

STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

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Statement of SCOTT GLENN, Director

before the

SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Tuesday, March 14, 2023, 1:30 PM State Capitol, Conference Room 229

in consideration of
HB 1194, HD 2
RELATING TO AN ECONOMIC DEVELOPMENT DISTRICT PLANNING
ORGANIZATION

Chair DeCoite, Vice Chair Wakai, and Members of the Senate Committee on Energy, Economic Development, and Tourism:

The Office of Planning and Sustainable Development (OPSD) **strongly supports** HB 1194, HD 2, which would establish and designate OPSD to organize an economic development district (EDD) planning organization and board to qualify the State of Hawai'i for an EDD designation by the U.S. Economic Development Administration (EDA). This measure establishes positions and appropriates funds to OPSD.

An EDD designation for the State of Hawai'i by the EDA requires a dedicated district planning organization and board that will build partnerships and promote cooperation across the state, including private sector, government, community, labor organizations, higher education, and workforce development boards. In doing so, the planning organization will facilitate implementation of the Statewide Comprehensive Economic Development Strategy (CEDS) by assisting other organizations within the state with applications for federal grant funding to implement projects that align with the CEDS. Furthermore, the planning organization will serve as a coordinating body to ensure alignment with other relevant plans and statewide goals.

The State of Hawai'i stands to benefit significantly from an EDD designation as it will result in increased federal funding to support the continuous development and implementation of the CEDS. In addition to providing annual funds to support the coordination activities of the EDD planning organization, the EDA is much more likely to award funds to projects within a designated EDD; between 2010 and 2019, more than 71% of EDA grants were located in an area covered by an EDD, according to the EDA.

This measure will provide the necessary resources and satisfy the federal statutory requirements pursuant to 13 CFR § 304.1 to qualify Hawai'i for an EDD designation by the EDA.

Thank you for the opportunity to testify on this measure.





HEARING BEFORE THE SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 229 TUESDAY, MARCH 14, 2023 AT 1:30 P.M.

To The Honorable Senator Lynn DeCoite, Chair The Honorable Senator Glenn Wakai, Vice Chair Members of the Committee on Energy, Economic Development, and Tourism

SUPPORT FOR HB1194 HD2 RELATING TO HOUSING.

The Maui Chamber of Commerce **supports HB1194 HD2** which establishes the Hawai'i Economic Development District Planning Organization and designates the Hawai'i Economic Development District Planning Organization as the district organization for purposes of implementing the United States Economic Development Administration-approved comprehensive economic development strategy.

The Chamber supports this initiative as it would better connect the state with federal agencies and may increase important economic development federal funding of projects in Hawaii.

Free enterprise helps to diversify and stimulate the economy and generate new jobs. Therefore, in addition to those listed in the bill to serve on the board, <u>we feel it should also include a representative from each of the major chambers of commerce from each island in the state</u>.

For these reasons, we support HB1194 HD2 with our proposed amendment.

Sincerely,

Pamela Tumpap

Namela Jumpap

President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.