
A BILL FOR AN ACT

RELATING TO INNOVATIVE ACTIVITY DEVELOPMENT.

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

1 SECTION 1. Section 201-3, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 " [†] (a) [†] Without prejudice to its general functions and
4 duties, the department of business, economic development, and
5 tourism shall have specific functions in the following areas:

6 (1) Industrial development. The department shall:

7 (A) Determine, through technical and economic
8 surveys, the profit potential of new or expanded
9 industrial undertakings;

10 (B) Develop, through research projects and other
11 means, new and improved industrial products and
12 processes;

13 (C) Promote studies and surveys to determine consumer
14 preference as to design and quality and to
15 determine the best methods of packaging,
16 transporting, and marketing the State's
17 industrial products;



1 (D) Disseminate information to assist the [~~present~~]
2 existing industries of the State, to attract new
3 industries to the State, and to encourage capital
4 investment in [~~present~~] existing and new
5 industries in the State;

6 (E) Assist associations of producers and distributors
7 of industrial products to introduce these
8 products to consumers; and

9 (F) [~~Make~~] Award grants [~~or~~] and enter into contracts
10 as may be necessary or advisable to [~~accomplish~~
11 ~~the foregoing,~~] effectuate the purposes of this
12 paragraph;

13 (2) Innovative activity development. The department
14 shall:

15 (A) Determine, through technical and economic
16 surveys, the profit potential of innovative
17 economic activities that have the potential to
18 expand and diversify Hawaii's economy, including
19 aerospace, diversified agriculture, aquaculture,
20 renewable energy development, creative media,



1 health care, and science and technology-based
2 sectors;

3 (B) Develop, through research projects and other
4 means, innovative activities that may pose risks
5 or may be less labor-intensive than traditional
6 business activities, that, if successful, will
7 generate revenue in Hawaii through the export of
8 services or products or the substitution of
9 imported services or products;

10 (C) Promote opportunities for investors in innovative
11 activities and talent engaged in innovative
12 activities to personally meet and interact at
13 cultural, art, entertainment, culinary, athletic,
14 or visitor-oriented events not having a business
15 focus;

16 (D) Disseminate information to foster a broader
17 public recognition and understanding of the
18 potential benefits of new or innovative growth-
19 oriented industries in Hawaii to attract new
20 industries to the State, and to encourage



1 investment in existing and new industries in the
2 State;

3 (E) Assist associations of entrepreneurs and
4 investors to encourage investment in existing and
5 new industries in the State; and

6 (F) Award grants and enter into contracts as may be
7 necessary or advisable to effectuate the purposes
8 of this paragraph;

9 [+2+] (3) Land development. The department shall:

10 (A) Encourage the most productive use of all land in
11 the State in accordance with a general plan
12 developed by the department;

13 (B) Encourage the improvement of land tenure
14 practices on leased private lands;

15 (C) Promote an informational program directed to
16 landowners, producers of agricultural and
17 industrial commodities, and the general public
18 regarding the most efficient and most productive
19 use of the lands in the State; and

20 (D) [Make] Award grants [or] and enter into contracts
21 as may be necessary or advisable to [accomplish



1 ~~the foregoing;~~ effectuate the purposes of this
2 paragraph;

3 [~~(3)~~] (4) Credit development. The department shall:

4 (A) Conduct a continuing study of agricultural and
5 industrial credit needs;

6 (B) Encourage the development of additional private
7 and public credit sources for agricultural and
8 industrial enterprises;

9 (C) Promote an informational program to acquaint
10 financial institutions with agricultural and
11 industrial credit needs and the potential for
12 agricultural and industrial expansion, and inform
13 producers of agricultural and industrial products
14 as to the manner in which to qualify for loans;
15 and

16 (D) [~~Make~~] Award grants [~~or~~] and enter into contracts
17 as may be necessary or advisable to [~~accomplish~~
18 ~~the foregoing;~~ effectuate the purposes of this
19 paragraph;

20 [~~(4)~~] (5) Promotion. The department shall:



1 (A) Disseminate information developed for or by the
2 department pertaining to economic development to
3 assist [~~present~~] existing industry in the State;

4 (B) Attract new industry and investments to the
5 State; and

6 (C) Assist new and emerging industry with good growth
7 potential or prospects in jobs, exports, and new
8 products.

9 The industrial and economic promotional activities of
10 the department may include the use of literature,
11 advertising, demonstrations, displays, market testing,
12 lectures, travel, motion picture and slide films, and
13 other promotional and publicity devices as may be
14 appropriate; and

15 [~~(5)~~] (6) Self-sufficiency standard. The department shall
16 establish and update biennially a self-sufficiency
17 standard that shall incorporate existing methods of
18 calculation, and that shall reflect, at a minimum,
19 costs relating to housing, food, child care,
20 transportation, health care, clothing and household
21 expenses, federal and state tax obligations, family



1 size, children's ages, geography, and the number of
2 household wage earners. The department shall report
3 to the legislature concerning the self-sufficiency
4 standard no later than twenty days prior to the
5 convening of the regular session of 2009, and every
6 odd-numbered year thereafter. The recommendations
7 shall address, among other things, the use of any
8 federal funding that may be available for the purposes
9 of establishing and updating the self-sufficiency
10 standard."

11 SECTION 2. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 3. This Act shall take effect upon its approval.
14

INTRODUCED BY:

Cindy Evans
[Signature]
[Signature]

JAN 19 2018



H.B. NO. 1959

Report Title:

DBEDT; Duties; Functions; Innovative Activity Development

Description:

Expands the duties and functions of the Department of Business, Economic Development, and Tourism to include innovative activity development.

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