



## The Senate

STATE CAPITOL  
HONOLULU, HAWAII 96813

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### **Lieutenant Governor Signs Bills to Help Build State's Innovation Economy**

Honolulu- Lieutenant Governor Shan Tsutsui signed into law today two measures aimed at supporting the development of Hawaii's innovation economy and growing our State's research industry.

[House Bill 858](#), relating to the HI Growth Initiative, appropriates \$6,000,000 to the Hawaii Strategic Development Corporation to implement the HI Growth Initiative. The initiative is an investment program to develop and promote the creation of competitive high-growth companies in Hawaii.

"In order for Hawaii to thrive in today's economic landscape it is imperative that we make strategic investments now, so that we can build an innovative economy capable of carrying us well into the future," said Senator Donovan M. Dela Cruz, who chairs the Senate Committee on Economic Development, Government Operations and Housing. "This initiative provides the tools necessary to support high-growth entrepreneurial companies in State, helping us to create more high-wage jobs and remain globally competitive."

[Senate Bill 1349](#), relating to economic development, reenacts the tax credit for qualified high technology research activities for six years. The measure also establishes new reporting requirements. Additionally, it requires DBEDT to conduct studies to measure the effectiveness of the tax credit and submit reports to the legislature.

"Hawaii's lack of career opportunities in STEM related fields has led to an exodus of many of our Island's talented youth, who are faced with too few career prospects here home," said Dela Cruz, who introduced the measure. "By reestablishing the qualified research activities tax credit this measure allows Hawaii's research and development companies to remain competitive with mainland businesses and generate and sustain lucrative high technology jobs for our children."

Senator Dela Cruz also expressed when implementing such programs involving appropriations or tax credits that they need to center around location specific economic development, targeting where the funding will be focused on to spur economic activity, so that our local people can see the progress and positive impacts within their communities.

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