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Written Statement of Robbie Melton

Executive Director & CEO
Hawaii Technology Development Corporation
before the

House Committee on Finance

Friday, February 16, 2018 3:00 p.m. State Capitol, Conference Room 308

In consideration of HB2080, HD1 RELATING TO TECHNOLOGY DEVELOPMENT

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

The Hawaii Technology Development Corporation (HTDC) **supports** HB2080, HD1 that appropriates funds for grants to participants in software application challenges so that the proofs of concept created during the challenges can be developed into prototypes suitable for local and state government.

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 promoting technology and innovation jobs. The Hawaii Annual Code Challenge is a "hackathon" style competition aimed at promoting civic engagement, open government, and finding innovative solutions for some of government's challenges. Hackathon events are designed to rapidly create early proof of concept projects of potential solutions without regard to quality control testing, optimization, or completeness. The rapid development allows teams to present their ideas for user input and feedback. This technique is often used as an agile approach to commercial software development with subsequent iterations providing optimization and quality control. In FY17, HTDC sponsored 6 hackathon events with over 700 participants and recently co-hosted the State's first agricultural hackathon with the Department of Agriculture and Hawaii Open Data.

While the primary goals of civic hackathons are to engage the local tech community in the modernization of Hawaii state government, there are greater opportunities to develop some of the projects into solutions that government can benefit from. The bill appropriates funds to build upon the success of the hackathons. It will also assist in strengthening the tech community. The bill requires HTDC to solicit matching donations from non-governmental sources. HTDC comments that securing the 50% matching amount may be challenging and **allowing federal and county sources as matching funds** in Section 2.a.2 may provide more flexibility in implementing the program.

HTDC supports this initiative as long as it does not replace our priorities requested in the Executive Budget. HTDC respectfully requests correction of the defective effective date. Thank you for the opportunity to offer these comments.



DAVID Y. IGE GOVERNOR DOUGLAS S. CHIN LIEUTENANT GOVERNOR

STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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TO THE HOUSE COMMITTEE ON FINANCE

TWENTY-NINTH LEGISLATURE Regular Session of 2018

Friday, February 16, 2018 3:00 p.m.

TESTIMONY ON H.B. NO. 2080, H.D. 1, RELATING TO TECHNOLOGY DEVELOPMENT.

TO THE HONORABLE SYLVIA LUKE, CHAIR, AND MEMBERS OF THE COMMITTEE:

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify on H.B. 2080, H.D. 1, Relating to Technology Development. My name is Ji Sook "Lisa" Kim, and I am the Administrator of the Department's Cable Television Division. The Department supports this bill, which is a companion to S.B. 2092.

This bill appropriates funds to the Hawaii Technology Development Corporation for grantmaking and other costs associated with software application challenges, where proofs of concept may be developed into prototypes suitable for local and state government use.

CATHERINE P. AWAKUNI COLÓN

JO ANN M. UCHIDA TAKEUCHI

Consistent with its broadband-related duties, the Department continuously looks for opportunities to advocate for and facilitate the deployment of expanded broadband applications, programs, and services that will bolster the usage of and demand for broadband. The Enterprise Technology Services' sponsored 2017 Hawaii Annual Code Challenge ("HACC") presented such an opportunity, as it engaged the local tech community in modernizing state government to develop innovative tools and applications to provide enhanced government services to the public and to drive civic engagement. Through the Department's participation in the HACC as a pitching agency, the Department witnessed the strength of this event in promoting the development of broadband-level applications, as well as in providing agencies the opportunity to collaborate with HACC participants to gain insights on the development and use of software applications to support their respective duties and activities.

This bill would further the benefits these types of software application challenges could achieve, by providing funding that will allow for future application challenges and by allowing participants to develop their proof of concepts into prototypes. The Department thus strongly supports this measure because of the direct impact it could have on deploying software applications that bolster the use and demand for broadband.

Thank you for this opportunity to testify on this bill.

DAVID Y. IGE GOVERNOR



STATE OF HAWAI'I OFFICE OF ENTERPRISE TECHNOLOGY SERVICES

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Testimony of TODD NACAPUY Chief Information Officer, State of Hawai'i

Before the

HOUSE COMMITTEE ON FINANCE Friday, February 16, 2018 3:00 P.M. State Capitol, Conference Room 308

HOUSE BILL NO. 2080, HD1 RELATING TO TECHNOLOGY DEVELOPMENT

Dear Chair Luke, Vice Chair Cullen and members of the committee:

I am Todd Nacapuy, Chief Information Officer of the State of Hawai'i and head of the Office of Enterprise Technology Services (ETS), testifying in **support** of House Bill No. 2080, HD1, Relating to Technology Development, which appropriates funds for grants to participants in application challenges so that the proof of concepts created during those challenges can be developed into prototypes suitable for local and state government use.

The Hawai'i Annual Code Challenge (HACC), inaugurating in summer 2016 and continuing in summer 2017, was the result of collaboration across public and private sectors. ETS partnered with the Hawaii Technology Development Corporation (HTDC) and various other departments and agencies, as well as community partners, to engage the local tech community in promoting an efficient, effective and open government.

The purpose of the HACC was to bring Hawai'i talent together to use modern tools and applications to enhance government services delivered to the public. Approximately 220 coders and innovators answered the call in 2016, followed by more than 300 in 2017, who developed solutions which addressed problems and challenges posed by government agencies and non-profit organizations that support government activities.

ETS looks forward to continuing to work with HTDC and our other community partners to ensure success for future events that similarly benefit not only participants but all users of State government services.

Thank you for this opportunity to testify in support of this bill.



February 15, 2018

Statement of: **Burt Lum, Executive Director, Hawaii Open Data** Testimony presented before the

House Committee on Finance Friday, February 16, 2018, 3:00 p.m. State Capitol, Conference Room 308

In consideration of HB2080 HD1 RELATING TO TECHNOLOGY DEVELOPMENT.

Chair Sylvia Luke, Vice Chair Ty J.K. Cullen, and Members of the Committee on Finance:

I, Burt Lum, Executive Director of Hawaii Open Data, offer my **Strong Support** for HB2080 HD1 that establishes a program to be administered by the Hawaii Tech Development Corporation to provide grants and mentorship to teams that develop proof of concepts resulting from hackathons and code challenges in Hawaii.

These code challenges are a unique opportunity for the tech and startup community to collaborate with government departments and industry sectors to develop innovative solutions to some of the pressing challenges facing Hawaii.

As a co-host of Bytemarks Cafe on Hawaii Public Radio and as the Executive Director of Hawaii Open Data, a non-profit dedicated to advancing open data principles, I've seen the growth of startups, meetups, hackathons, collaborations and innovations across the Hawaii business landscape. This vibrant entrepreneurial ecosystem is critical to building a sustainable technology sector and I believe this program to support application prototypes is another key component of this ecosystem.

HB2080 HD1 is necessary because hackathons like the Hawaii Annual Code Challenge, even after 30-days, only produce at best, proof of concepts that are not complete products. This grant program bridges the known gap between proof of concept, prototype and commercial product. It not only offers a pathway for the development of civic tech but also enables the teams to evolve into a startup businesses and to drive economic development in Hawaii.

Thank you for the opportunity to offer this testimony.



House Committee on Finance Friday, February 16, 2018, 3:00PM State Capitol, Conference Room 308

In consideration of HB2080 HD1

RELATING TO TECHNOLOGY DEVELOPMENT

Rep. Sylvia Luke, Chair Rep. Ty J.K. Cullen, Vice Chair

Rep. Romy M. Cachola Rep. Nicole E. Lowen

Rep. Romy M. Cachola Rep. Nadine K. Nakamura

Rep. Beth Fukumoto Rep. Chris Todd

Rep. Cedric Asuega Gates Rep. Kyle T. Yamashita

Rep. Daniel Holt Rep. Andria P.L. Tupola

Rep. Jarrett Keohokalole Rep. Gene Ward

Rep. Bertrand Kobayashi

We support the creation of a fund (and requires matching private funds) that grants participants in software application challenges so that the proofs of concept created during the challenges can be developed into prototypes suitable for local and state government.

DevLeague (http://www.devleague.com/) is the premier technical boot camp in the Pacific designed to provide mentorship and training to motivated individuals seeking a career change. We design our own curriculum based on relevant industry standards, teach in-demand technical skills such as JavaScript Web Engineer, Cyber Security Professional, Big Data Analyst and Enterprise Software Developer to help our adult students onboard with career starts into the software industry.

For the last four years, DevLeague has created, lead and participated in global, mainland, state-wide and local software development related hackathons. We were the technical founding members in Hawaii Annual Coding Challenge (HACC) in 2016 and 2017 and the Hawaii chapter of the NASA Space Apps Challenge in 2016 and 2017. We actively participate in hackathons such as AT&T hackathon, Global Game Jam, and Uber-DevLeague hackathon.

We typically field teams from our alumni and current JavaScript Web Engineer cohorts. We also field teams from middle and high school programs where we have Jr DevLeague courses at DOE public schools. The latter gives exposure to students whose first



experience in a hackathon will be in front of their classmates, friends and family. Some of these student teams have won first, second and third place in the hackathons.

The proof of concepts and prototypes built in these three-day to one-month long hackathons, such as HACC, are often missing key features and functionality such that participants and winners still need much more development, business collaboration and funding to get it to production level where users can run the applications on a real-world basis.

Small amounts of funding with matching funds, in a private-public partnership, will enable creators of these prototypes to collaborate with sponsoring state agencies to bring software solutions to its users. This benefits the public in that it spurs civic duty, government innovation in technology and with proper seed funding, may lead teams to company formation and subsequently job creation.

Thank you for the opportunity to offer this testimony.

Mahalo!

Russel Cheng

Co-founder, Director

Fund C. HD-

<u>HB-2080-HD-1</u> Submitted on: 2/15/2018 2:59:22 PM

Testimony for FIN on 2/16/2018 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Individual	Support	No

Comments:





February 16, 2018

Representative Sylvia Luke, Chair Representative Ty J.K. Cullen, Vice Chair House Committee on Finance Conference Room 308 Hawai'i State Capitol Honolulu, HI 96813

RE: Testimony on HB 2080 – RELATING TO TECHNOLOGY DEVELOPMENT

Chair Luke, Vice Chair Cullen and Members of the Committee:

My name is Christine Sakuda and I serve as the executive director of Transform Hawai'i Government (THG), a coalition of organizations and individuals who believe in improving government services for every Hawaii resident on every island. THG strongly supports HB 2080, Relating to Technology Development, which establishes a program to be administered by the Hawaii Technology Development Corporation (HTDC) to provide grants and mentorship to teams that develop proof of concepts resulting from application challenges.

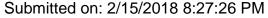
These challenges, such as the Hawaii Annual Code Challenge and the Agricultural code challenge known as the AGathon, engage the technology development community and state government agencies in collaborative efforts to develop innovative solutions to an array of issues facing our state. Application challenges are intended to generate proofs of concepts, but not complete or even prototype products. Without additional resources, the fruition of these proofs of concepts and their potential benefits cannot be realized.

The appropriation provided by this measure bridges the existing gap between a proof of concept, a prototype and a commercial product. Moreover, it not only creates a pathway for the development of civic technology but also enables the teams themselves to evolve into startup businesses. Accordingly, these challenges, when coupled with the appropriation provided by this measure, further both business and workforce development in our state.

THG also supports the provisions regarding the use of funds for the identified purposes and the prescribed leveraging of matching funds to extend the impact of this appropriation.

Thank you for the opportunity to provide THG's input on this important bill.





Testimony for FIN on 2/16/2018 3:00:00 PM



Submitted By	Organization	l estifier Position	Present at Hearing
Ryan	Individual	Support	No

Comments:

I am writing to support HB2080 relating to software application challenges.

These code challenges, or "hackathons," are globally popular and locally successful ways to rally the innovation community -- including software developers, designers, and entrepreneurs -- to come up with creative solutions to problems. Hawaii in particular has established itself as a leader in "civic hacking," which directs this energy toward the greater good.

The state of Hawaii has already supported the Hawaii Annual Code Challenge for two years, where government departments and programs "pitch" the challenges they face in serving the people and the community designs and proposes ways to address them.

Most hackathons, however, end with dozens of prototypes with great potential but no path forward to be refined into a working solution that can be implemented at scale.

By appropriating funds for grants to participants, HB2080 will help ensure that the proofs of concept created during the challenges can be developed into solutions suitable for local and state government.

Gov. David Ige, in his State of the State address, highlighted Hawaii's progress in supporting local tech and innovation, including the work that local coding bootcamp DevLeague is doing to create pathways for both young people and mid-career professionals to find future-ready work in technology and software development. I believe hackathons give these and other developers a chance to strengthen and show off their talents, and HB2080 will help turn those talents into real, sustainable opportunities.

Thank you for your consideration.

Malama pono,

Ryan Ozawa

<u>HB-2080-HD-1</u> Submitted on: 2/16/2018 9:42:37 AM

Testimony for FIN on 2/16/2018 3:00:00 PM



Submitted By	Organization	l estifier Position	Present at Hearing
Donavan Kealoha	Individual	Support	No

Comments: