

UNIVERSITY OF HAWAI'I SYSTEM

Legislative Testimony

Written Testimony Presented to the Senate Committee on Higher Education and Senate Committee on Energy, Economic Development, and Tourism Thursday, February 11, 2021 at 3:00 p.m. by Vassilis L. Syrmos Vice President, Research and Innovation

University of Hawai'i System

SB 1421 - RELATING TO DUAL USE TECHNOLOGY

Chairs Kim and Wakai, Vice Chairs Kidani and Misalucha, and members of the Committees:

The University of Hawai'i (UH) supports this bill that creates a task force with UH and the Department of Business, Economic Development and Tourism to explore how dualuse technology can be used to promote economic recovery and help diversify the state's economy -- and makes an appropriation.

As our experience with the COVID-19 pandemic demonstrates, the state's economy is heavily dependent on a few sectors. As Hawai'i's only public system of higher education, UH plays a critical role in helping to diversify the economy by promoting research, discovery and commercial innovation. However, UH cannot do this alone without the commitment of partners like the Hawai'i Technology Development Corporation (HTDC). Already in play are a number of initiatives with HTDC to bring UH technology to market and to strengthen the pipeline of new startups securing federal SBIR funding. The Hawai'i Tech Bridge Program, a new partnership between UH, HTDC and the Naval Information Warfare Center, is expected to create new inroads for Hawai'i technology companies to serve as solution providers for the U.S. Navy – many of which would certainly include dual-use technologies.

Thank you for the opportunity to provide testimony in support of this measure.



521 Ala Moana Blvd, Ste 255 808-539-3806 Honolulu, Hawaii 96813 www.htdc.org

Written Statement of Len Higashi Acting Executive Director Hawaii Technology Development Corporation before the Senate Committee on Higher Education and Senate Committee On Energy, Economic Development, And Tourism Thursday, February 11, 2021 3:00 p.m. Videoconference

In consideration of SB1421 RELATING TO DUAL USE TECHNOLOGY.

Chairs Kim and Wakai, Vice Chairs Kidani and Misalucha, and Members of the Committee.

The Hawaii Technology Development Corporation (HTDC) **supports** SB1421 that creates a task force with the University of Hawaii and the Department of Business, Economic Development, and Tourism that explores how dual use technology can be used to promote economic recovery and diversify the state's economy and makes an appropriation.

HTDC supports efforts to diversify Hawaii's economy through innovation. HTDC administers the Hawai'i Small Business Innovation Research (HSBIR) program serving many businesses from the dual-use community. We are working very closely with the University of Hawaii on pilot initiatives aimed at getting University technology to market and increasing the pipeline of new small businesses securing federal SBIR funds. We are also partnered with the University of Hawaii and the Naval Information Warfare Center (NIWC formerly known as SPAWAR) Pacific on the Hawai'i Tech Bridge Program to facilitate new opportunities for local technology companies to provide solutions for the Navy. Exploring new project opportunities for dual-use technology is well aligned with HTDC's current priorities.

HTDC looks forward to working with all stakeholders in moving dual-use technology forward. HTDC supports this bill provided it does not supplant the priorities in the Administration's budget. Thank you for the opportunity to offer these comments.

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: dbedt.hawaii.gov Telephone: (808) 586-2355 Fax: (808) 586-2377

MIKE MCCARTNEY Director Department of Business, Economic Development, and Tourism before the SENATE COMMITTEE ON HIGHER EDUCATION AND SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Statement of

Thursday, February 11, 2021 3:00 PM State Capitol, Conference Room 229

In consideration of SENATE BILL 1421 RELATING TO DUAL USE TECHNOLOGY.

Chairs Kim and Wakai, Vice Chairs Kidani and Misalucha and members of the Committees. The Department of Business, Economic Development and Tourism (DBEDT) supports the intent of SB1421 that creates a task force with the University of Hawaii and DBEDT that explores how dual use technology can be used to promote economic recovery and diversify the State's economy and makes an appropriation.

DBEDT supports the intent to diversify Hawaii's economy leveraging dual use technology. DBEDT points out that the Hawaii Technology Development Corporation (HTDC) administers the Hawaii Small Business Innovation Research (HSBIR) program, which serves many businesses from the dual-use community. HTDC has been working closely with UH to increase commercializing technologies for the Department of Defense through the Hawaii Tech Bridge program.

DBEDT supports this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to offer these comments.

DAVID Y. IGE GOVERNOR

MIKE MCCARTNEY DIRECTOR

CHUNG I. CHANG DEPUTY DIRECTOR



Written Statement of DR. PATRICK K. SULLIVAN PRESIDENT/CEO OCEANIT

Before the SENATE COMMITTEE HIGHER EDUCATION And SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT AND TOURISM

Thursday, February 11, 2021 3:00 p.m. State Capitol, Conference Room 229 In Support of SB1421 RELATING TO DUAL USE TECHNOLOGY

To: Chairs Donna Mercado Kim and Glenn Wakai, Vice Chairs Michelle N. Kidani and Bennette E. Misalucha and Members of the Committee

From: Dr. Patrick K. Sullivan, President/CEO

Re: Testimony in Support of SB1421

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony in Support of SB1421.

Oceanit is a local diversified technology company with capabilities/facilities in aerospace, life sciences, engineering and information systems.

Federal funding sources have demonstrated the ability to support technology jobs in Hawaii. Dual use refers to technology that has application in both government and commercial / civilian applications.

Formalizing the establishment of a Dual Use organization would help to build on prior work with the Dual Use group that used to meet monthly for over 6 years.

If successful, Dual Use technology has the promise of creating a more diverse economy in Hawaii, including high paying jobs.

We support SB1421.

<u>SB-1421</u> Submitted on: 2/10/2021 10:21:58 AM Testimony for HRE on 2/11/2021 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Isar Mostafanezhad	Testifying for Nalu Scientific, LLC	Support	No

Comments:

At Nalu Scientific, LLC, we design and develop state of the art micro electronics with applications in scientific and industrial areas. We strongly support this bill and we would like to keep abreast of this development and help if needed for diversifying our island economy.

<u>SB-1421</u> Submitted on: 2/10/2021 10:49:52 AM Testimony for HRE on 2/11/2021 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Todd Robertson	Testifying for Hyperspective Studios, Inc.	Support	No

Comments:

Hyperspective is a media and communications company, serving Hawaii since 1999. Through our support of local business, we have worked with organizations and companies in almost every major economic sector in Hawaii.

Through our work with companies developing dual-use technologies, we have experienced the opportunity that federal funds can bring to building new technologies, new businesses, and new jobs based in Hawaii. This in-turn supports the diversification and resilience of our local economy. Our company has also benefited from such funds and has been able to develop new projects that have employed as many as 15 local workers. Subsequent opportunities from those projects have generated new business and opportunities for our company and many other companies with whom we have worked in the dual-use sector.

We believe that it is very important to support more local development of dual-use projects, and therefore we strongly support SB1421.

Sincerely,

Todd Robertson

<u>SB-1421</u> Submitted on: 2/10/2021 11:37:45 AM Testimony for HRE on 2/11/2021 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Steve Brennan	Testifying for Premier Solutions HI LLC	Support	No

Comments:

Honorable Chair and Esteemed Committee Members;

Premier Solutions HI LLC writes in strong support of SB1421 which creates a task force with the University of Hawaii and the department of business, economic development, and tourism that explores how dual-use technology can be used to promote economic recovery and diversify the state's economy.

Premier Solutions HI LLC is a Honolulu-based woman-owned and economically disadvantaged minority owned small business founded in 2009 that is evidence of the transformative potential of Federal R&D funding and dual-use technology on local businesses. Premier's tagline is "solution through innovation" and we focus on innovative technology-based solutions and services for government customers. Our company has been successful in developing and serving as the US Navy's prime contractor for FACET, an IT system used across the Navy's worldwide fleet, with more than 500 systems used by the Navy worldwide. FACET sales and services today bring more than \$4 million in revenues into Hawaii annually, accounting for dozens of jobs. We also employ the FACET technology, and leverage the skills it has brought our local workforce, in our commercial business, which supports such customers as the State of Hawaii, the Honolulu Police Department, and large Hawaii businesses such as banks and insurance companies.

Innovation starts by recognizing a problem, and in 2021 we all recognize Hawaii finds itself facing dire economic problems. Leveraging federal investment in dual-use technology research and development, and the potential of Hawaii's people to innovate, can be part of the solution.

We urge you to vote yes and forward this measure.

Very respectfully,

Steve Brennan

Director, Business Development Premier Solutions HI LLC www.premiersolutionshi.com

<u>SB-1421</u> Submitted on: 2/6/2021 10:06:10 AM Testimony for HRE on 2/11/2021 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Regina Gregory	Individual	Comments	No

Comments:

The task force should include one member from each branch of the military in Hawai'i.