## A BILL FOR AN ACT

RELATING TO DESIGNATED ECONOMIC DEVELOPMENT DISTRICT.

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

- 1 SECTION 1. The legislature finds that being a United
- 2 States Economic Development Administration-designated economic
- 3 development district provides an opportunity to work
- 4 comprehensively to achieve locally developed goals that leverage
- 5 and build upon interrelated community assets, such as workforce,
- 6 infrastructure, and housing. An economic development district
- 7 develops a long-term established relationship with the United
- 8 States Department of Commerce, Economic Development
- 9 Administration that includes annual federal funding to support
- 10 the development and implementation of the Hawaii comprehensive
- 11 economic development strategy. An investment of federal funds
- 12 by the United States Economic Development Administration is much
- 13 more likely, on a per capita basis, to be located in an economic
- 14 development district area than in an area that is not covered by
- 15 an economic development district.
- 16 The legislature further finds that regional eligibility to
- 17 be designated as an economic development district by the United



- 1 States Economic Development Administration requires the region
- 2 to have a United States Economic Development
- 3 Administration-approved comprehensive economic development
- 4 strategy that contains a specific program for intra-district
- 5 cooperation, self-help, and public investment; is approved by
- 6 the affected state and the United States Economic Development
- 7 Administration Assistant Secretary; obtains commitments from a
- 8 majority of counties within the proposed district; and forms a
- 9 district organization that meets the economic development
- 10 district requirements. A district organization may be organized
- 11 as a public organization established under state-enabling
- 12 legislation for the creation of a multi-jurisdictional area-wide
- 13 planning organization.
- 14 To ensure that Hawaii is eligible for the substantial
- 15 benefits of a United States Economic Development
- 16 Administration-designated economic development district, the
- 17 purpose of this Act is to:
- 18 (1) Establish the Hawaii economic development district
- 19 planning organization and governing board that meet
- 20 the requirements of the United States Economic
- 21 Development Administration, as provided in title 13

1		code of rederal Regulations Section 304.2, by being	
2		broadly representative of the principal economic	
3		interests of the region, including the private sector,	
4		public officials, community leaders, representatives	
5		of workforce development boards, institutions of	
6		higher learning, minority and labor groups, and	
7		private citizens; and	
8	(2)	Designate the office of planning and sustainable	
9		development to organize the district organization with	
10		assistance from professional staff with economic	
11		development planning qualifications.	
12	SECTION 2. Chapter 226, Hawaii Revised Statutes, is		
13	amended by adding a new section to part II to be appropriately		
14	designated and to read as follows:		
15	" <u></u> \$22	6- Hawaii economic development district planning	
16	organizat	ion. (a) There is established the Hawaii economic	
17	developme	nt district planning organization, which shall be the	
18	district	organization to implement the United States Economic	
19	<u>Developme</u>	nt Administration-approved comprehensive economic	
20	developme	nt strategy. The Hawaii economic development district	
21	planning o	organization shall be placed within the department of	

T	business,	economic development, and tourism and attached to the	
2	office of	planning and sustainable development for	
3	administr	ative purposes.	
4	(d)	The Hawaii economic development district planning	
5	organization shall:		
6	(1)	Develop, manage, and support effective multi-level	
7		partnerships to promote intra-district cooperation,	
8		self-help, and public investment to restore and	
9		sustain economic resilience and prosperity;	
10	(2)	Assist organizations within the economic development	
11		district with applications for funding;	
12	(3)	Implement the United States Economic Development	
13		Administration-approved comprehensive economic	
14		development strategy; and	
15	(4)	Present to the governor and legislature any annual	
16		updates to the comprehensive economic development	
17		strategy.	
18	<u>(c)</u>	The Hawaii economic development district planning	
19	organization shall be headed by a governing board that shall be		
20	composed	of fifteen members as follows:	

1	<u>(                                    </u>	The director of the office of planning and sustainable
2		development, or the director's designee, who shall
3		serve as chair;
4	(2)	The mayor of each county, or the respective mayor's
5		designee;
6	(3)	The executive director of each county economic
7		development board, or the respective executive
8		director's designee;
9	(4)	A representative of each county workforce development
10		board, to be designated by the chair of the respective
11		board;
12	(5)	The president of the University of Hawaii, or the
13		<pre>president's designee; and</pre>
14	(6)	A representative of a labor organization, to be
15		invited by the governor.
16	(d)	The nongovernmental members of the Hawaii economic
17	developme	nt district planning organization governing board shall
18	serve for	no more than two consecutive terms of four years and
19	without c	ompensation but shall be reimbursed for expenses,
20	including	reasonable travel expenses, necessary for the

- 1 performance of their duties. Members shall not be subject to
- **2** section 26-34(a).
- 3 (e) The Hawaii economic development district planning
- 4 organization governing board shall hold public meetings, subject
- 5 to chapter 92, at least twice a year."
- 6 SECTION 3. There are established full-time equivalent
- 7 ( FTE) temporary economic development planning analyst
- 8 positions to support the Hawaii economic development district
- 9 planning organization. The positions shall be hired without
- 10 regard to chapters 76 and 89, Hawaii Revised Statutes, and shall
- 11 be paid out of the general revenues of the State of Hawaii.
- 12 SECTION 4. There is appropriated out of the general
- 13 revenues of the State of Hawaii the sum of \$ or so
- 14 much thereof as may be necessary for fiscal year 2023-2024 and
- 15 the same sum or so much thereof as may be necessary for fiscal
- 16 year 2024-2025 to carry out the purposes of this Act, including
- 17 the hiring of necessary staff.
- 18 The sums appropriated shall be expended by the department
- 19 of business, economic development, and tourism.
- 20 SECTION 5. New statutory material is underscored.

1 SECTION 6. This Act shall take effect on June 30, 3000.

## Report Title:

OPSD; DBEDT; Hawaii Economic Development District Planning Organization; Appropriation

## Description:

Establishes the Hawaii Economic Development District Planning Organization and governing board within the Department of Business, Economic Development, and Tourism. Designates the Office of Planning and Sustainable Development to organize the Hawaii Economic Development District Planning Organization. Establishes full-time equivalent temporary, exempt positions. Makes an appropriation. Effective 6/30/3000. (HD2)

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