amount of \$250K, as detailed in HB 935 hd2 **Relating to Agriculture; Statewide Technical Extension for Aquaculture** (\$100K to pay for increased costs of statewide technical assistance to the aquaculture industry through the SGAEP), HB1615 hd1 sd1 **Relating to the Development of a Shellfish Aquaculture Industry & Opihi Restoration** (\$75K to PACRC for feasibility study of developing shellfish industry in Hawaii, amended to include opihi restoration program and budget), and HB1616 hd1 **Relating to Aquaculture** (\$75k to ADP or PACRC for a primary aquatic quarantine feasibility study).

In 1982, the U.S. Congress created the Small Business Innovative Research (SBIR) program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. Hawaii companies receiving SBIR grants, many of which have been aquaculture companies, have been successful in leveraging these funds to generate good research, products and more successful businesses.

To help local companies effectively compete in this national competition, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to research & development (R&D) companies seeking to commercialize their technologies here in Hawaii. However, the Hawaii SBIR Program has operated on a fixed budget for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating. Increased funding is clearly warranted.

HAA strongly supports all of the above programs because they will encourage and facilitate innovation and the growth of Hawaii's aquaculture and high technology industries. These additional funds will encourage Hawaii's aquaculture and technology businesses to develop commercially viable products, technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace, thereby enhancing Hawaii's economy.

Thank you for the opportunity to offer comments in strong support of increased funding these important programs.

TECHNICAL RESEARCH ASSOCIATES, INC.

2800 Woodlawn Dr. Suite 149
Honolulu, HI 96822

808 926 7179

DATE: 3/3/2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Dr. Edwin M. Winter, Vice President and Research Director

RE: Support for Hawaii Small Business Innovation Research Grant Programs

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

Background:

In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies.

To effectively compete, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to research & development (R&D) companies seeking to commercialize their technologies here in Hawaii. Initial funding for research is done through competitive submittals to federal agencies. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development and commercialization.

There are 3-phases of funding:

1. Phase I – Federal grant/contract generally up to \$100,000 to explore the technical merit or feasibility.
2. Phase II – Federal grant/contract generally up to \$750,000 for 2 years to expand Phase I efforts.
3. Phase III – Commercialization of the project (no SBIR funds used in this phase).

Our Specific Experience:

The reason we support the HSBIR grant program is from our own experience. Technical Research Associates, Inc. is a small business with approximately six employees that supports government and commercial companies in the development of software for

electro-optical sensors. We incorporated in Hawaii in 2005 and moved our office to Hawaii from California in early 2006 after many years of working with the University of Hawaii and local companies. As a frequent visitor, I was very impressed with the favorable business climate for high technology companies here. In 2006 after our relocation, we were awarded the first Department of Energy SBIR ever given to a Hawaii company. HTDC awarded us an SBIR grant in support of the DOE remote sensing program. We used that grant specifically to enhance our technical capability in preparation for submission of a successful Phase II proposal in April 07. The competition among small businesses for SBIR funds within the Department of Energy program is intense, and we applied our grant money specifically to not only "level the playing field" but also to put a slight slope in our favor. For example, one use of the funds was to visit a DOE National Lab to make the necessary contacts and present our approach to building a new software system for their remote sensing activities. We were able to point out in our Phase II proposal that we were awarded a State of Hawaii grant and that it was used to shore up specific areas in our technical approach. We won the Phase II grant in September 07 and are proceeding to build a software system for full spectrum analysis of satellite and aircraft acquired remotely sensed data.

Supporting Information:

There are currently 67 Hawaii companies that have used the SBIR program to successfully fuel the commercialization of their R&D, including Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue Water Farms. Hawaii companies have won research grants from:

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
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- Department of Energy
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- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
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Over the past 18 years these 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR

assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

My company supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.

HB2500, Page 1 of 4

**Testimony before the House Committee on Finance
on
HB2500: Relating to the State Budget**

March 5, 2008

by

**Thomas Bingham
Interim Dean, College of Arts & Humanities
University of Hawai'i at Mānoa**

**THE CASE COMPLETE DESIGN FUNDING
FOR THE PERFORMING ARTS FACILITY
AND PARKING**

INTRODUCTION

We request funding (\$3.6 million) to complete the design for the Performing Arts Facility (Kennedy Theatre).

THE REQUEST:

Planning for the building (including parking) began as long ago as 1986. It is included in the 1987 UH Manoa Long Range Development Plan and in all subsequent versions. This budget item has been approved by the Mānoa campus and the UH Board of Regents.

In previous years the Legislature and Governor granted \$1 million for planning and \$2 million to begin the design work. Architect John Hara completed the planning in 2004. The firm of Kober Hanssen Mitchell Architects has begun the design work.

THE NEED:

- Accreditation was denied by the National Association of Schools of Theatre and the National Association of Schools of Dance because of the substandard facilities. (see Additional Information)
- Kennedy Theatre was designed by famous architect I. M. Pei in 1962. Originally constructed as the performance space for the East-West Center, it is a beautiful and unique theatre built for Western and Asian Productions but **has no classrooms or storage space for costumes.**
- Classes and rehearsals take place in bathrooms, on the open lanai, in dressing rooms, in two "temporary" buildings in the quarry, and the music building. The recent fire at the College of Education destroyed borrowed rehearsal space in the UH Laboratory School. The lab theatre and mainstage cannot be used simultaneously because of the lack of soundproofing. As a result of inadequate storage areas, thousands of dollars worth of costumes are lost each year due to mold and mildew.
- Forty nine classes, 760 students, 18 full time faculty; 3 technical staff, 10 lecturers, 14 graduate assistants, and 2 civil service employees use Kennedy Theatre every semester.
- Annual productions include 5 mainstage, 12 lab, and 4 late-night productions, plus many additional one-act class plays in the Lab Theatre—all of which are open to the public.

HB2500, Page 2 of 4

- Dance faculty and the primary dance classroom space are in the Temporary Dance Building (TDB), located between two noisy and busy athletic facilities—Cooke Field and the softball stadium. Dance classes are disrupted on a regular basis by noise from these adjacent facilities.
- The UHM 1987 Long Range Development Plan calls for parking to be concentrated on the outskirts of the campus. A multi-level parking structure blended with the Performing Arts Facility will provide approximately 480 spaces—more than compensating for the 126 spaces lost to the new facility and contributing to the parking goals of the LRDP. The Kennedy Theatre site is designated as the first of the new structures to be built.

THE BUILDING:

- 8,000 square feet medium capacity (300 seats) multi-purpose theatre which can be used concurrently with the mainstage.
- Studio training and rehearsal space for the internationally acclaimed Japanese, Chinese and Southeast Asian theatre.
- Studios for Asian dance, ballet and modern dance.
- Production and costume storage space.
- Design studios for Computer Assisted Design (CAD).
- Faculty and staff offices.

Total square feet: 66,700 (Performing Arts Facility) plus the parking structure

PARKING

ESTIMATED PROJECT COST

- Since the parking structure will be revenue-producing, we hope to fund that part of the construction with revenue bonds.
- The Asian Theatre program in particular enjoys significant community support. The new facility has several rooms that lend themselves to donor opportunities.
- Total estimated cost = \$60,000,000 (including parking)

VALUE TO THE CAMPUS AND THE COMMUNITY:

Kennedy Theatre is a major venue for theatre and dance in Hawaii and the most prominent academic interface between the community and UHM. With over 22,000 attending 21 productions annually, Kennedy Theatre is second only to Stan Sherif Arena for UHM destinations.

The Asian Theatre Program continues its tradition of preserving the theatre and dance traditions of many of Hawai'i's people. Japanese students began performing Kabuki at the University in 1924 and the expanded Asian theatre program now provides residents and students a unique opportunity to experience the cultural heritage from much of Asia. In the face of daunting obstacles, the Asian Theatre Program is recognized as the finest of its kind in the world. It has the largest number and range of Asian theatre offerings in the country, providing an integrated educational and performance opportunity. Throughout

HB2500, Page 3 of 4

the years the three full time Asian theatre faculty and their students have given world premieres of English language productions of Chinese, Indian, Indonesian, Japanese, Malaysian, and Thai dramas. They have performed in Kennedy Center in Washington, D.C., the People's Republic of China and Japan.

The Western Theatre Program stages classical western theatre productions, including Elizabethan and Greek theatre works, and contemporary plays that otherwise would never be staged in Hawai'i.

The Youth Theatre Program provides performances for approximately 6,000 school children annually. This is a unique cultural exposure for many of the children who otherwise would not experience live theatre.

The Dance Program is recognized for its comprehensive offerings including several forms of Asian dance. Student dancers are regularly recognized with 'Outstanding Performance Awards' at regional and national American college dance festivals. The national program, Artsbridge Student Scholars, gives UHM students the opportunity to work with K-12 teachers and students to provide arts-infused educational experiences throughout the state.

Theatre and Dance companies spawned by the Department as a parent organization or training ground include HPAC (the original Manoa Valley Theatre), Ohia Productions (promoters of the plays by Lisa Matsumoto), Kumu Kahua Theatre, Monkey and the Waterfall, and Iona Dance Theatre.

Theatre and Dance continues its outreach to the community this year with Page to Stage, a program that provides curricular material and interactive opportunities for teachers and school students, and Kyogen—On the Go!, which takes portions of the Spring program into the community and to the Neighbor Islands.

ADDITIONAL INFORMATION

In 1986 the then Department of Theatre attempted to gain accreditation by the National Association of Schools of Theatre. The visitation team commended the department for: the strength of its faculty; its leadership; the uniqueness of the program (successful combination of study and practice of Asian Theatre); The number one weakness cited was the teaching facilities.

The other issues cited as weaknesses were soon addressed. To this day the only obstacle to accreditation is the lack of teaching facilities.

Excerpts from 1986 visitation team report:

- "The production/performance facilities are excellent. The JFK Theatre, auditorium and stage, are most impressive and readily lend themselves to the presentations of this unique department with its blend of East-West theatre presentations. ... Storage areas are abysmal. The department possesses perhaps the most outstanding collection of Asian theatre costumes in the nation, but they are stored in a hazardous area with no temperature control and are susceptible to an inordinate amount of dust which has a potential for infestations."
- "Classes are held in the theatre lobby, hallways, restrooms, dressing rooms and wherever else there is a space not currently occupied. There are NO rehearsal spaces, except the out-of-door. The teaching facilities, which are supposed to serve the primary purpose of the

HB2500, Page 4 of 4

department, are abominable. The laboratory spaces are in need of better air circulation. In addition, they represent a true and immediate hazard to the health and safety of all who occupy them.”

- “Teaching Facilities - It is truly amazing that such a fine program is housed in such a deplorable facility. The Kennedy Theatre is excellent for the presentation of the production program. It’s stage, house and lobby, are most attractive and effective. There are really no classrooms, per se, in the building. Rooms are used for classes, but all of them present severe health or safety problems due to poor ventilation or very limited egress and exits. Faculty offices require special knowledge or a guide to find as they are tucked away in every conceivably usable space. Storage facilities are overused and hazardous. The absolutely unique and unquestionably invaluable collection of Asian theatre costumes is so poorly stored that the costumes are fast becoming an endangered species.”

Representative Marcus Oshiro and members of the House Committee on Finance:

This testimony is in support of the University of Hawaii's \$3.6M request for monies for the completion of the design of the UHM Performing Arts Facility. This facility has been though about and partially and almost completely designed several times over the past 30-plus years, but has never been completed, leaving the department of Theatre and Dance scattered across the UHM campus and unable to function as effectively as it should. Indeed, the lack of adequate facilities has detrimentally affected the ability of the department to serve its students and the broader student body at UHM.

The department of Theatre and Dance serves a vital role both at the University as well as in the larger community. This department is one of the few in the nation that investigates and performs Asian-based theatre, bringing a deeper understanding of the cultures surrounding our island state both to the student participants as well as the student and community audiences that come to watch our shows. As well, our children's and western theatre programs provide a number of countless opportunities for arts enrichment, as well as investigate, through or productions the social conditions of the past and the present. In addition to these programs, the Dance program within the department does almost the same thing with dance, providing University students the opportunity to learn dances from around the pacific basin while simultaneously providing a high-quality western dance education. Both of these programs have been deteriorating over the years as the facilities have been under maintained and have not expanded with the increasing student body.

Currently the Department of Theatre and Dance is housed in Kennedy Theatre and two portable buildings on lower campus that have been part of the program for the past 40 years or so. While the Kennedy Theatre is a remarkable theatre, it was originally designed and constructed under the aegis of the East-West center as a place to produce shows on tour, not as a facility to house an educational department of a university. There are no classrooms within Kennedy Theatre, excepting the bathrooms and converted offices, so classes are held on stage and in the bathrooms and lobby of the building, which is less than ideal. The dance program, which finds itself relegated to lower campus, far away from the theatre program, is housed in the inappropriately named 40 year old Temporary dance building, which is falling apart and is located in the foul-ball zone next to the marching band practice field. This is a less than ideal situation for students, especially since we have had the unpleasant experiences of having softballs come flying through classes and our classes being interrupted by daytime sporting events and practices. In addition, Kennedy Theatre is the venue of choice for much of the University of Hawaii System administration's large events, which, due to the configuration of the building results in the cancellation of classes on days where events like the System Convocation or the Chancellor's Inauguration occur.

On top of all of this, there is the fact that the lack of appropriate facilities has meant that the department of theatre and dance has been unable to be accredited by the National Association of Schools for Theatre and the National Association of Schools for Dance. Both organizations maintain good relationships with this department and have said more than once that the only reason they cannot accredit us is our substandard facilities. This lack of accreditation means that for the students go through these programs, our degrees are worth less than they should be, while for students for programs to attend will be less inclined to consider us.

The continued lack of adequate facilities shows itself in the inability of the department to attract and retain high-quality students and faculty. Many of the best students have come here for a year, gotten fed up with the lack of space to grow, and have moved on to other programs in the nation. As far as the faculty goes, there have been a few positions that keep getting filled for a year or two before the new hire decides to move on. In addition, a large majority of the faculty here is planning to retire within the next 10 years, making it crucial for the department to be able to attract high-quality replacements, or suffer a decline in its offerings.

The new facility would allow the department to be housed in a single location, which would be conveniently near other departments which have interests in cross-discipline activities, and would allow the students taking classes within theatre and dance to have more exposure to each other, creating a single, well-rounded department that would be better able to represent the university and serve the community.

For the students within the department of Theater and Dance, and all of those we touch through our productions and outreach activities, which the new facility would allow a great expansion of, please support the design and construction of the UHM Performing Arts Facility.

Sincerely,

Daniel Sakimura
Undergraduate Theatre and Dance Major

DATE: March 4, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Mike Fitzgerald, President & CEO

RE: Support for HB 2500
Hawaii Small Business Innovation Research Grant Programs

We support and request your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies.

To effectively compete, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to research & development (R&D) companies seeking to commercialize their technologies here in Hawaii. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development, testing and commercialization.

There are 3-phases of funding:

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ENTERPRISE
HONOLULU

737 Bishop Street, Suite 2040, Honolulu, Hawaii 96813 • 808-521-3611
Fax: 808-536-2281 • www.EnterpriseHonolulu.com

THE BUSINESS CLIMATE OF PARADISE

67 Hawaii companies have used the SBIR program to successfully fuel the commercialization of their R&D, including Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue Water Farms. Hawaii companies have won research grants from:

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
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- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
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The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers.

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Enterprise Honolulu supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in **strong support** of funding these important programs.

Sincerely,

A handwritten signature in black ink that reads "Mike Fitzgerald". The signature is written in a cursive style with a long, sweeping underline.

Mike Fitzgerald
President, CEO
Enterprise Honolulu

**Kite For Sail LLC.
Maui, Hawaii
P. O Box 791266
Paia, Hawaii 96779
www.kiteforsail.com**

DATE: 3/3/08

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Dan Tracy Kite For Sail LLC. manager

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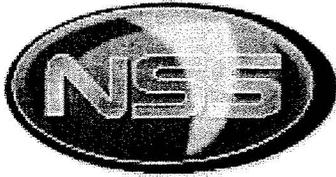
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Sincerely
Dan Tracy



North Star Scientific

C O R P O R A T I O N

DATE: March 3, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Daniel Plaskett, JD, CPA, General Counsel, North Star Scientific Corporation

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My company supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. We also support it because we were recipients of an HSBIR grant ourselves. We are currently involved in a Phase II SBIR grant and hope to successfully transition to full commercial production. The availability of the HSBIR grant enabled us to "get over the hump" so to speak in our Phase I program. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions,

universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.

Sincerely,

Wm. Daniel Plaskett

TECHNICAL RESEARCH ASSOCIATES, INC.

2800 Woodlawn Dr. Suite 149
Honolulu, HI 96822

808 926 7179

DATE: 3/3/2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

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House Committee on Economic Development & Business Concerns

FROM: Dr. Edwin M. Winter, Vice President and Research Director

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We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

Background:

In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies.

To effectively compete, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to research & development (R&D) companies seeking to commercialize their technologies here in Hawaii. Initial funding for research is done through competitive submittals to federal agencies. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development and commercialization.

There are 3-phases of funding:

1. Phase I – Federal grant/contract generally up to \$100,000 to explore the technical merit or feasibility.
2. Phase II – Federal grant/contract generally up to \$750,000 for 2 years to expand Phase I efforts.
3. Phase III – Commercialization of the project (no SBIR funds used in this phase).

Our Specific Experience:

The reason we support the HSBIR grant program is from our own experience. Technical Research Associates, Inc. is a small business with approximately six employees that supports government and commercial companies in the development of software for

electro-optical sensors. We incorporated in Hawaii in 2005 and moved our office to Hawaii from California in early 2006 after many years of working with the University of Hawaii and local companies. As a frequent visitor, I was very impressed with the favorable business climate for high technology companies here. In 2006 after our relocation, we were awarded the first Department of Energy SBIR ever given to a Hawaii company. HTDC awarded us an SBIR grant in support of the DOE remote sensing program. We used that grant specifically to enhance our technical capability in preparation for submission of a successful Phase II proposal in April 07. The competition among small businesses for SBIR funds within the Department of Energy program is intense, and we applied our grant money specifically to not only "level the playing field" but also to put a slight slope in our favor. For example, one use of the funds was to visit a DOE National Lab to make the necessary contacts and present our approach to building a new software system for their remote sensing activities. We were able to point out in our Phase II proposal that we were awarded a State of Hawaii grant and that it was used to shore up specific areas in our technical approach. We won the Phase II grant in September 07 and are proceeding to build a software system for full spectrum analysis of satellite and aircraft acquired remotely sensed data.

Supporting Information:

There are currently 67 Hawaii companies that have used the SBIR program to successfully fuel the commercialization of their R&D, including Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue Water Farms. Hawaii companies have won research grants from:

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army, Defense Advanced Research Projects Agency)
- Department of Energy
- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
- National Science Foundation

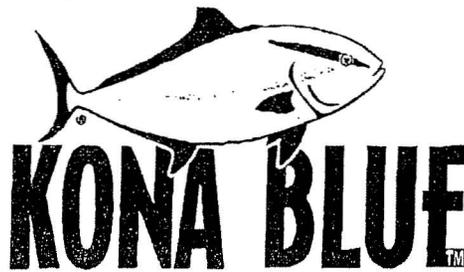
Over the past 18 years these 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR

assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

My company supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.



Kona Blue Water Farms

DATE: March 3, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Neil Anthony Sims, President and Co-Founder

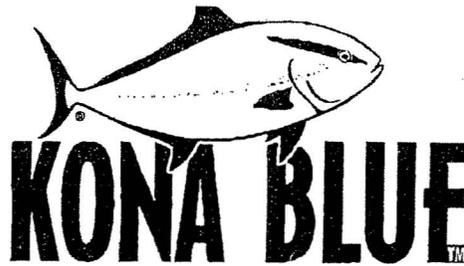
RE: Written Testimony Supporting Hawaii Small Business Innovation
Research Grant Programs Hearing on March 5, 2008, Agenda #1, HB2500
Relating to the State Budget

Kona Blue Water Farms is requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

Our company has bootstrapped itself from a fledgling start-up at NELHA, in Kona, to our current position where we anticipate harvesting around 750 tons of sashimi-grade Kona Kampachi® this year. We employ over 45 professional staff, in a range of roles, and currently have three Phase II SBIR grants under consideration from USDA, NOAA, and NSF. The HTDC matching funds are a critical element in converting our Phase I awards into successful Phase II grants, and then converting this research into innovative, productive commercial applications. Without this crucial support, our company may never have been able to succeed in the way that we have.

We are grateful for your continued support for this program, and for HTDC's ongoing mission. They are truly an integral part of innovative entrepreneurship in this state.

The HSBIR program is critical to research & development (R&D) companies, such as ours, that seek to commercialize their technologies here in Hawaii. Initial funding for research is done through competitive submittals to federal agencies. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development and commercialization.



Kona Blue Water Farms

Over the past 18 years these 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

The smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

Kona Blue Water Farms supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.

Sincerely,

Neil Anthony Sims
President, Co-Founder

GENERAL DYNAMICS

Advanced Information Systems

DATE: March 4, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Tom Cooper, Senior Manager Business Operations

RE: Support for Hawaii Small Business Innovation Research Grant Programs

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies.

To effectively compete, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to research & development (R&D) companies seeking to commercialize their technologies here in Hawaii. Initial funding for research is done through competitive submittals to federal agencies. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development and commercialization.

There are 3-phases of funding:

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3. Phase III – Commercialization of the project (no SBIR funds used in this phase).

There are currently 67 Hawaii companies that have used the SBIR program to successfully fuel the commercialization of their R&D, including Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue Water Farms. Hawaii companies have won research grants from:

9555 Kaunualii Hwy, Suite #105, P. O. Box 1177
Waimea, Hawaii 96796

Tel: 808 338 1644
Fax: 808 338 0841

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army, Defense Advanced Research Projects Agency)
- Department of Energy
- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
- National Science Foundation

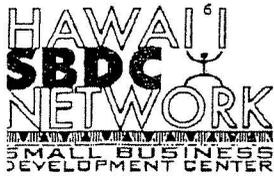
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The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

My company supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.





A Partnership Program between the University of Hawaii at Hilo and the U.S. Small Business Administration

State Administrative Office
Hilo, Hawaii

East Hawaii Center
Hilo, Hawaii

Mauai Center
Haleiwa, Hawaii

Kona Center
Kona, Hawaii

Molokai Center
Maunaloa, Hawaii

Hawaii Business Research Library
Honolulu, Hawaii

DATE: March 4, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business

Concerns

FROM: Constance Cate, East Hawaii Center Director *Constance Cate*

RE: Support for Hawaii Small Business Innovation Research
Grant Programs

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

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- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army, Defense Advanced Research Projects Agency)
- Department of Energy
- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
- National Science Foundation

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My organization supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.



**William S. Richardson School of Law
Alumni Association**

March 4, 2008

Attn: House Committee on Finance
Hearing Date: Wednesday, March 5, 2008
Time: 10:00 a.m.

**Request for Amendment to HB 2500 to Include Design Funds for Law School
Expansion**

Dear Chair Oshiro, Vice-Chair Lee, and Members of the House Committee on Finance:

I am writing on behalf of the more than 2,300 alumni of the University of Hawai'i's William S. Richardson School of Law to urge your support for the Law School's Building Excellence Project ("Project"). Richardson Law School Alumni work in Hawai'i's legal, policy, public interest, and business sectors. We are advocates, judges, volunteers, newsmakers, teachers, and neighbors. We are from and live on every major island of the State, and in every community. We are very proud of our *alma mater*, which has not only fulfilled its mission to serve Hawai'i's people, but also has built bridges between Hawai'i's people and those of China, Japan, Korea, Guam, Saipan, the Federated States of Micronesia, and American Samoa. With the introduction of an International LL.M. program four years ago, the Law School is now touching the lives of attorneys and leaders in such diverse places as Azerbaijan, the Sudan, Germany, and Japan.

When the Law School buildings were completed in the early 1980s (a classroom building and a law library), nobody could have foreseen the dynamic growth and leadership of the Law School, its programs, and its faculty and staff, or the dramatic paradigm shift in legal research from paper to electronically-based research. The Law School currently has numerous clinics and programs directly serving Hawai'i's people, which did not even exist when the buildings opened, including the Elder Law Clinic, the Environmental Law Program (ranked among the top such programs in the nation), the Hawai'i Procurement Institute, the Institute of Asian-Pacific Business Law, and the newly-instituted Hawai'i Innocence Project. The Law School has tapped federal and State resources for additional programs such as the Center of Excellence in Native Hawaiian Law, and a program that partners with the Department of Human Services and the Hawai'i Family Courts. Finally, the Law School's *pro bono* program provides innumerable hours of legal services to our neediest citizens through free services provided by law students.

In order to meet the Law School's mandate to provide an opportunity for a high-quality legal education to all of Hawai'i's people, the School has announced [plans to offer an] a new evening school curriculum to serve talented students who, due to family and work obligations, cannot attend regular daytime classes. Although the new part-time program will pay for itself and initially will use facilities that are currently underutilized at night, additional faculty and support staff will be necessary for the program to succeed.

Because of the expansion of the Richardson Law School that has been necessary to fulfill its mandate to serve the people of Hawai'i and the Pacific, the Law School now is bursting at the seams. The current library staff is making due in extremely cramped quarters, the 23-member tenure track faculty is struggling to find room in space designed for 13, and the multiple outreach programs such as those described above are being shoehorned in already cramped quarters, with illogical and inconvenient access ways for the public clients served by the programs.

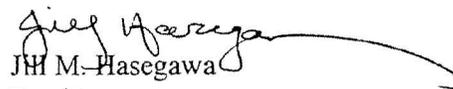
We therefore strongly support the Law School's Building Excellence Project. In addition, we are very pleased that the School has already done much of the planning needed to be a model of sustainability for the University of Hawai'i at Mānoa and for the entire State of Hawai'i.

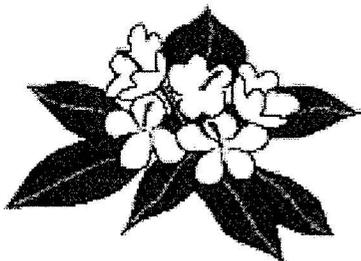
As part of the University of Hawai'i 2007-09 Biennium Supplemental Budget Request for CIP, the Richardson School of Law seeks \$7.2 million for the next step, which is project design. The Project is not currently included in the draft budget submitted to the legislature by the Governor, but was included in last year's biennium budget, and needs to be added to the Legislature's list of priority projects for final approval this year if the Project is to move forward. The Law School is poised to raise funds for the Project from federal, foundation, and private sources, but design plans are a necessary next step to doing so.

The Richardson School of Law is *Hawai'i's Law School*. It is one of the units of the University of Hawai'i of which the State can be justifiably extremely proud. The School is not simply a group of buildings, but is a place where justice is taught and modeled and where access to justice is provided for some of the most vulnerable of our society. The modernization of the School for the 21st century would be a fitting tribute to the legacy of our namesake, Chief Justice (retired) William S. Richardson, whose career was and continues to be committed to justice for all.

Please support inclusion of adequate planning funds in HB 2500 (scheduled for decking on March 10) for the Law School's Building Excellence Project.

Sincerely,


JHI M. Hasegawa
President
William S. Richardson School of Law
Alumni Association



S E A C
Special Education Advisory Council
919 Ala Moana Blvd., Room 101
Honolulu, HI 96814
Phone: 586-8126 Fax: 586-8129
email: spin@doh.hawaii.gov

March 5, 2008

**Special Education
Advisory Council**

Ms. Ivalee Sinclair, *Chair*
Mr. Steve Laracuente, *Vice
Chair*

Ms. Janet Bamford
Dr. Paul Ban, *Liaison
to the Superintendent*
Ms. Sue Brown
Ms. Deborah Cheeseman
Ms. Phyllis DeKok
Mr. Lee Dean
Ms. Mary Ellis
Ms. Debra Farmer
Ms. Gabriele Finn
Ms. Martha Guinan
Mr. Henry Hashimoto
Ms. Tami Ho
Ms. Barbara Ioli
Ms. Valerie Johnson
Ms. Shanelle Lum
Ms. Rachel Matsunobu
Ms. June Motokawa
Ms. Barbara Pretty
Ms. Susan Rocco, *Ex-officio*
Dr. Patricia Sheehey
Mr. August Suehiro
Ms. Jan Tateishi, *Ex-officio*
Ms. Judy Tonda
Dr. John Viesselman
Ms. Cari White
Ms. Jasmine Williams
Mr. Duane Yee
Mr. Wilfred Young

Mr. Marcus R. Oshiro, Chair
House Finance Committee
Hawaii State Capitol, Room 306
Honolulu, HI 96813

RE: HB 2500 – Relating to the State Budget

Dear Chair Oshiro and Members of the Finance Committee:

The Special Education Advisory Council is Hawaii's State Advisory Panel under the Individuals with Disabilities Education Act (IDEA). We represent a diverse group of stakeholders including parents, persons with disabilities, educators, program administrators and community members. Our mandate is to advise the Department of Education regarding the education of all eligible children with disabilities.

The Council takes a proactive role at the Legislature in supporting those portions of the Department of Education's Operating Budget Request that relate to the delivery of special education services, as well as general education budget items that impact students with disabilities. We ask that your Committee consider restoring the following funds from DOE's FY 09 Supplemental Budget Request that were not supported in the Governor's FY 09 budget:

<u>Program ID</u>	<u>Description</u>	<u>Amount</u>
EDN100 AA	Increased personnel to reduce class size for grade 3	\$14,085,030.00
EDN100 AA	Funds to increase WSF weight for transient/mobile students	\$ 1,594,788.00
EDN150 YK	Additional funds for School Health Aide substitutes	\$ 180,925.00
EDN150 FA, FB, SA & YE	Funds for repricing and career ladder for E.A.s	\$ 4,287,489.00



Chair Oshiro, HB 2500 Testimony
March 5, 2008
Page 2

Our advocacy for these budgeted items is based on our collective experiences on the Council which have shown that:

1) Small class sizes are more conducive to including students with disabilities in the general curriculum and in individualizing instruction;

2) Many students who are highly mobile due to frequent family moves necessitated by the search for affordable housing or other economic factors are at high risk for learning and/or emotional disabilities. Accordingly, they may need greater supports at school to help them succeed;

3) A number of students with disabilities have health related needs (for medication or emergency contingency plans) that require interaction with a School Health Aide; and

4) Educational Assistants play an integral role in delivering specially designed instruction and other supports to students with disabilities. Financial incentives based on job experience and training help retain qualified EAs and provide greater consistency to students with disabilities.

Thank you for the opportunity to express our support for these budget items.

Respectfully yours,

Ivalee Sinclair
Chair



COMMUNITY CHILDREN'S COUNCIL OFFICE

1177 Alakea Street · B-100 · Honolulu · HI · 96813

TEL: (808) 586-5363 · TOLL FREE: 1-800-437-8641 · FAX: (808) 586-5366

March 4, 2008

The Honorable Marcus Oshiro (Chair) and the Honorable Marilyn Lee (Vice Chair)
Finance (FIN)

RE: HB 2500; Relating to the State Budget

Representative Oshiro and Representative Lee and members of the committee:

The 17 Community Children's of Hawaii support the following Department of Education FY 2008-2009 Supplemental Budget Requests.

General Funds

- Student Achievement – EDN 100; Categorical funds for middle schools to apply for grants to assist with math.
- Student Achievement – EDN 100; Increase for Non-School Hour Programs.
- Student Achievement – EDN 100; Increase for reducing class size in grade 3, increasing weight for pre-k students and/or additional funds for gifted and talented programs.
- Student Achievement – EDN 100; Funds to increase WSF weight for transiency/mobility.
- Student Achievement – EDN 200; Homeless Concerns RTs for the islands of Hawaii and Maui. An additional 200+ students have been identified since last SY.
- Compliance – EDN 300; Positions and funds for the repricing and career ladder for Educational Assistants.
- Compliance – EDN 150; Position counts for employee-based autism services.
- Compliance – EDN 300; Shortfalls in recruitment and retention bonuses/incentives to recruit and retain highly qualified teachers, administrators, and staff in geographically hard-to-fill or position shortage areas.
- Compliance – EDN 300; Provide funding for contracts with recruitment firms to recruit and retain highly qualified teachers, administrators, and staff in geographically hard-to-fill or position shortage areas.

The only concern under Department of Education FY 2008 – 2009 CIP Supplemental Budget; repairing and improving the schools is that the re-wiring of older schools is able to accommodate the modern technology.

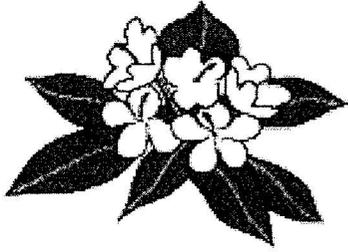
We will be happy to answer any questions that you may have. Thank you for this opportunity to address HB 2500.

Sincerely,

Charlotte Kamauoha, Parent Co-Chair

Tom Smith, Professional Co-Chair

Signatures on file



S E A C
Special Education Advisory Council
919 Ala Moana Blvd., Room 101
Honolulu, HI 96814
Phone: 586-8126 Fax: 586-8129
email: spin@doh.hawaii.gov

March 5, 2008

**Special Education
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Mr. Henry Hashimoto
Ms. Tami Ho
Ms. Barbara Ioli
Ms. Valerie Johnson
Ms. Shanelle Lum
Ms. Rachel Matsunobu
Ms. June Motokawa
Ms. Barbara Pretty
Ms. Susan Rocco, *Ex-officio*
Dr. Patricia Sheehy
Mr. August Suehiro
Ms. Jan Tateishi, *Ex-officio*
Ms. Judy Tonda
Dr. John Viesselman
Ms. Cari White
Ms. Jasmine Williams
Mr. Duane Yee
Mr. Wilfred Young

Mr. Marcus R. Oshiro, Chair
House Finance Committee
Hawaii State Capitol, Room 306
Honolulu, HI 96813

RE: HB 2500 – Relating to the State Budget

Dear Chair Oshiro and Members of the Finance Committee:

The Special Education Advisory Council is Hawaii's State Advisory Panel under the Individuals with Disabilities Education Act (IDEA). We represent a diverse group of stakeholders including parents, persons with disabilities, educators, program administrators and community members. Our mandate is to advise the Department of Education regarding the education of all eligible children with disabilities.

The Council takes a proactive role at the Legislature in supporting those portions of the Department of Education's Operating Budget Request that relate to the delivery of special education services, as well as general education budget items that impact students with disabilities. We ask that your Committee consider restoring the following funds from DOE's FY 09 Supplemental Budget Request that were not supported in the Governor's FY 09 budget:

<u>Program ID</u>	<u>Description</u>	<u>Amount</u>
EDN100 AA	Increased personnel to reduce class size for grade 3	\$14,085,030.00
EDN100 AA	Funds to increase WSF weight for transient/mobile students	\$ 1,594,788.00
EDN150 YK	Additional funds for School Health Aide substitutes	\$ 180,925.00
EDN150 FA, FB, SA & YE	Funds for repricing and career ladder for E.A.s	\$ 4,287,489.00

Mandated by the Individuals with Disabilities Education Act



Chair Oshiro, HB 2500 Testimony

March 5, 2008

Page 2

Our advocacy for these budgeted items is based on our collective experiences on the Council which have shown that:

1) Small class sizes are more conducive to including students with disabilities in the general curriculum and in individualizing instruction;

2) Many students who are highly mobile due to frequent family moves necessitated by the search for affordable housing or other economic factors are at high risk for learning and/or emotional disabilities. Accordingly, they may need greater supports at school to help them succeed;

3) A number of students with disabilities have health related needs (for medication or emergency contingency plans) that require interaction with a School Health Aide; and

4) Educational Assistants play an integral role in delivering specially designed instruction and other supports to students with disabilities. Financial incentives based on job experience and training help retain qualified EAs and provide greater consistency to students with disabilities.

Thank you for the opportunity to express our support for these budget items.

Respectfully yours,

Ivalce Sinclair

Chair



**William S. Richardson School of Law
Alumni Association**

March 4, 2008

Attn: House Committee on Finance
Hearing Date: Wednesday, March 5, 2008
Time: 10:00 a.m.

**Request for Amendment to HB 2500 to Include Design Funds for Law School
Expansion**

Dear Chair Oshiro, Vice-Chair Lee, and Members of the House Committee on Finance:

I am writing on behalf of the more than 2,300 alumni of the University of Hawai'i's William S. Richardson School of Law to urge your support for the Law School's Building Excellence Project ("Project"). Richardson Law School Alumni work in Hawai'i's legal, policy, public interest, and business sectors. We are advocates, judges, volunteers, newsmakers, teachers, and neighbors. We are from and live on every major island of the State, and in every community. We are very proud of our *alma mater*, which has not only fulfilled its mission to serve Hawai'i's people, but also has built bridges between Hawai'i's people and those of China, Japan, Korea, Guam, Saipan, the Federated States of Micronesia, and American Samoa. With the introduction of an International LL.M. program four years ago, the Law School is now touching the lives of attorneys and leaders in such diverse places as Azerbaijan, the Sudan, Germany, and Japan.

When the Law School buildings were completed in the early 1980s (a classroom building and a law library), nobody could have foreseen the dynamic growth and leadership of the Law School, its programs, and its faculty and staff, or the dramatic paradigm shift in legal research from paper to electronically-based research. The Law School currently has numerous clinics and programs directly serving Hawai'i's people, which did not even exist when the buildings opened, including the Elder Law Clinic, the Environmental Law Program (ranked among the top such programs in the nation), the Hawai'i Procurement Institute, the Institute of Asian-Pacific Business Law, and the newly-instituted Hawai'i Innocence Project. The Law School has tapped federal and State resources for additional programs such as the Center of Excellence in Native Hawaiian Law, and a program that partners with the Department of Human Services and the Hawai'i Family Courts. Finally, the Law School's *pro bono* program provides innumerable hours of legal services to our neediest citizens through free services provided by law students.

In order to meet the Law School's mandate to provide an opportunity for a high-quality legal education to all of Hawai'i's people, the School has announced [plans to offer an] a new evening school curriculum to serve talented students who, due to family and work obligations, cannot attend regular daytime classes. Although the new part-time program will pay for itself and initially will use facilities that are currently underutilized at night, additional faculty and support staff will be necessary for the program to succeed.

Because of the expansion of the Richardson Law School that has been necessary to fulfill its mandate to serve the people of Hawai'i and the Pacific, the Law School now is bursting at the seams. The current library staff is making due in extremely cramped quarters, the 23-member tenure track faculty is struggling to find room in space designed for 13, and the multiple outreach programs such as those described above are being shoehorned in already cramped quarters, with illogical and inconvenient access ways for the public clients served by the programs.

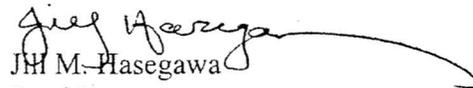
We therefore strongly support the Law School's Building Excellence Project. In addition, we are very pleased that the School has already done much of the planning needed to be a model of sustainability for the University of Hawai'i at Mānoa and for the entire State of Hawai'i.

As part of the University of Hawai'i 2007-09 Biennium Supplemental Budget Request for CIP, the Richardson School of Law seeks \$7.2 million for the next step, which is project design. The Project is not currently included in the draft budget submitted to the legislature by the Governor, but was included in last year's biennium budget, and needs to be added to the Legislature's list of priority projects for final approval this year if the Project is to move forward. The Law School is poised to raise funds for the Project from federal, foundation, and private sources, but design plans are a necessary next step to doing so.

The Richardson School of Law is *Hawaii's Law School*. It is one of the units of the University of Hawai'i of which the State can be justifiably extremely proud. The School is not simply a group of buildings, but is a place where justice is taught and modeled and where access to justice is provided for some of the most vulnerable of our society. The modernization of the School for the 21st century would be a fitting tribute to the legacy of our namesake, Chief Justice (retired) William S. Richardson, whose career was and continues to be committed to justice for all.

Please support inclusion of adequate planning funds in HB 2500 (scheduled for decking on March 10) for the Law School's Building Excellence Project.

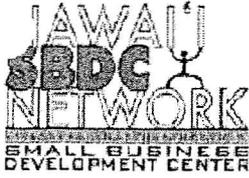
Sincerely,



JH M. Hasegawa

President

William S. Richardson School of Law
Alumni Association



A Program of the University of Hawai'i
at Hilo. Funded in Part through a
Cooperative Agreement with the U. S.
Small Business Administration

State Administrative Office
Hilo, Hawai'i

East Hawai'i Center
Hilo, Hawai'i

Maui Center
Kihei, Hawai'i

Honolulu Center
Honolulu, Hawai'i

Kaua'i Center
Lihue, Hawai'i

Hawai'i Business Research Library
Kihei, Hawai'i

DATE: March 4, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: Diana V. Shaw, PhD, MBA, MPH

RE: Support for Hawaii Small Business Innovation Research Grant Programs

We are requesting your support for the Hawaii Small Business Innovation Research (HSBIR) and Hawaii Small Business Technology Transfer (HSTTR) matching grant programs which are administered by the High Technology Development Corporation, a state agency (BED 143).

In 1982, the U.S. Congress created the SBIR program to provide small businesses with federal funding competitions to generate innovative solutions to some of the most pressing needs faced by our nation. By law, the 11 largest federal agencies provide a small percentage of their research budget for SBIR grants/contracts, currently totaling over \$2 billion annually. Beyond resolving federal government needs, the end goal for SBIR technologies and innovations is successful commercialization. Hawaii companies receiving SBIR grants have been successful leveraging these funds to create good research, products and companies.

To effectively compete, the Hawaii state legislature created the HSBIR program in 1989 and added the HSTTR program in 2006. These two programs are critical to research & development (R&D) companies seeking to commercialize their technologies here in Hawaii. Initial funding for research is done through competitive submittals to federal agencies. States that maintain an SBIR Grant Program show increases in the number of companies and jobs involved in research, development and commercialization.

There are 3-phases of funding:

1. Phase I – Federal grant/contract generally up to \$100,000 to explore the technical merit or feasibility.
2. Phase II – Federal grant/contract generally up to \$750,000 for 2 years to expand Phase I efforts.
3. Phase III – Commercialization of the project (no SBIR funds used in this phase).

There are currently 67 Hawaii companies that have used the SBIR program to successfully fuel the commercialization of their R&D, including Oceanit Laboratories, Navatek Ltd., Hawaii Biotech, Makai Ocean Engineering, Innovative Technical Solutions, and Black Pearls/Kona Blue Water Farms. Hawaii companies have won research grants from:

- Department of Agriculture
- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army, Defense Advanced Research Projects Agency)
- Department of Energy
- Department of Education
- National Aeronautics & Space Administration

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- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
- National Science Foundation

Over the past 18 years these 67 Hawaii companies have won 305 federal SBIR Phase I and Phase II grant awards totaling nearly \$71 million, received over \$4.5 million in State matching grants, and created hundreds of high quality, high paying jobs. Hawaii companies also attracted over \$57.5 million in federal SBIR Phase III commercialization funding. Generally, for every State dollar (\$1) invested in the SBIR matching grant program, Hawaii companies attracted over \$15 in federal SBIR awards or over \$28 in total federal SBIR monies when you include funding for technology commercialization.

The federal SBIR awards are based on the small business' qualifications to conduct the research, the degree of innovation, technical merit, and future ability to commercialize the SBIR research. The smaller one-time matching grants received through the Hawaii SBIR assistance program allow local Hawaii companies to more effectively compete with mainland companies closer to federal SBIR program managers. The Hawaii SBIR Matching Grant & Assistance Program has operated on a fixed budget for the past 18 years despite the fact that more and more companies are participating in SBIR. The result is that there are fewer assistance dollars to spread around to assist and/or award to companies. In the first 14 years of the program, local companies won an average of 10 federal Phase I awards per year, with a total value of \$10.5 million over the 14 years. These local companies attracted another \$21.7 million in follow-on federal SBIR funding to Hawaii. Within the past five years of the program, local companies won an average of 18 federal awards per year (27 in 2006 alone), with a total value of \$12.5 million over five years. These companies attracted another \$25.5 million in follow-on federal SBIR funding to Hawaii in just the past five years. This trend is likely to continue with a growing number of companies participating.

My company supports these programs because it will encourage and facilitate innovation and the growth of Hawaii's high technology industry. These funds will encourage Hawaii's small businesses to develop commercially viable technologies and innovations and encourage small companies and researchers at nonprofit research institutions, universities, and colleges to collaborate and to move laboratory-developed technologies to the marketplace.

Thank you for the opportunity to offer comments in strong support of funding these important programs.



Cardax Pharmaceuticals, Inc.
99-192 Aiea Heights Drive, Suite 400, Aiea, HI 96701
telephone 808.467.1400 fax 808.297.5909

DATE: March 4, 2008

TO: The Honorable Representative Marcus Oshiro, Chair
House Committee on Finance

The Honorable Representative Kyle Yamashita, Chair
House Committee on Economic Development & Business Concerns

FROM: David G. Watumull, President & CEO, Cardax Pharmaceuticals

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- Department of Agriculture

- National Institute Standards & Technology: Department of Commerce (National Ocean Atmospheric Administration)
- Department of Defense (Office of Naval Research, Air Force, Army, Defense Advanced Research Projects Agency)
- Department of Energy
- Department of Education
- National Aeronautics & Space Administration
- Department of Health and Human Services: National Institutes of Health (National Institute Allergy Infectious Disease, National Cancer Institute, Allergy & Infectious Disease, Environmental Health, Disease Control & Protection, Heart Lung & Blood Institute, Drug Abuse, Food and Drug Administration)
- National Science Foundation

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Thank you for the opportunity to offer comments in strong support of funding these important programs.

To Whom It May Concern:

As a first year student at the University of Hawaii at Manoa, I am writing to address the urgent need to reconstruct our dance facilities. It is not of Hawaii's character to endure such architecturally unsafe and inadequate institutions. This *temporary* building has lasted 40 years, and abrupt change is needed now. With highest respects, please consider the content of this letter as a formal call from residents of Hawaii to governmental responsibility – nothing less.

I felt honored to be admitted into the dance program at UH, and chose this university – in replacement of many others on the mainland - to major in dance. However, the decayed facilities prevent our Theatre and Dance Department from being accredited by the National Association of Schools of Theatre and the National Association of Schools of Dance. The faculty and students at UH deserve this accreditation. Most critical to success in this career field is the recognition of my degree by the NASD. This clearly stands for all students in the program who will obtain this degree, and wish to pursue similar career goals. The people involved here at UH have, since decades ago, devoted themselves to developing what has become a nationally esteemed curriculum. The continuation of such prestige in Hawaii's program depends on the State decision to renovate Hawaii's dance facilities now.

Although I have been here for the duration of one year, the unsafe effects of the facilities have affected my classmates and me in numerous ways. To begin, the facilities are inadequate to accommodate both curricular and extracurricular university events. Unlike other professional sports, some dance classes at UH are held in bathrooms. This is objectionable and unacceptable treatment of the artists in this sport. Considering our tuition, such accommodations are especially disagreeable.

While several safety-threatening factors persist, dance classes and shows at UH are held in various buildings spread across campus. This disconnects the dance community, and the arts at large. When I first visited the UH dance facilities, I was impressed with the connectedness between the dancers and the sense of ohana they brought into each class. Despite the separation of locations, their effort to accommodate inconveniences captured my attention. I know that having one building for both the dance and theater classes could create a stronger sense of ohana, and a more available set of resources. Most importantly, with higher institutional and social respect for the work of my talented peers, I am confident that the level of physical and emotional health will rise.

I am a firm believer in the new Kennedy building and the resources it will provide in the growth of UHM. By completing this addition, both the Theatre and Dance department will gain accreditation from the National Association. With your help, we can build and embrace Hawaii's unique artistic and familial community.

Mahalo,

Shealin Johnson

FINTestimony

From: Malia Bowlby [bowlby@hawaii.edu]
Sent: Tuesday, March 04, 2008 10:00 PM
To: FINTestimony
Subject: HB2500, 3/4/08, UH Performing Arts (item 15)

To the House Committee on Finance

Please support the building of the UHM Performing Arts Facility (Item 15 on the UH supplemental capitol improvements project list). Without creativity, there can be no innovation. Hawaii needs to support creative minds and the future of innovation in our islands!

I'm a graduate student in my third year of study at UH Manoa's Department of Theatre and Dance. I cannot tell you how ready the dedicated and talented students and professors of this program are to be accredited by the national organizations that will give them the degree of credibility and recognition they so richly deserve. The primary obstacle in the health and growth of this program are the lack of facilities to set us on par with other nationally accredited theatre and dance schools.

How can our department sustain itself when our students and staff are spread thin across the Manoa campus in search of class and rehearsal space? How can we develop into the attractive, competitive program we're bursting to become when our facilities, not only hold us back, but at times endanger our physical health and well-being?

Currently within the Department of Theatre and Dance resides a group of nationally- and internationally-recognized professors devoted to UHM, their students and their craft. Their students regularly perform all throughout the islands, serve the community, teach, travel internationally and contribute to the scholarly and creative voice emanating from UHM. Now is the time! Please help our program become the source of pride for UH and Hawaii that it deserves to be! Support the building of the UHM Performing Arts Facility.

Mahalo,

Malia Bowlby
bowlby@hawaii.edu
Graduate Student in Dance
University of Hawai'i at Manoa Department of Theatre & Dance