STAND. COM. REP. NO.



Honolulu, Hawaii

MAR 2 4 , 2023

RE: S.B. No. 1296 S.D. 2 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred S.B. No. 1296, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO DESIGNATED ECONOMIC DEVELOPMENT DISTRICT,"

begs leave to report as follows:

The purpose of this measure is to:

- Establish the Hawaii Economic Development District Planning Organization to implement the United States Economic Development Administration-approved comprehensive economic development strategy;
- (2) Establish temporary full-time equivalent positions to support the Organization; and
- (3) Appropriate funds for the Organization and hiring of necessary staff.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Office of Planning and Sustainable Development; and Office of Economic Revitalization of the City and County of



Honolulu. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that being designated as an economic development district by the United States Economic Development Administration provides opportunities to work comprehensively to achieve locally developed goals that leverage and build upon interrelated community assets. An economic development district also advances a long-term established relationship with the United States Economic Development Administration that includes annual federal funding to support the development and implementation of the Hawaii Comprehensive Economic Development Strategy.

Your Committee notes that for a region to be designated as an economic development district by the United States Economic Development Administration, the region must meet several requirements, including having an approved comprehensive economic development strategy, approval by the affected state and the United States Economic Development Administration Assistant Secretary, commitments from a majority of counties within the proposed district, and a district organization that meets federal requirements. This measure will establish a Hawaii Economic Development District Planning Organization to serve as the district organization required for the State to be eligible for the substantial benefits of a United States Economic Development Administration-designated economic development district.

Your Committee has amended this measure by:

- Increasing the number of full-time equivalent temporary economic development planning analyst positions to be established from two to four;
- (2) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1296, S.D. 2, as amended herein, and recommends that it pass



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Second Reading in the form attached hereto as S.B. No. 1296, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Economic Development,

DANIEL HOLT, Chair



State of Hawaii House of Representatives The Thirty-second Legislature



Record of Votes of the Committee on Economic Development

Bill/Resolution No.: SB1296 SD2	Committee Referral: ECD, FIN	Date	3/22	123
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
ECD Members	Ayes	Ayes (WR)	Nays	Excused
1. HOLT, Daniel (C)			· ·	
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2. LAMOSAO, Rachele F. (VC)				-
3. HUSSEY-BURDICK, Natalia				
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4. KONG, Sam Satoru				l izerati (batan
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5. LA CHICA, Trish			r.,,,,,,,,,,,,,	F" 1. Y" CAPE.
6. NAKAMURA, Nadine K.				
7. QUINLAN, Sean				
8. PIERICK, Elijah	en e		.1/	
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TOTAL (8)	$\langle \varphi \rangle$			1
The recommendation is: I Adopted I Not Adopted				
If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: Amb Mar				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				