

No. 1 Capitol District Building 250 South Hotel Street Suite 509 Honolulu, HI 96813 (808) 587-3830

Statement of Karl Fooks President

Hawaii Strategic Development Corporation before the

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Tuesday, January 30, 2019 10:00 AM State Capitol, Conference Room 309

In consideration of HB342
RELATING TO THE HAWAII STRATEGIC DEVELOPMENT CORPORATION

Chair McKelvey, Vice Chair Kitagawa and members of the Committee. The Hawaii Strategic Development Corporation (HSDC) provides comments on HB 342 that prohibits the Hawaii Strategic Development Corporation from investing in fossil fuel or firearm companies and earmarks a portion of the Corporation's profits to the Department of Education.

As stated in its authorizing statute, §211F-2, HRS, the purpose of HSDC is to provide incentives and reduce the risks of private investment in order to encourage economic development and stimulate private capital investments. HSDC's mission is not to invest with the purpose of generating significant financial returns. HSDC's mission is to invest strategically to develop new growth sectors of the economy. These investments characteristically do not generate financial returns over a short time period. Therefore, it is highly unlikely that HSDC can be a reliable and consistent provider of financial resources to the Department of Education.

Furthermore, HSDC must provide for its own operating costs out of the investment returns it does generate. If these resources were diverted to the Department of Education, HSDC would have to request a General Fund appropriation to pay for its operating costs.

HSDC currently does not have any investments in fossil fuel or firearm companies. As HSDC's mission is to invest to strategically grow Hawaii's economy,

HSDC does not anticipate there will be any reason to invest in these type of companies in the future.

Thank you for the opportunity to testify.

HB-342 Submitted on: 1/29/2019 9:09:13 AM

Testimony for EDB on 1/30/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:

HB-342

Submitted on: 1/28/2019 9:24:37 PM

Testimony for EDB on 1/30/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
George Pace	Individual	Oppose	No

Comments:

The rationale prelude to the bill itself reads "The legislature also finds that public resources should not support firearms and fossil fuels companies in [sic] those industries significantly contribute to the deterioration of the world's political, social, and environmental well-being.".

Aside from the grammatical incompetence demonstrated in the above sentence there also exists another problem: a completely warrantless opinion for which there are no facts to substantiate the ignorant hyperbole.

For example, in the United States firearms are used far more frequently to save lives and/or stop crime than they are used to commit criminal acts. In addition they are used for various forms of recreaton in which no individuals are harmed, much less harm to the political, social, and environment "well-being".

Just because some hoplophobes in the legislature want to single out guns (and "fossil fuels") is no reason to do so. Because there is no reason to do so. There is no evidence that warrants such an act.

If you want to stop investing in harmful things you'd be far better served to stop investing in pharmaceutical companies and (doctors and nurses in) hospitals, all of whom kill far far more people annually than gun companies and "fossil fuel" companies could kill even if they made a concerted effort to do so.

Vote NO on this absurd illegitimate prejudiced hit piece.

HB-342

Submitted on: 1/29/2019 2:11:43 AM

Testimony for EDB on 1/30/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Randy Gonce	Individual	Support	No	l

Comments:

Strong Support.

This is a step in the right direction. Ensuring that all public entities divest from fossil fuels and/or portfolios is crucial for meeting our clean energy goals and the United Nation's Sustainable Development Goals.

Secondary Student Conference 2019 - Testimony

Bill Number: House Bill 342

Bill Title: RELATING TO THE HAWAII STRATEGIC DEVELOPMENT CORPORATION.

Date of Hearing: January 30, 2019

Name: Deacon Mactagone School: Aiea High School

Organization: Delegate of the the 2019 Secondary Student Conference

Position Statement (Support, Against, Providing comment): Support

Testimony:

My name is Deacon Mactagone, a delegate from Aiea High School from the Central district of Oahu. I am in full affirmation of House Bill 342, as it'll decrease the harmful and speedy industrialization of Hawaii, and benefiting the looming threat of severe climate change. These revenues from companies that operate in the State of Hawaii that continue to use fossil fuels, should give those allotments to the citizens of Hawaii, mainly the Department of Education. Secondly, pulling revenues from firearm companies to take a stand against not only gun violence, but to show that weapons that are meant for war shouldn't be in the hands of civilians. Turning something evil to something good, is what we need in this world. Using firearms revenue to benefit our school system and our community would be an amazing step towards change and sending a message of aloha.

Secondary Student Conference 2019 - Testimony

Bill Number: HB342

BIII TITLE: RELATING TO THE HAWAII STRATEGIC DEVELOPMENT CORPORATION.

Name: Eric Jonah Lorica School: Aiea High School

Organization: Delegate of the the 2019 Secondary Student Conference **Position Statement (Support, Against, Providing comment):** Support

Testimony: There's a need for innovation in Hawaii. We have fell too far behind not only our country but the world. This bill is all about fostering innovation and future sustainable development, and helps to put back the Hawaii Strategic Development Committee (HSDC) back investing in the future of Hawaii like it's supposed to. By allocating funds from the HSDC back in to education we are helping to invest in the future and hopefully one day those children will be able to create innovation that makes Hawaii a leader in fostering small businesses and technology.

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Secondary Student Conference 2019 - Testimony

Bill Number: HB 342

Bill Title: RELATING TO THE HAWAII STRATEGIC DEVELOPMENT CORPORATION

Committee: EDB, JUD, FIN

Date of Hearing: January 30, 2018

Name: Karina Maciel

School: Kalaheo High School

Organization: Delegate of the 2019 Secondary Student Conference **Position Statement (Support, Against, Providing comment):** Support

Testimony:

Hello, my name is Karina Maciel. I am 16 years old and a student at Kalaheo High School. In 12 years, I will be 28. But in 12 years, the planet as we know it will be drastically different- and not in a good way. A 2018 UN Climate Report has said that we have 12 years before climate change seriously and irrevocably damage the planet. Rising air and ocean temperatures, as well as an increase in natural disasters, will seriously impact Hawaii's ecosystems and economy. One of the main reasons why climate change is significantly worse than it was years ago is due to our increasing use of fossil fuels such as oil and coal. The fossil fuel industry in Hawaii continues to thrive largely due to companies like the Hawaii Strategic Development Corporation's investments in the fossil fuel corporations. That is why HB 342, which requires the HSDC to stop investing in fossil fuel companies, should pass. HB 342 would mandate that the HDSC reduce their investments in fossil fuel companies start putting money towards schools. This will benefit not only the environment and ecosystems of Hawaii but also the students who attend Hawaii public schools. A reduction in funding of fossil fuels will ultimately force energy companies to begin considering investing in clean energy in Hawaii. The money that was previously spent on fossil fuels can go into schools and help improve education in Hawaii, whether that be through fixing schools' infrastructure or providing funding for educational programs. When the HSDC's money is no longer being put into something that is actively destroying the future and is instead wholeheartedly invested in improving it, great things can and will happen. Please vote to pass HB 342. The students and environment of Hawaii depend on it.

Secondary Student Conference 2019 - Testimony

Bill Number: 342

Date of Hearing: 01.26.2019

Name: Eiren Phoebe Tamayo

School: Waialua High & Inter. School

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Organization: Delegate of the the 2019 Secondary Student Conference

Position Statement (Support, Against, Providing comment): Support

Testimony:

Aloha! My name is Eiren Phoebe Tamayo and a freshman in Waialua High & Inter. School. I have a position in my school's Student Body Government, aka SBG, as the HSSC representative. I'm testifying in support of House Bill 342. House Bill 342 is regarding the "prohibits the Hawaii Strategic Development Corporation from investing in fossil fuel or firearm companies. Requires the Corporation to divest all fossil fuel and firearm investments by 12/31/2024. Earmarks a portion of the Corporation's profits to the Department of Education."

I fully support this bill because this bill benefits both the environment and also the students. The Bill is a great way to decrease the pollution of the environment because it prevents Hawaii Strategic Development Corporation from investing in fossil fuels. Which [obviously] fossil fuel is contributing to pollution, and with the climate change problem is getting bigger. Not to mention, some of the profits after depriving the investments from the fossil fuels and firearm investments will head to the Department of Education, which will benefit the students and schools. The profits that the DOE will receive will have a big impact when improving schools around the island. In 2018, there has been many school shooting happening, if this Bill is passed it will contribute in preventing anymore guns that will kill innocents.

In conclusion, we should think about our future and our environment. WE must SUPPORT the creation of our FUTURE, NOT destruction. It makes sense to do more funding on issues we are passionate about, such as House Bill 342.

Mahalos.

Secondary Student Conference 2019 - Testimony

Bill Number: HB 342

BIII TITLE: RELATING TO THE HAWAII STRATEGIC DEVELOPMENT CORPORATION.

Committee: School Environment Date of Hearing: January 30, 2019

Name: Taylor-Ann Okimoto School: Mililani High School

Organization: Delegate of the the 2019 Secondary Student Conference **Position Statement (Support, Against, Providing comment):** support

Testimony:

I support this bill because it not only could possibly help the environmental state that Hawaii is in but it could also help to add more funds into the Department of Education. Which means that the youth of Hawaii could receive better education to better their future. It will also help to deviate from fire arms being supported, which in turn could possibly help the rate of school shootings and other tragic events. It would also help to create a more energy efficient future for Hawaii. This will also help that the fact that in a UN report stating that we have

12 years before climate change will start to become catastrophic, this bill will help to start lower our contributions to climate change. Not only will this help climate change it will also help to stop the encouragement of funding firearms. I also support this bill because it helps to more funds to be given to the Department of Education which can help have a better education in Hawaii, the extra funding could help to build more technologically advanced classrooms or it could help bring more schools access to technology that they don't have already. This is overall why I support this house bill 342.

Secondary Student Conference 2019 - Testimony

Bill Number: HB 342

Bill Title: RELATING TO THE HAWAII STRATEGIC DEVELOPMENT CORPORATION

Date of Hearing:

DATE: Wednesday, January 30, 2019

TIME: 10:00 a.m.

PLACE: Conference Room 309

State Capitol

415 South Beretania Street

Name: Serena Torres-Lopez School: Waianae High School

Organization: Delegate of the the 2019 Secondary Student Conference **Position Statement (Support, Against, Providing comment):** For

Testimony:

Aloha! My name is Serena Torres-Lopez. I am currently a sophomore at Waianae High School. I have recently attended and have been a delegate of the 2019 Secondary Student Conference. House Bill 342 focuses primarily on two points, those being forbidding the strategic development corporation from investing in firearms and fossil fuel companies. The other policy this bill is vouching for is for the revenues generated by HSDC to go to support and fund the Department of Education. I am in favor of HB 342 because it addresses two big issues in Hawaii that are very prevalent in our everyday lives.

Fossil fuels and the use of firearms have affected not just Hawaii but many states throughout the U.S. When fossil fuels are being burned to create energy carbon dioxide is released into the air then causing global climate change. Since our state is in the middle of the Pacific Ocean Hawaii is very vulnerable to the consequences residing with global climate change, if fossil fuels continue to burn in Hawaii. Then there is the issue with the HSDC funding firearm companies. Mass shootings occur more often these days and before the gun violence has plaqued our state this bill helps stop the it from spreading. Once the funding for both firearm

and fossil fuel companies are terminated it will benefit the people, the environment, and education system in the state of Hawaii.

Additionally, this bill is trying to have portions of the funds generated by the HSDC to go back to the Department of Education. This bill's statement is important because the other agencies attached to the department of business, economic development, and tourism fulfill those needs perfectly and don't need the extra funds that could go to the DOE. The HSDC has become a big corporation that has been supporting many small businesses but now it is capable of supporting itself because of the many agencies attached to it. Having some of the investments made by the HSDC from small businesses could go to supporting the DOE in many areas in the school curriculum, funding early college, or even repairing school campuses.

All in all, HB 342 is very beneficial to the state of Hawaii not just within the DOE but it also includes benefiting the people of hawaii and its environment. This bill can stop the creation of firearms and fossil fuel energy being burned and created within the state of Hawaii. The other policy that this bill is promoting is another reason why this bill should be passed, it would allow more funds to go towards the DOE. Once again my name is Serena Torres-Lopez and I am for the bill HB 342.

Secondary Student Conference 2019 - Testimony

Bill Number: HB342

Bill Title: Relating to the Hawaii Strategic Development Corporation

Committee: School Environment **Date of Hearing:** January 30th

Name: Jordyn Wakumoto School: Mililani High School

Organization: Delegate of the the 2019 Secondary Student Conference

Position Statement (Support, Against, Providing comment): I support bill HB342 relation to the Hawaii Strategic Development Corporation.

Testimony:

Firearms and fossil fuels are both prevalent in society today. By eliminating the funding that goes towards the companies of fossil fuels and firearms, we can put it towards other issues that may need funding. Some studies have stated that we may only have twelve years before the effects of excessive fossil fuel usage will have devastating effects on our planet. By putting this bill into action, we could have a chance at slowing down the process of the deterioration of the environment.

Secondary Student Conference 2019 - Testimony

Bill Number: HB342

Bill Title: RELATING TO THE HAWAII STRATEGIC DEVELOPMENT CORPORATION

Committee: EDB

Date of Hearing: 1-30-19 10:00AM

Name: Hannah Yoon

School: Mililani High School

Organization: Delegate of the the 2019 Secondary Student Conference **Position Statement (Support, Against, Providing comment):** Support

Testimony:

Hello. My name is Hannah Yoon and I am a student from Mililani High School. I attended the Secondary Student Conference this past weekend where I had the opportunity to research a few bills proposed by the legislators, including HB342. I would like to speak in support about HB342. I believe that prohibiting the Hawaii Strategic Development Corporation (HSDC) from investing in firearms and fossil fuels would benefit our society. Environmentally, divesting the investment in fossil fuels would help to reduce the pollution released into the atmosphere. Thus, not investing in fossil fuel companies would not contribute as much to climate change, which has become an increasing problem in recent years. By prohibiting the HSDC from also investing in firearm companies, the production of firearms might decrease which could reduce the number of shootings in our state and nation. In the past few years, there have been hundreds of shootings in the U.S., thus, it would benefit our society by not investing in firearm companies. In addition, I believe that giving HSDC until 12-31-2024 to withdraw its investments from fossil fuel and firearm companies will help to gradually transition Hawaii's society. Currently, almost everyone depends on fossil fuels as it is used as gas for their vehicles, heat their homes, provide electricity, etc. In five years, I think that gives enough time to find different alternatives to replace the need to rely on fossil fuels and firearms. Furthermore, allocating a portion of the Corporation's profits to the Department of Education will help the legislature to focus on improving the schools' facilities and quality of education. Overall, I believe that prohibiting HSDC from investing in fossil fuel and firearm companies will greatly benefit Hawaii residents in various ways. I ask that HB342 be carefully reviewed. Thank you for your time and consideration.

Secondary Student Conference 2019 - Testimony

Bill Number: HB342

BILL TITLE: RELATING TO THE HAWAII STRATEGIC DEVELOPMENT CORPORATION

Date of Hearing: 1/30 - 10AM

Name: Jadyn Tadena

School: Mililani High School

Organization: Delegate of the the 2019 Secondary Student Conference

Position Statement (Support, Against, Providing comment):

I support HB342.

Testimony:

Climate change and gun violence has always been a concern for people. This bill will help Hawaii in combating both. In 2018, UN Climate Panel found that we have 12 years to cut our fossil fuel use before climate change becomes "catastrophic." Tens of thousands of Americans annually died in gun related deaths. By stopping the HSDC from investing in fossil fuel ad firearm companies, we would be slowing climate change, helping to better our environment, our society, and give more money towards educating our future workers.

Secondary Student Conference 2019 - Testimony

Bill Number: HB 342 Date of Hearing: 1/30

Name: Sarah Gauthier School: Hilo High School

Organization: Delegate of the the 2019 Secondary Student Conference

Position Statement (Support, Against, Providing comment): Support

Testimony: If we vote in favor of this bill we will be able not only work towards getting rid of our involvement with fossil fuels and firearms, but we will be gaining more funding for the classrooms we are in nearly everyday of the week. That means more funding for issues we as students feel passionate about, which will help improve our school environment.

We need the funding we would gain from this bill for many things, including Air conditioning, new and updated textbooks, infrastructure updates, teacher bonuses, and many more issues that all of us students live through every day of the school year

Secondary Student Conference 2019 - Testimony

Bill Number: HB 342
Date of Hearing: 1/30
Name: Mikaela Briones

School: Wai'anae High School

Organization: Delegate of the the 2019 Secondary Student Conference **Position Statement (Support, Against, Providing comment):** Support

Testimony:

Hello, my name is Mikaela Briones and as a junior in Wai'anae High School, I fully support the bill, HB 324. This is because Hawai'i Strategic Development corporation shouldn't be associated with firearms in any way.

Fossil fuels, sure, since our economy really relies on the fuels, but considering the recent mass school shootings, it's horrible that the HSDC would invest in firearms. So many schools have suffered from the use of firearms and to continue to invest in this would be wrong. Our students are our future and these recent shootings, although it were other people who went through with it, this can give the HSDC a negative image in school environments. In conclusion, I strongly urge that the bill, HB 342, is passed and becomes a law.

Mahalo, Mikaela Briones

Secondary Student Conference 2019 - Testimony

Bill Number: HB 342

Bill Title: RELATING TO THE HAWAII STRATEGIC DEVELOPMENT CORPORATION.

Committee: Economic Development and Business

Date of Hearing: January 30, 2019

Name: Bronson Azama

School: James B. Castle High School

Organization: Delegate of the the 2019 Secondary Student Conference

Position Statement (Support, Against, Providing comment):

Testimony:

Dear members of the Economic Development and Business Committee and to all whom it may concern,

My name is Bronson Azama, I am currently a Junior at Castle High School and member of the Knights Student Association, as well as the Hoʻoulu 'Ōpio Natural Resources Academy. I would like to display my support for HB 342 as it will not only condemn actions against the well being of our environment but it will act against those who seek to profit off of destroying it. Pushing the Hawaii Strategic Development Corporation to stop the use of taxpayer money to invest in industries that damage our environment. Using a percentage of the money earned through a revolving fund as a donation to the DOE, benefiting our educational system which will benefit students like myself and many others in getting the support we need to succeed in life.

Throughout our schooling in Hawai'i we are taught the uniqueness and importance of our environment and the need to protect it and live a pono lifestyle (Right/Just way of living). Growing up as a Native Hawaiian and being apart of a culture based and 'āina based academy at Castle, we are taught the definition of 'āina. Yes, we know it as land, but when you break the word down you are taught the word "'ai" means to eat and "na" meaning from. The word as a whole translates to "that in which you eat from". That is why I draw support for this bill to protect not only our land but our oceans as well.

But I will acknowledge the other side to this bill, there are many people here in Hawai'i who depend on the fossil fuel industry to provide for themselves, as well as their families. There should be some initiative to help them find other jobs that are not necessarily damaging to our environment because at the end of the day they are real people with real families. I would also advise that some money going into the DOE be used toward programs that support the idea of jobs in renewable energy or 'āina based education.

I would also like to say that although I support this bill, I personally feel that it should be limited to targeting one industry. It brings up the fossil fuel and gun industry two very different businesses. Some people support guns and a clean environment, others disapprove of guns yet support a clean environment. What I am trying to say is people can be torn by their support or opposition of the bill because it shows disapproval for one industry they like and/or do not like. I would suggest two separate bills targeting the different industries.

Nowadays there is too much preach and not enough action, I show my deep support toward this bill because it practices what so many of us preach and call for. This action will damage those who harm us by harming the environment, and not only condemn such actions, but act against them. I would like to end with a quote from a woman which you all may be familiar with named Haunani Kay-Trask. She says this, "The people cannot exist without the land, and the land cannot exist without the people." We cannot survive unless the 'āina provides for us, and the 'āina cannot survive if we do not protect it. Protect our future and support our education for a much more brighter future.

I look forward to see if this bill passes.

Me Ke Aloha, Bronson Azama

Secondary Student Conference 2019 - Testimony

Bill Number: HB 342

Bill Title: HSDC; Investments; Fossil Fuels; Firearms; Guns; DOE

Date of Hearing: 1/25/19

Name: Jaylen Mae Arzaga School: Waiakea High School

Organization: Delegate of the the 2019 Secondary Student Conference

Position Statement (Support, Against, Providing comment): I am in support of bill, HB 342.

Testimony:

Hello everyone! I am Jaylen Mae Arzaga and a delegate from SSC 2019. I am in favor of HB 342 because it would give money to the DOE to help students have a better learning experience.

I am in favor for this bill because firearm and fossil fuel companies do not help the community. Living in this day and age, school shootings are much more prevalent and many young students have lost their loved ones or lives. If we were to take money away from firearm companies, it would save at least one student. Have you heard of the saying, "Malama the 'aina?" This term means to take care of the land because the land takes care of us. By taking money away from fossil fuel companies, it would be one step to a greener community.

In summary, HB 342 is a bill that should be taken into action. By having this bill passed, we would work together for better schools, a sustainable life, and overall, a better community.

Thank you, Jaylen Mae Arzaga

Bill Number: HB 342

Bill Title: Relating to Hawaii Strategic Development Corporation

Committee: School Environment Date of Hearing: January 30, 2019

Name: Sasha Nicole Arreola School: Mililani High School

Organization: Delegate of the the 2019 Secondary Student Conference **Position Statement (Support, Against, Providing comment):** Support

Testimony:

Hello, my name is Sasha Nicole Arreola and I attend Mililani High School. As a Delegate of the the 2019 Secondary Student Conference, I support House Bill 342, which is prohibiting the Hawaii Strategic Development Corporation from investing in fossil fuel or firearm companies.

Technology is evolving and innovation is everywhere, including within the situation of energy and fossil fuels. Over the last decades, many different renewable energy resources have been developed to replace the environmentally impactful fossil fuels. Some renewable energies include, there are wind, solar, and geothermal energy, all of which Hawaii uses in some form. Though the process may be expensive to set these up, it is all worth it in the end because they produce cleaner energy. Overall, the money invested cannot compare to what is/has been spent on fossil fuels repeatedly. Fossil fuels are not renewable because they cannot be replenished, while wind and etc. will always be there. In addition, fossil fuels are very toxic to the environment. They pollute the air and contribute to the alarming rate of global warming.

So, instead of investing in something that may run out, it is better to pursue projects that both benefit the planet and are naturally replenished. This bill says to stop investments to fossil fuels and firearm companies, but it is also saying that to start saving this planet, we need take action. And that action is to pass House Bill 342.

Bill Number: HB342

Bill Title: Relating to the Hawaii Strategic development corporation

Committee: School Environment

Date of Hearing: TBA

Name: Anna Mae Tumacder School: Maui High School

Organization: Delegate of the the 2019 Secondary Student Conference

Position Statement (Support, Against, Providing comment): I support this bill because there will be less school shootings if this bill pulls through.

Testimony:

Aloha, my name is Anna Mae Tumacder and I'm from Maui High School. I support this bill because I believe that there will be less school shootings in the future and it will keep the kids safe and the community safe. I want to keep the 'Āina safe and clean. By doing that, removing fossil fuels will keep everything clean because fossil fuel can affect wildlife and the environment. We don't want to hurt anything in our environment so it is best to keep it safe. Adding on to the fire arms, although it would affect Military Soldiers, more people are killed in mass shootings than in war. So this is why I believe House Bill 342 talking about fossil fuels and firearms should be considered for the community and passed. Mahalo!



HB-342

Submitted on: 1/30/2019 8:29:17 AM

Testimony for EDB on 1/30/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Todd Yukutake	Hawaii Firearms Coalition	Oppose	No

Comments:

The Hawaii Firearms Coalition opposes this bill due to prohibiting investments in firearms businesses. The "right to keep and bear arms" is a civil right in the US and Hawaii consitutions and is not a second class right. It is an important right that provides protections to the other rights and protects the people of Hawaii. The HSDCH cannot discriminate against firearms businesses. Hawaii has many small businesses in gunsmithing and manufacturing that benefit the economy and provide jobs. Please remove the prohibition on firearm company investments.

Mahalo

Todd Yukutake

Director

Hawaii Firearms Coalition

Todd@hifico.org