

**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**  
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI  
A HO'OMĀKA'IKĀ'I

**JOSH GREEN, M.D.**  
GOVERNOR

**CHRIS J. SADAYASU**  
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Statement of  
**CHRIS J. SADAYASU**  
Director  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM**

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

In consideration of  
**HB999, HD1**  
**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.**

Chair DeCoite, Vice Chair Wakai, and members of the Committee. The Department of Business Economic Development and Tourism (DBEDT) **supports** HB999, HD1, an administration bill that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to the Hawaii Technology Development Corporation (HTDC) to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.

DBEDT believes that the State should accelerate economic diversification efforts as part of the economic recovery. Through public private partnerships, HTDC programs provide leverage to the State. DBEDT looks forward to working with HTDC and all stakeholders in moving Hawai'i forward.

Thank you for the opportunity to testify.



Written Statement of  
**Len Higashi**  
Executive Director  
Hawaii Technology Development Corporation  
before the  
**Senate Committee On Energy Economic Development and Tourism**  
Tuesday, March 14, 2023  
1:30 p.m.  
Conference Room 229 & Videoconference

In consideration of  
**HB999, HD1**  
**RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.**

Chair DeCoite, Vice Chair Wakai, and Members of the Committee.

The Hawaii Technology Development Corporation (HTDC) **supports** HB999, HD1 that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.

HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following our mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export. HTDC programs are coordinated with other Department of Business, Economic Development and Tourism (DBEDT) and University of Hawaii (UH) programs to maximize their effectiveness.

Through the COVID-19 pandemic, HTDC ramped up new programs such as the \$10 million Personal Protective Equipment (PPE) Supply Chain program, appropriated by the legislature and a \$600 thousand digital marketing and e-commerce training, funded by the federal Economic Development Administration. HTDC is currently administering the \$62 million Hawai'i Small Business Capital Program (HI-CAP), funded by the U.S. Treasury, with \$500 thousand support from the State, to provide access to capital to small businesses. These programs demonstrate HTDC's ability to administer new programs.

This HTDC omnibus bill provides a framework to accelerate economic diversification efforts through substantial, strategic, coordinated investments, building upon HTDC core programs. The bill aligns individual projects toward larger state objectives with input from the community and ensures transparency and accountability with predetermined reporting requirements and objectives. HTDC looks forward to working with all stakeholders in moving Hawai'i forward.

HTDC respectfully requests correction of the defective effective date. Thank you for the opportunity to offer these comments.

**HB-999-HD-1**

Submitted on: 3/13/2023 12:47:23 PM

Testimony for EET on 3/14/2023 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tracy Taira Carnate	Testifying for Pacific Asian Center for Entrepreneurship	Support	Written Testimony Only

Comments:

Statement of  
Tracy Taira Carnate  
Program Manager  
Pacific Asian Center for Entrepreneurship  
before the  
House Committee on Energy, Economic Development, and Tourism

Tuesday, March 14, 2023  
1:30 PM  
State Capitol, Conference Room 219 & Videoconference

In consideration of  
HB999 HD1  
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

The Pacific Asian Center for Entrepreneurship supports HB999 HD1 that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.

HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai‘i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Since 2000, PACE has been dedicated to developing entrepreneurial and problem-solving graduates by offering startup mentorship, funding, and hands-on training activities. We serve students at all startup stages. Many of the companies that are mature enough to seek investment are born from UH technology. Our Center works with the founders and researchers for many years to fine tune commercialization potential and viable business models. HTDC’s goals are very much aligned with PACE’s mission. One of our goals is to prepare early-stage UH

companies for entry into a local or national accelerator and / or to educate new student founders in the lean startup methodology, which makes the team attractive when applying for SBIR grants. The funds appropriated to HTDC will serve to aid various local entities that are working toward the same goals of economic diversification, high-paying job creation, and local talent retainment. Their funding allows programs and agencies like PACE to do what they do best - educate the next generation of leaders and change-makers in our State. Having worked for PACE for over 20 years, I have seen first-hand how a little bit of funding and support in the way of educational programming can give a new founder the confidence and resources they need to build a new venture and make Hawaii a better place to live and work.

Thank you for the opportunity to offer these comments.

**HB-999-HD-1**

Submitted on: 3/13/2023 11:36:21 AM

Testimony for EET on 3/14/2023 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Susan E Yamada	Testifying for Pacific Asian Center for Entrepreneurship	Support	Written Testimony Only

Comments:

**Statement of**

**Susan Yamada**

**Chairman**

**Pacific Asian Center for Entrepreneurship**

**before the**

**House Committee on Energy, Economic Development, and Tourism**

**Tuesday, March 14, 2023**

**1:30 PM**

**State Capitol, Conference Room 219 & Videoconference**

**In consideration of**

**HB999 HD1**

**RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

**Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.**

**The Pacific Asian Center for Entrepreneurship supports HB999 HD1 that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.**

**HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.**

**PACE has worked closely with HTDC to provide educational opportunities for UH students as they prepare for jobs in the developing innovation and technology industries here in Hawaii. HTDC's accelerator programs have supported UH startup company entrepreneurs as they validate their business models and grow their businesses. Significant progress has been made in the past decades to create more high paying jobs, less reliant on the hospitality industry, and HTDC has been a constant supporter. I strongly recommend your support of this important bill.**

**Thank you for the opportunity to offer these comments.**



# Chamber of Commerce HAWAII

*The Voice of Business*

## Testimony to the Senate Committee on Energy, Economic Development, and Tourism

**Tuesday, March 13, 2023, at 1:30 P.M.  
Conference Room 229 & Videoconference**

### **RE: HB 999 HD1 Relating to the Hawaii Technology Development Corporation**

Chair DeCoite, Vice Chair Wakai, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 999 HD1, which establishes a public policy framework that addresses state goals in the area of economic diversification. Appropriates funds to the Hawaii Technology Development Corporation to implement specific projects that address those goals. Requires the Hawaii Technology Development Corporation to submit annual reports over three years to the legislature.

Hawaii Technology Development Corporation and its programs actively support and advocate for the specific needs of Hawaii's technology and manufacturing businesses. We have seen a rising demand from local companies wanting to manufacture here in Hawaii in order to maintain quality control, as well as an increasing desire for 'Made in Hawaii' products from consumers globally, which will continue to economically benefit our state. Hawaii Technology Development Corporation and its programs are integral to the growth and success of these companies who seek information and guidance on what it takes to succeed in Hawaii.

The HTDC omnibus bill provides a framework to accelerate economic diversification efforts through substantial, strategic, coordinated investments. This bill will continue to push Hawaii's economy in the right direction and help diversify our economy.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Thank you for the opportunity to testify.



Statement of  
**Hermann Kugeler**  
**Vice President of Business Development**  
**Makai Ocean Engineering, Inc.**

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

**HB999**

**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.**

Chair DeCoite, Vice Chair Wakai, and Members of the Committee

Makai Ocean Engineering, Inc. **SUPPORTS HB999, with comments**, that makes an appropriation to HTDC to continue providing grants to businesses through the small business innovation research program, manufacturing assistance program. **Makai prefers the senate version of this bill, SB1297, that includes the Office of Naval Research (ONR) renewable energy grant.**

Makai Ocean Engineering, Inc. is a locally-owned and operated technology company based in Hawaii for 50 years and an active participant in the Small Business Innovation Research (SBIR) grant program. The SBIR program consists of three phases that encourages early stage investment and innovation in technology. Phase 1 provides a very small amount of money that is barely enough for proof of concept research. However, it is the Phase 2 and 3 funding stages that really provide a means of development for companies to transition the idea and research conducted in Phase I, to prototyping to commercialization.

According to HTDC, for every dollar invested through this program, Hawaii companies have attracted nearly 15 federal dollars in return to the state, plus commercialization funding. The Hawaii SBIR program supports projects with vetted technology backed with federal funds. The state matching funds are critical in advancing development, which helps win later phase awards and assists in getting the technology out into the market. The SBIR matching grants assist companies that have a commercially-promising project that has a difficult development plan. Carefully selected matching grants represent more of a “sure bet” in terms of a successful and highly leveraged investment in economic development for the State, and growing our tech sector.

For example, Makai’s subsea cable laying software began as a Phase 1 SBIR (matched by State for \$20k in the year 2000) and then went on to Phase 2 and 3 and became the world’s #1 commercial cable laying software, with over \$35 million in commercial revenues and high tech jobs for Hawaii over the last 20+ years. This is a direct multiplier of more than 1,750X for the State’s investment, not counting the indirect benefits of retaining some of the world’s best engineers in Hawaii and the additional technologies they have generated during this time.





Makai is currently working on a Phase 2 SBIR program focused on development of a temperature sensing tow cable. Makai was also recently awarded a Phase III for this program. In 2018 HTDC awarded Makai an HSBIR Phase I grant for this program, that we believe was a key reason we were selected for the Phase II and III awards. This program alone, has already resulted in a direct multiplier of more than 120X the State's investment, in federal funds. This is expected to grow as the technology transitions to the Navy fleet and commercial markets in the coming years.

In addition, Makai and Referentia were two local companies honored with a national award, the SBIR Tibbetts Award at the Whitehouse in January, 2017. This award recognizes the very best SBIR companies in the country whose technologies have made a strong economic impact in terms of high paying jobs, and displaying success in **actually commercializing federal R&D**. We need this HTDC administered program to make possible more national success stories by local companies.

Makai Ocean Engineering, Inc. has historically been an engineering services provider, but now, with the help of the State's current manufacturing assistance program, Makai is diversifying into low-volume manufacturing. Makai has been involved in marine-related engineering in Hawaii for over 45 years, and recently began a heat exchanger R&D program. Now, we are ramping up production from a small manufacturing plant for heat exchangers on the Big Island of Hawaii, which is sustaining approximately 8 highly-skilled, high-paying STEM / engineering jobs in rural Kona. We have a strategic advantage for developing and manufacturing low-volumes of these components in Hawaii for two reasons: the U.S. Navy and Air Force's presence in Hawaii, and Makai already owns and operates a marine heat exchanger test facility and marine corrosion lab on the Big Island. As an example, Makai was recently awarded a contract to design a new heat exchanger for the U.S. Air Force's next generation aircraft, and we hope to be manufacturing units over the coming years.

The program limits reimbursement to 20% of qualified expenses capped at \$100,000. Because they are matching funds, a manufacturer is eligible only if they are already making an investment in the local community and providing jobs. The program amplifies these efforts, and shows the State's support for local manufacturers willing to make the investment and commitment to adding jobs, and growing their businesses and the industry in Hawaii.

This is why we **SUPPORT HB999, with comments**, which would provide the state matching funds for federal SBIR programs and manufacturing assistance to enable companies to commercialize new technologies more effectively. **Makai prefers the senate version of this bill, SB1297, that includes the Office of Naval Research (ONR) renewable energy grant.** Not only would this expansion of funding enable our tech industry to compete and win more Federal monies for technology development and manufacturing, it would provide highly-skilled professional jobs for our keiki here at home.

Thank you for the opportunity to offer these comments.



Testimony Presented to  
Senate Committee on Energy, Economic Development, and Tourism  
Tuesday, March 14, 2023 1:30pm Room 229 & Videoconference

by

*Ronald Weidenbach, Co-owner/President, Hawaii Fish Company Inc., Waialua, HI*

SUBJECT: Support for HB 999 HD1 – RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Aloha Senator DeCoite, Chair, Senator Wakai, Vice Chair, Members of the Committee:

Hawaii Fish Company Inc. (HFC), established in 1978, is Hawaii's oldest commercial fish farm and a federal SBIR awardee since 1993. In 2000, HFC was awarded the U.S. Small Business Administration's Tibbitts Award as a national model of excellence for the SBIR program, and a place in the SBIR Hall of Fame, Washington DC. Our SBIR successes to date have been made possible by the Hawaii SBIR matching grant program.

HFC strongly supports HB 999 HD1 which establishes a public policy framework that addresses state goals in the area of economic diversification and appropriates funds to the Hawaii Technology Development Corporation (HTDC) to implement specific projects that address those goals. Included among these beneficial projects is the Hawaii SBIR Matching Grant Program. This valuable program supports matching grants of up to 50% of the Federal SBIR Phase II/III awards, enabling awardees to cover important research, development, intellectual property (IP) protection, and pre-commercialization expenses not covered by the federal awards, placing Hawaii companies in a favorable competitive position nationally.

This very successful program was the first of its kind in the nation and has since been widely copied and expanded upon by other States seeking to attract innovative technology companies and economic development to their respective States. The return on investment to the State of Hawaii in terms of small business start-ups, expansion, diversification, job creation, and economic impact has been impressive. This program is critical to the continued efforts to diversity Hawaii's economy. Thank you for the opportunity to testify in strong support of HB 999 HD1.

Respectfully,

Ronald P. Weidenbach

**Sustainability. Innovation. Quality.**

P.O. Box 740 | Waialua, HI 96791 USA | [info@hawaiifishcompany.com](mailto:info@hawaiifishcompany.com) | [hawaiifishcompany.com](http://hawaiifishcompany.com)



Written Statement of  
**KEN CHEUNG**  
**S&T MANAGER/CEO OCEANIT**

Before the  
**SENATE ENERGY, ECONOMIC DEVELOPMENT AND TOURISM**

Thursday, March 14, 2023  
1:30 p.m.  
State Capitol, Conference Room 229 and Videoconference

Offers Comments to  
**HB991 RELATING TO THE HAWAII TECHNOLOGY  
DEVELOPMENT CORPORATION**

To: Senator Lynn DeCoite, Chair, Senator Glenn Wakai, Vice Chair, and Members of the Committee

From: Ken Cheung, S&T Manager

Re: Support and Comments relating to HB991

Honorable Chair, Vice-Chair and Committee Members:

To diversify Hawaii's economy and the help Hawaii's economic recovery, the State needs to support Hawaii technology companies.

The State's support of the Small Business Innovation Research (SBIR) program has helped Hawaii advance from being nearly 48/50 to 30/50 US States. For each dollar the comes to Hawaii, there are between \$2 to \$7 dollars circulated in Hawaii's economy. Hawaii's investment into supporting successful Hawaii SBIR applicants has a significantly positive ROI for Hawaii's economy and major social benefit to Hawaii's community, creating high paying jobs that help manage Hawaii's high cost of living costs. The continuation of the SBIR matching grants program is both helps local companies compete, mature technology and eventually commercialize technology.

Therefore, we support this program and request that the matching grant fund be increased to \$5M.

Statement of  
**Adrian Hong**  
**President**  
**Island Plastic Bags, Inc.**  
before the  
**House Committee on Energy, Economic Development, and Tourism**

Tuesday, March 14, 2023  
1:30 PM  
State Capitol, Conference Room 219 & Videoconference

In consideration of  
**HB999 HD1**  
**RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

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

Island Plastic Bags, Inc. **supports** bills that appropriate funds for the **Manufacturing Assistance Program**. According to the National Association of Manufacturers, Hawaii has an average of 11,000 manufacturing employees working at 750 manufacturing firms with an output of \$1.66 billion. The MAP grant limits reimbursement to 20% of qualified expenses capped at \$100,000. This program shows the State's support for local manufacturers who are trying to scale their businesses in Hawaii and helps to grow the industry.

The grant we received from this program helped us modernize our production process. The new equipment we purchased helped us improve our efficiency, productivity, and safety. Island Plastic Bags, Inc. is grateful to have participated in this program and we hope other companies will be able to do so as well.

Thank you for the opportunity to offer these comments.



Keoni Lee  
CEO, Hawai'i Investment Ready  
keoni@hiready.net

before the  
**House Committee on Energy, Economic Development, and Tourism**

Tuesday, March 14, 2023  
1:30 PM  
State Capitol, Conference Room 219 & Videoconference

In consideration of  
**HB999 HD1**  
**RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Aloha e Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism,

I submit this testimony in SUPPORT of HB999 HD1 relating to the Hawai'i Technology Development Corporation (HTDC) that establishes a public policy framework that addresses state goals in the area of economic diversification.

The COVID-19 economic crisis clearly surfaced the vulnerabilities of Hawai'i's economy and demonstrated why economic diversification is critical to the future of our State. There is no playbook or blueprint that Hawai'i can follow in diversifying our economy because Hawai'i is geographically, culturally, and politically unique as a U.S. state. In short, Hawai'i problems require Hawai'i solutions. The solutions for a more diversified and resilient economy are only going to emerge if the conditions for innovation are present. This is where HTDC has a critical role to play for our State.

HB999 HD1 will appropriate funds to HTDC to implement specific projects that aim to support economic diversification and innovation. In particular, HTDC played a significant role in Hawai'i's entrepreneurial and innovation sector by providing funding to business accelerators and incubator programs for the last decade.

Hawai'i Investment Ready (HIR) launched its social enterprise accelerator program in 2013 and is one of the early accelerator programs in Hawai'i. To date, this accelerator program has graduated 63 social enterprises, both for and not-for-profit, which collectively generate over \$120million in annual revenue and support nearly 500 jobs in Hawai'i.

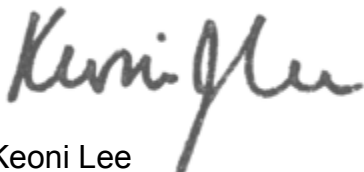
Accelerator and incubator programs provide timely and critical support to entrepreneurs on their journeys from the startup phase through proof of concept and on to the growth

phase. Without these programs and supports, entrepreneurs are left to carry the burden of growing their companies on their own. This is especially problematic and hindering to entrepreneurs from historically marginalized communities, limiting the entrepreneurial and economic development opportunities for these communities. Hawai'i Investment Ready has an established and trusted reputation for supporting these entrepreneurs with capacity building, providing access to capital, and offering on-going support well after program participants complete the accelerator program. We know from our decade of experience in this work that these wrap-around and on-going supports are both necessary for and desired by the entrepreneurs.

While HIR has never received HTDC funding support for its programs I have seen how those funds have helped with strengthening Hawai'i's entrepreneurial and innovation sector and with more resources HTDC can widen its offering of support in partnership and collaboration with organizations like ours to better serve Hawai'i's entrepreneurs and innovators.

Mahalo nui for the opportunity to offer these comments in SUPPORT of HB999 HD1.

Ke aloha nō,

A handwritten signature in dark ink, appearing to read "Keoni Lee". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Keoni Lee  
CEO, Hawai'i Investment Ready



Statement of  
Todd J. Robertson  
President/CEO  
Hyperspective  
before the  
**House Committee on Energy, Economic Development, and Tourism**

Tuesday, March 14, 2023  
1:30 PM  
State Capitol, Conference Room 219 & Videoconference

In consideration of  
**HB999 HD1**  
**RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

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

Hyperspective supports HB999 HD1 that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.

HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Hyperspective is a digital creative agency, focused on creating cutting edge creative media and products for use in the arts, entertainment, and communications both within the State of Hawaii and for global export. We support many local tech and manufacturing businesses within this sector.

Thank you for the opportunity to offer these comments.

**HB-999-HD-1**

Submitted on: 3/13/2023 10:11:15 AM

Testimony for EET on 3/14/2023 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Chenoa Farnsworth	Testifying for Blue Startups	Support	Written Testimony Only

Comments:

**Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Energy, Economic Development, and Tourism.**

**Blue Startups supports HB999 HD1 that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.**

**HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai‘i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.**





March 13, 2023

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

Subject: HB999 Relating to the Hawaii Technology Development Corporation

**Aloha nō,**

Purple Mai'a Foundation supports HB999 because it establishes goals for economic growth fueled by innovation and technology, economic diversification through Hawai'i's participation in the digital economy, and economic diversification through increase in activity to reduce and mitigate climate change.

We also support this bill because it appropriates funding to support existing and new accelerator programs. Accelerator programs play an important role in Hawai'i's innovation ecosystem by increasing entrepreneur knowledge and capacity, creating connections to mentorship and funding opportunities, and facilitating Hawai'i entrepreneurs' exposure to social impact models and the most innovative practices.

As part of our mission to educate and empower the next generation of culturally grounded, community serving technology makers and problem solvers, we at Purple Mai'a have operated our own successful accelerator programs that contribute to Hawai'i's economic diversification, and that we believe could one day benefit from HTDC funding to enhance and support them:

Hawai'i FoundHer, the nation's only accelerator tailored specifically to the needs of Native Hawaiian, Asian American, and Pacific Islander (NHAAPI) women, is in its second year of operation, having served a pilot cohort of women-owned businesses that increased their revenue by 330% a year after program completion.

The Purple Prize, which ran from 2016-2020, and is now on hiatus, resulted in new businesses, created jobs, supported Native Hawaiian innovators and entrepreneurs, and spurred the cause of Indigenous innovation that combines ancestral knowledge



with contemporary technologies in order to solve problems and support the thriving of land and people.

In closing, we humbly ask that you support HB999..

Me ka ha'aha'a,

Kelsey Amos  
Chief Executive Officer, Purple Mai'a



**Written Statement of Elemental Excelsior  
before the Senate Committees on Energy, Economic Development and Ways and Means**

**in consideration of HB 999 HD1, March 14, 2023**

Aloha Chair Decoite, Chair Dela Cruz, Vice-Chair Wakai, Vice-Chair Keith-Agaran, and Members of the Committees:

Elemental Excelsior respectfully submits our **strong support** for HB 999 HD1.

Elemental Excelsior is a Honolulu-based non-profit organization that supports climate positive startup companies that help solve Hawai'i's most urgent environmental problems. Each year, we select 15-20 companies that best fit our mission and fund each company with up to \$1 million in investment. To date, we have awarded over \$60 million to 150+ companies, and additionally supported more than 100 new tech demonstration projects including many right here in Hawai'i & the Asia Pacific.

We are strong supporters of this bill that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.

Initiatives like this are key to building a thriving environment that supports our local entrepreneurs. This is a great opportunity for the State to be able to provide matching funds for technology research and investments around alternative energy. HB 999 HD1 has the potential to unlock large competitive federal funding opportunities that require local matching funds. With the passing of CHIPS, Inflation Reduction Act and the bipartisan infrastructure bills, there is well over a trillion dollars nationally in funding available for clean energy initiatives. Local jurisdictions that have matching funds and local capacity on the ground to deploy solutions will be the most successful in attracting these funds.

Elemental Excelsior has helped support over a hundred climate tech companies that create good jobs, help transition our economy to 100% clean energy, and accelerate access to clean energy technologies - lowering the cost of utility bills for residents and increasing transparency of our energy usage.

HB 999 HD1 is a key piece of legislation to ensure Hawaii is competitive to bring more funding to our State to achieve our clean energy goals. **Elemental Excelsior strongly supports the passage of HB 999 HD1.**

Thank you for the opportunity to testify.

Written Statement of

**Meli James**

Cofounder

Mana Up

before the

**House Committee on Energy, Economic Development, and Tourism**

Tuesday, March 14, 2023

1:30 PM

State Capitol, Conference Room 219 & Videoconference

In consideration of

**HB999 HD1**

**RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

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

Mana Up **supports** HB999 HD1 that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.

HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Mana Up's mission is to create a thriving local product ecosystem in Hawaii that will help solve challenges our island economy faces, including lack of affordability for many residents and an outmigration trend of Hawaii-born residents. By creating this ecosystem, we hope to (1) create meaningful job opportunities for the next generation as Hawaii is one of the only states to have a declining local population, with more Native Hawaiians leaving than ever before, (2) foster sustainable tourism by integrating local people and companies, (3) diversify the economy through exports based on our unique niche in the international market, bringing in new dollars to the state and expanding our economic growth, (4) through value added agricultural products, generate use of agricultural land.

Mana Up has operated an accelerator for the past five years, with seven cohorts and 74 graduates. 100% of companies are headquartered in Hawaii. In 2021, this portfolio accounted for \$61 million in annual revenue (with 67% of revenue coming from markets outside Hawaii, bringing new dollars into the State), 498 jobs, and a 33% median growth rate. In analyzing

revenues of graduates before and after the program, Mana Up has helped add \$35 million in annual revenue in 202 – and revenues continue to grow.

We believe that this bill is important to support the economic development work that is being undertaken by the accelerators and others. Accelerator grants in the past have made it possible for Mana Up to be in existence. We hope this momentum continues as we leverage these early successes and continue to strengthen the diversification of the economy.

HB999 HD1 accelerates economic diversification by building upon HTDC core programs: Accelerator, Hawai'i Small Business Innovation Research (HSBIR) and Manufacturing Assistance Program (MAP). Many Mana Up companies have participated in the MAP grant. These grants help companies to enhance their manufacturing capacity. The companies report that each piece of manufacturing machinery helps to grow their revenue and add employees.

Thank you for the opportunity to offer these comments.

Meli James

Cofounder  
Mana Up



STARTUP CAPITAL VENTURES X SBI FUND, L.P.

March 13, 2023

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

Subject: HB999 Relating to the Hawaii Technology Development Corporation - Support

Dear Honorable Members of the Senate Committee on Energy, Economic Development, and Tourism,

Startup Capital Ventures x SBI Fund, LP supports HB999 because it establishes goals for economic growth fueled by innovation and technology, economic diversification through Hawai'i's participation in the digital economy, and economic diversification through increase in activity to reduce and mitigate climate change.

We also support this bill because it appropriates funding to support existing and new accelerator programs. Accelerator programs play an important role in Hawai'i's innovation ecosystem by increasing entrepreneur knowledge and capacity, creating connections to mentorship and funding opportunities, and facilitating Hawai'i entrepreneurs' exposure to social impact models and the most innovative practices.

Startup Capital Ventures x SBI Fund relies upon the work that these accelerator programs provide. We seek to invest in the most promising companies that matriculate out from these accelerator programs. Over the life of our firm, we have made eight (8) investments into Hawaii tech companies; more recently of the 8, two (2) were from our current fund, both Hawaii-based companies with promising growth prospects. For Hawaii to diversity its economy, we need to support the growth of its innovation sector.

Respectfully,

Donavan Kealoha  
Managing Director



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Written Statement of  
**Meli James**  
President  
Hawaii Venture Capital Association  
before the  
**House Committee on Energy, Economic Development, and Tourism**

Tuesday, March 14, 2023  
1:30 PM  
State Capitol, Conference Room 219 & Videoconference

In consideration of  
**HB999 HD1**  
**RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

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

HVCA **supports** HB999 HD1 that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.

HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

The Hawaii Venture Capital Association (HVCA) is a local nonprofit that stands as a nexus for entrepreneurs, capital foundation, and networking opportunities in Hawaii. Our organization helps to foster entrepreneurship through education and exposure to key members in our business community in order to support our islands' emerging entrepreneurs, all while sustaining a vibrant and successful business community. By creating this ecosystem, we hope to (1) create meaningful job opportunities for the next generation as Hawaii is one of the only states to have a declining local population, with more Native Hawaiians leaving than ever before, (2) foster sustainable tourism by integrating local people and companies, (3) diversify the economy through exports based on our unique niche in the international market, bringing in new dollars to the state and expanding our economic growth, (4) through value added agricultural products, generate use of agricultural land.

HB999 HD1 accelerates economic diversification by building upon HTDC core programs: Accelerator, Hawai'i Small Business Innovation Research (HSBIR) and Manufacturing Assistance Program (MAP). Many local entrepreneurs have participated in the MAP grant. These grants help companies to enhance their manufacturing capacity. The companies report that each piece of manufacturing machinery helps to grow their revenue and add employees.

Thank you for the opportunity to offer these comments.

Meli James



President  
HVCA



**HB-999-HD-1**

Submitted on: 3/13/2023 1:01:50 PM

Testimony for EET on 3/14/2023 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Collin Kobayashi	Testifying for 3D Innovations	Support	Written Testimony Only

Comments:

Statement of

Collin Kobayashi

President

3D Innovations

before the

**House Committee on Energy, Economic Development, and Tourism**

Tuesday, March 14, 2023

1:30 PM

State Capitol, Conference Room 219 & Videoconference

In consideration of

**HB999 HD1**

**RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

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

3D Innovations **supports** HB999 HD1 that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.

HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

3D Innovations supports companies developing new technology and products. With the support of HTDC, our technology and manufacturing sectors have greatly benefited from these programs. The additional funding and support helps with further development and prototyping that leads to commercialization. Without the support of these programs that HTDC creates, the commercialization process would take years longer to achieve and in some cases, not be possible.

Thank you for the opportunity to offer these comments.



**921 Kaamahu Pl. Honolulu, HI**

Tel: (808) 847-1511 Fax: (808) 845-4977  
www.minplastics.com

Statement of  
Andrew Min  
General Manager  
Min Plastics & Supply, Inc.  
before the House Committee on Energy, Economic Development, and Tourism

Tuesday, March 14, 2023 1:30 PM  
State Capitol, Conference Room 219 & Video conference

In consideration of HB999 HD1  
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Min Plastics & Supply, Inc. supports HB999 HD1 that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.

HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

Min Plastics & Supply, Inc. is a plastic distributor and fabrication company that has served Hawaii for more than 70 years. We have utilized HTDC as an informational training resource and in doing so, we have increased our revenue by 40%. This has allowed us to increase our employees by 30% and we continue to grow. The HTDC has assisted with increasing the efficiency of the manufacturing process permitting the ability to offer a wider range of services.

Thank you for the opportunity to offer these comments.

Andrew Min  
General Manager



**LATE**

Statement of  
**Isar Mostafanezhad**  
Founder & CEO, Nalu Scientific, LLC

before the  
**House Committee on Energy, Economic Development, and Tourism**

Tuesday, March 14, 2023  
1:30 PM  
State Capitol, Conference Room 219 & Videoconference

In consideration of  
**HB999 HD1**  
**RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

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

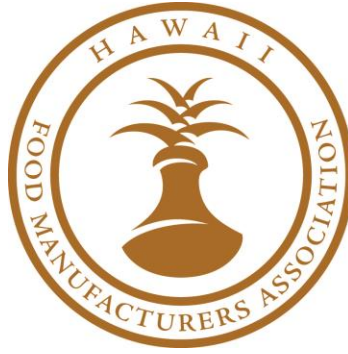
Nalu Scientific, LLC **supports** HB999 HD1 that establishes a public policy framework that addresses state goals in the area of economic diversification, appropriates funds to HTDC to implement specific projects that address those goals, and requires HTDC to submit annual reports to the legislature.

HTDC core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs in Hawai'i. Following their mission, HTDC programs aim to provide technical and financial support for innovative small businesses from the startup stage through growth and export.

I founded Nalu Scientific in 2016. Nalu Scientific has participated in, and benefitted from, several SBIR funding opportunities that has allowed us to grow over the years and increase the variety of products and services we have been offering.

Our company employs many UH graduates and former Hawaii residents who were able to return home to the islands and apply their specialized skills as we design and build high-end sensors and systems. The HTDC matching grant program has been a key reason why we have been able to provide these opportunities and to support Hawaii's innovation community.

Thank you for the opportunity to offer these comments.



**LATE**

**Testimony to the Senate Committee on Agriculture and Environment & Energy,  
Economic Development, and Tourism  
Tuesday, March 13th, 2023, at 1:30 P.M.  
Conference Room 229 & Via Videoconference**

**RE: HB 999 HD1 Relating to Hawaii Technology Development Corporation**

Chair, Vice Chair, and Members of the Committee:

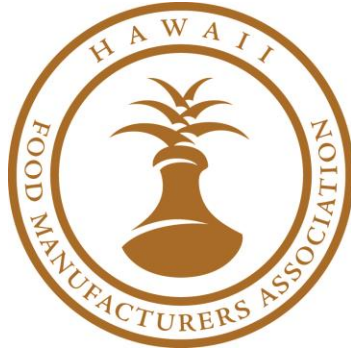
The Hawaii Food Manufacturers Association **strongly supports** HB 999 HD1, which establishes a public policy framework that addresses state goals in the area of economic diversification. Appropriates funds to the Hawaii Technology Development Corporation to implement specific projects that address those goals. Requires the Hawaii Technology Development Corporation to submit annual reports over three years to the legislature.

The Hawaii Food Manufacturers Association (HFMA) is a non-profit organization of approximately 120 members that has been promoting Hawaiian grown or manufactured products since 1977. The HFMA works to increase the understanding and appreciation of the unique flavors, quality, and care that go into the production of Hawaii's fine foods and beverages represented by our valued members and enjoyed by our valued community.

The food manufacturing industry in Hawaii generates \$900 million in annual revenue and is the largest manufacturing sector in the state using local inputs according to the Hawaii State Department of Business, Economic Development and Tourism. The industry provides over 6,100 jobs in the state and an annual payroll of more than \$160 million.

Food manufacturers have struggled in recent years due to the COVID-19 pandemic, supply chain shortages, and rising inflation. This bill would be a tremendous help to the small businesses that are struggling to keep their doors open and bring back workers that were laid off during the last few years.

Continued support for the manufacturing industry is essential to the economy of Hawaii. The Manufacturing Assistance Grant program helps spur economic growth amongst the industry and crucial for the success of our businesses.



Thank you for the opportunity to testify.

# TJ Leonard

STATE HOUSE OF REPRESENTATIVES  
THE THIRTY-SECOND LEGISLATURE  
REGULAR SESSION OF 2023

COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT AND TOURISM

Testimony on HB999

Relating to Hawaii Technology Development Corporation

I strongly support this bill.

In my consulting practice, I specialize in Economic Development, primarily in the areas of support for growing companies in the technology sector. I have first hand experience of the value of this program. Innovation is the life blood of growth, particularly in the technology sectors. I have seen a number of companies benefit from both the HSBIR funding program and MAP grants to bring new and innovative ideas successfully to the market. If anything, I would like to see HTDC's programs expanded.

Sincerely,

*Tom Leonard*

**HB-999-HD-1**

Submitted on: 3/11/2023 10:01:47 PM

Testimony for EET on 3/14/2023 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Burt Lum	Individual	Support	Written Testimony Only

Comments:

**COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM**

**Dear Chair Decoite, Vice Chair Wakai, and Members of the Committee:**

**I am writing to express my strong support for HB999 HD1, a bill that lays the policy framework for HTDC to do the important work of growing the digital economy, creating high paid jobs, fostering an environment for innovation and helping to build the businesses that will keep Hawaii competitive into the 21st century.**

**It's important that we continue to support an organization like HTDC because for them, the mission to diversify Hawaii's economy is of the highest priority.**

**Mahalo for this opportunity to provide this testimony.**



**HB-999-HD-1**

Submitted on: 3/13/2023 10:21:47 AM

Testimony for EET on 3/14/2023 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Donavan Kealoha	Individual	Support	Written Testimony Only

Comments:

Strongly support

**HB-999-HD-1**

Submitted on: 3/12/2023 8:51:06 AM

Testimony for EET on 3/14/2023 1:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ryan Kawailani Ozawa	Testifying for Hawaii Hui LLC	Support	Written Testimony Only

Comments:

I wholeheartedly support the critical, ongoing work of the HTDC, a dynamic state agency responsible for diversifying Hawaii's economy by developing a flourishing technology industry with capital, building infrastructure, and developing talent to foster innovation and diversify Hawaii's economy. Hawaii's tech industry provides quality, high-paying jobs for Hawaii residents, and advances economic diversification and local sustainability in an increasingly globalized economy. From the island grassroots to far-reaching national initiatives, no agency does more to develop a flourishing technology industry in Hawaii.