### STATE OF HAWAII DEPARTMENT OF DEFENSE

### TESTIMONY ON SENATE BILL 887 SD1 A BILL RELATING TO HIGH TECHNOLOGY

### PRESENTATION TO THE SENATE COMMITTEE ON WAYS AND MEANS

ΒY

# BRIGADIER GENERAL ARTHUR J. LOGAN ADJUTANT GENERAL AND DIRECTOR OF THE HAWAII EMERGENCY MANAGEMENT AGENCY March 3, 2015

Chair Tokuda, Vice Chair Kouchi and Members of the Senate Committee on Ways and Means:

I am Brigadier General Arthur J. Logan, State Adjutant General and the Director of the Hawaii Emergency Management Agency. I am testifying in support of Senate Bill 887 SD1.

This measure will strengthen the critical infrastructure, resilience and safety of the State of Hawaii. The offshore high technology park and the trans-Pacific broadband cable will foster an increase in the broadband internet capabilities. These increased capabilities will foster technology improvements necessary to strengthen state critical infrastructure. These capabilities will add operational tools available to the future joint emergency management center.

The issuance of special purpose revenue bonds and the establishment of the review board are significant to the resilience of the State of Hawaii.

Thank you for allowing me to testify in support of Senate Bill 887 SD1.



# Testimony to the Senate Committee on Ways and Means Tuesday, March 3, 2015 at 9:05 A.M. Conference Room 211, State Capitol

# RE: SENATE BILL 887 SD1 RELATING TO HIGH TECHNOLOGY

Chair Tokuda, Vice Chair Kouchi, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **supports the intent of** SB 887 SD1, which authorizes the high technology development corporation to establish high technology parks and establishes an advisory board governance structure for high technology parks within the high technology development corporation

The Chamber is the largest business organization in Hawaii, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Chamber supports efforts to develop the high technology industry in Hawaii and create a positive impact to the ecosystem. Broadband infrastructure is crucial to the growth of Hawaii's economy. The establishment of high technology parks and the advisory board is necessary to improve Hawaii's technology industry and upgrade broadband infrastructure. This is the first step to help Hawaii achieve its goals of providing its residents with quality broadband services at an affordable cost.

Thank you for the opportunity to testify.

# HAWAI'I PACIFIC UNIVERSITY



OFFICE OF THE PRESIDENT

March 2, 2015

To Whom It May Concern:

Currently, the State of Hawaii is at a competitive disadvantage due to our aging and brittle infrastructure, and this places our community at great risk.

SB887 represents the business model to resource the implementation of a new trans-Pacific broadband cable, which will provide the necessary connectivity for workforce development and economic growth.

The Asia Pacific Institute for Resilience and Sustainability (AIRS) has designed a research and development initiative that supports the deployment of a transpacific cable through a partnership with multiple sectors in private industry that have a real interest in demonstrating the commercial applicability using sensors and new edge-processing analytics. This initiative will use the transpacific cable, unmanned aerial vehicles (UAVs), next generation buoys, and advanced satellites to develop an operational framework for improving ocean hazard modeling — weather and seismic events (e.g. tsunami).

The high tech park will not only provide Hawaii a state of the art tsunami warning system, but also provide a transpacific cable capable of providing for Hawaii's broadband needs. This partnership also allows the State to strengthen the community's critical infrastructure by implementing advanced, sense and respond technology.

This initiative will attract cutting edge high tech industries to Hawaii and diversify the economic base by promoting research, education and technological innovation. Multiple studies have been conducted that demonstrate a positive correlation between broadband and economic growth, which means the importance of broadband capacity in the site selection process for future industries and government services will be a critical factor.

Hawaii Pacific University supports SB887 and the effort to design a high-tech park that will provide advanced broadband capacity.

Sincerely,

Sommisker,

Geoffrey Bannister, Ph.D. President



# Written Statement of **ROBBIE MELTON Executive Director & CEO** High Technology Development Corporation before the **SENATE COMMITTEE ON WAYS AND MEANS**

Tuesday, March 3, 2015 9:05 a.m. State Capitol, Conference Room 211 In consideration of

# SB887 SD1 RELATING TO HIGH TECHNOLOGY.

Chair Tokuda, Vice Chair Kouchi, and Members of the Committee on Ways and Means.

The High Technology Development Corporation (HTDC) supports **the intent** of SB887 SD1 relating to establishing and operating high technology parks.

As part of HTDC's vision to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030, HTDC supports initiatives aimed at improving Hawaii's reputation as a place for innovation and improving Hawaii's high speed broadband infrastructure. HTDC supports the development of high technology parks.

High technology parks developed through public private partnerships can be an effective way to advance the State's infrastructure and bring stakeholders together to position Hawaii as world leaders in innovation in areas where Hawaii has competitive assets. HTDC supports the bill removing the requirement to obtain financing for high technology parks through special purpose revenue bonds.

HTDC comments the designees on the advisory board in section 206M-B may be suitable for the offshore high technology park referenced in the original draft of the bill, but suggest that it may be missing key stakeholders for other high technology parks with a different focus or located on a neighbor island. HTDC comments that the bill does not specify the authority of the high technology park advisory board. HTDC suggests that to be consistent with other HTDC board sub-committees, the high technology advisory board should provide recommendations to the HTDC board, which the HTDC board votes on during board meetings.

Thank you for the opportunity to offer these comments.



Resilience by Design

03 March 2015

Senator Jill N. Tokuda, Chair, Committee on Ways and Means Hearing on Senate Bill 887, Relating to High Technology

Professor Steve Chan, PhD Chair, Swansea University Network/Relationship Science Analytics PhD Program Director, Sensemaking – U.S. Pacific Command Fellowship Director, Pacific-Asia Institute for Resilience and Sustainability (AIRS) 4365 Executive Drive, Suite 670 San Diego, CA 92121

RE: Support for SB887, Relating to High Technology

Dear Chair Tokuda and members,

This bill helps to create a public private partnership focused upon developing an "offshore high tech park" that focuses upon research and development so as to integrate emerging technologies from different sectors including but not limited to: cognitive computing, remote sensing, unmanned aerial vehicles (UAVs), next generation buoys, and advanced satellites to develop an operational framework for improving ocean hazard modeling — weather and seismic events (e.g. tsunami).

The offshore high tech park will not only provide Hawaii a state-of-the-art tsunami-warning system, but also provide a transpacific cable capable of providing for Hawaii's broadband needs. This partnership allows the State to strengthen the community's critical infrastructure by providing a foundational basis, via a newly transformed "living lab"/incubator Hawaiian environs, so as to encourage research and development efforts by industry and academia. This initiative will encourage outposting and/or migration by high-growth/high-tech industries to Hawaii and generate the requirements for a knowledge-based workforce as well as diversify the economic base by promoting research, education, and technological innovation.

Multiple studies have been conducted that demonstrate a positive correlation between broadband and economic growth. Apropos site selection will be critical for properly supporting the appropriate architecture for the offshore high tech park's industrial and governmental participants. With public and private investments in broadband infrastructure still surging, communities not addressing this need will be at a substantial, competitive disadvantage. More importantly, state policy must address Hawaii's competitive broadband standing so as to ensure that the requisite future capital investment and job creation that should occur will actually occur.

From organic farming to building trades, the support of creative innovation and technological research and development, combined with the strategic design of public services systems, can provide a supportive environment for delivering a higher quality of life, making a Hawaii more attractive environment for a knowledge-based population.

Very Respectfully,

Prof. Steve Chan, PhD



AIRS Swansea University Singleton Park Swansea SA2 8PP Wales, UK AIRS 4365 Executive Drive Suite 670 San Diego 92121

AIRS Hawaii Pacific University 1164 Bishop Street Honolulu, HI 96813



### wam3 - Nicolas

From:	mailinglist@capitol.hawaii.gov		
Sent:	Monday, March 02, 2015 9:09 AM		
То:	WAM Testimony		
Cc:	rich@richarddberry.com		
Subject:	Submitted testimony for SB887 on Mar 3, 2015 09:05AM		

#### **SB887**

Submitted on: 3/2/2015 Testimony for WAM on Mar 3, 2015 09:05AM in Conference Room 211

Submitted By	Organization	<b>Testifier</b> Position	Present at Hearing
Richard Berry	Individual	Support	No

Comments: An offshore high tech park will benefit Hawaii by creating a fiscally sound environment for designing public private partnerships with academia and industry partners who have the resources, technical expertise and willingness to address the State's critical infrastructure needs at fractions of the cost to the taxpayer. The Pacific Asia Institute for Resilience and Sustainability (AIRS) will create an offshore, high-tech park with various industry groups and academia that will bring a transpacific broadband cable to the State. The partnership will be predicated on an ocean-modeling framework using buoys, UAVS, satellite communications and remote sensing that will also provide a state of the art tsunami warning system. The objectives of the offshore high tech park should be to: • Support and enhance technology-led economic development • Provide state of the art infrastructure to address fragmented regional telecommunications • Promote a globally competitive community that is attractive to industry and a catalyst for providing high paying jobs • Increase speed, reliability, redundancy and competition to reduce costs of services for customers (business and residential) This R&D effort will also provide Hawaii the high-speed broadband infrastructure needed for further economic development and infrastructure upgrades in our critical infrastructure. For example, in order to maximize the full capability of a "smart grid or smart water" sense and respond technology, we have to improve the State's bandwidth and connectivity. The significant private and civil sector investment to deliver a transpacific, broadband cable (approximately \$250-350 million) will need to be met with an investment from the State of Hawaii to secure cable landing sites (approximately \$75 million) and provide the communication backbone it will need for future economic growth, work force development and competitiveness. To complete the public-private partnership model for this project, the AIRS researchers will need to integrate the planning for cable landing sites into the overall business plan. This project will provide an estimated \$300 million in savings to the State of Hawaii, serve as a catalyst for the other five focus areas, and function as a barometer for gauging the overall progress of the initiative.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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