### HOUSE OF REPRESENTATIVES THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII

H.B. NO. <sup>991</sup> H.D. 1

# A BILL FOR AN ACT

RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 206M-2, Hawaii Revised Statutes, is 2 amended by amending subsection (b) to read as follows: 3 "(b) The governing body of the development corporation 4 shall consist of a board of directors having nine voting 5 members. The director of business, economic development, and 6 tourism, [and an appointed member from the University of Hawaii, 7 or their designated representatives,] or the director's 8 designee, and the chairperson of the board of regents of the 9 university of Hawaii shall serve as ex officio[+], [+] voting 10 members of the board [-;]; provided that the chairperson of the 11 board of regents, with the approval of the board of regents and 12 subject to quorum and majority requirements, may designate 13 another regent to serve. All members shall have knowledge, 14 interest, and proven expertise in, but not limited to, one or 15 more of the following fields: finance, commerce and trade, 16 corporate management, marketing, economics, engineering, 17 telecommunications, innovation, and other technology fields.

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Seven of the members shall be appointed by the governor pursuant
 to section 26-34 for staggered terms; provided that membership
 shall include:

4 Three members who shall be appointed by the governor (1) from a list of four nominees submitted by the 5 president of the senate, and three members who shall 6 7 be appointed by the governor from a list of four nominees submitted by the speaker of the house of 8 9 representatives; provided that if fewer than four 10 nominees are submitted for each appointment, the governor may disregard the list; and 11

12 (2) One member who shall be appointed by the governor from
13 the economic development board of Maui, Kauai, or
14 Hawaii county.

15 The governor shall make board member appointments to ensure the 16 fulfillment of all requirements of paragraphs (1) and (2); 17 provided that upon the occurrence of a vacancy subject to 18 paragraph (1), the governor shall notify the president of the 19 senate and the speaker of the house of representatives of any 20 unfulfilled requirements pursuant to paragraphs (1) and (2), and 21 the president of the senate or the speaker of the house of

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1	representatives, as appropriate, shall submit nominees who		
2	fulfill the requirements pursuant to paragraphs (1) and (2).		
3	All appointed members of the board shall continue in office		
4	until their respective successors have been appointed. The		
5	director of business, economic development, and tourism shall		
6	serve as the chairperson until such time as a chairperson is		
7	elected by the board from the membership. The board shall elect		
8	other officers as it deems necessary."		
9	SECTION 2. Section 206M-15, Hawaii Revised Statutes, is		
10	amended by amending subsection (b) to read as follows:		
11	"(b) The development corporation may provide grants to any		
12	business in Hawaii that:		
13	(1) Receives a federal small business innovation research		
14	phase I or II award or contract from any participating		
15	federal agency, up to fifty per cent of the amount of		
16	the federal award or contract;		
17	(2) Receives a federal small business technology transfer		
18	program award or contract from any participating		
19	federal agency, up to fifty per cent of the amount of		
20	the federal award or contract;		

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1	(3)	Receives a federal small business innovation research
2		phase III or small business technology transfer
3		program phase III award or contract, up to fifty per
4		cent of the amount of the award or contract funded by
5		private sector or government sources outside of the
6		program; or
7	(4)	Applies for a small business innovation research
8		federal grant or a small business technology transfer
9		program federal grant, in an amount not to exceed
10		[ <del>\$3,000,</del> ] <u>\$</u>
11	subject t	o the availability of funds."
12	SECT	ION 3. Section 206M-15.1, Hawaii Revised Statutes, is
13	amended b	y amending subsection (a) to read as follows:
14	"(a)	There is established the manufacturing development
15	program,	through which the development corporation may provide
16	grants to	any business in Hawaii that is a manufacturer in the
17	State and	requires assistance for any of the following items:
18	(1)	Purchasing of manufacturing equipment;
19	(2)	Training of employees on the use of <u>new or existing</u>
20		manufacturing equipment;

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1	(3)	Improving existing energy efficiency manufacturing
2		equipment or the purchase of improved energy
3		efficiency equipment in the manufacturing process;
4		[ <del>or</del> ]
5	(4)	Purchasing of renewable energy systems, including
6		photovoltaic, for the purpose of reducing
7		manufacturing energy costs; or
8	[ <del>(4)</del> ]	(5) Studying or planning the implementation of a new
9		manufacturing facility;
10	provided	that no grant shall exceed twenty per cent of the cost
11	of any of	the above items, and no company shall receive a grant
12	exceeding	\$100,000 in any given year."
13	SECT	ION 4. Statutory material to be repealed is bracketed
14	and stric	ken. New statutory material is underscored.
15	SECT	ION 5. This Act shall take effect on June 30, 3000.



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#### Report Title:

HTDC; Small Business Innovation Research Grant Program; Small Business Technology Transfer Grant Program; Manufacturing Development Grant Program

#### Description:

Amends the composition of the Hawaii Technology Development Corporation Board of Directors to include the Chairperson of the Board of Regents of the University of Hawaii, unless the Chairperson, with the approval of the Board of Regents, designates another Regent to serve. Changes the cap for awards to assist businesses applying for the Small Business Innovation Research Grant Program and the Small Business Technology Transfer Grant Program of the Hawaii Technology Development Corporation to an unspecified amount. Adds purchasing of renewable energy systems as an eligible expense, and clarifies that training on both new and existing manufacturing equipment is an eligible expense, for the Manufacturing Development Grant Program of the Hawaii Technology Development Corporation. Effective 6/30/3000. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

