



Hawaii Technology Development Corporation  
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Honolulu, Hawaii 96813 | www.htdc.org

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR

Written Statement of  
**Wayne Inouye**  
**Director**  
Hawaii Technology Development Corporation  
before the  
**SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM**

Thursday, February 15, 2024  
1:00 PM  
State Capitol, Conference Room #229

In consideration of  
**SB 3045**  
**RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.**

Chair Decoite, Vice Chair Wakai and members of the Committee.

The Hawaii Technology Development Corporation (HTDC) strongly supports SB 3045 that increases the cap for awards to assist businesses applying for the Small Business Innovation Research (SBIR) Grant Program and the Small Business Technology Transfer (STTR) Grant Program and add additional eligible expenses for the Manufacturing Development Grant Program.

To encourage new applicants to compete for the federal SBIR and STTR funds the Hawaii Technology Development Corporation (HTDC) aims to increase the cap for awards from (\$3,000 to \$6,000) that may be used to contract grant writing assistance. The current cap is no longer sufficient due to increased costs and by securing more grant writing assistance small businesses will receive higher award rates.

Additionally, in regard to the Manufacturing Development Grant Program, HTDC is also adding purchasing renewable energy systems relating to manufacturing facilities as an eligible expense to offset high energy costs in Hawaii. These clarifications will grant more companies eligibility to participate in the Manufacturing Development Grant Program.

Thank you for the opportunity to testify.



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

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

**SYLVIA LUKE**  
LT. GOVERNOR

**JAMES KUNANE TOKIOKA**  
DIRECTOR

**DANE K. WICKER**  
DEPUTY DIRECTOR

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Statement of  
**JAMES KUNANE TOKIOKA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM**

Thursday, February 15, 2024  
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In consideration of  
**SB 3045**  
**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) strongly supports SB 3045 that increases the cap for awards to assist businesses applying for the Small Business Innovation Research (SBIR) Grant Program and the Small Business Technology Transfer (STTR) Grant Program and add additional eligible expenses for the Manufacturing Development Grant Program.

To encourage new applicants to compete for the federal SBIR and STTR funds the Hawaii Technology Development Corporation (HTDC) aims to increase the cap for awards from (\$3,000 to \$6,000) that may be used to contract grant writing assistance. The current cap is no longer sufficient due to increased costs and by securing more grant writing assistance small businesses will receive higher award rates.

Additionally, in regard to the Manufacturing Development Grant Program, HTDC

is also adding purchasing renewable energy systems relating to manufacturing facilities as an eligible expense to offset high energy costs in Hawaii. These clarifications will grant more companies eligibility to participate in the Manufacturing Development Grant Program.

Thank you for the opportunity to testify.



**UNIVERSITY OF HAWAII SYSTEM**

**‘ŌNAEHANA KULANUI O HAWAII**

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

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Testimony Presented to the  
Senate Committee on Energy, Economic Development, and Tourism  
Thursday, February 15, 2024 at 1:00 p.m.

by

Vassilis L. Syrmos  
Vice President for Research and Innovation  
University of Hawai'i System

**SB 3045 – RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

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

The University of Hawai'i supports SB 3045, which seeks to increase the cap on Hawaii Technology Development Corporation (HTDC) awards to businesses applying for the Hawaii Small Business Innovation Research Grant and the Small Business Technology Transfer Grant Program. Additionally, the measure classifies both the purchase of renewable energy systems and training on manufacturing equipment as eligible expenses under the Manufacturing Development Grant Program.

The University of Hawai'i shares a similar vision with HTDC to help establish a thriving innovation-based sector to boost the local economy, create jobs and to develop a highly skilled technical workforce. Continued or increased cap amounts for HTDC's award programs are crucial to moving innovation, commercialization and manufacturing efforts forward in the state.

The University of Hawai'i appreciates the opportunity to testify in support of this measure.



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the Senate Committee on Economic Development, and Tourism  
Thursday, February 15, 2024, at 1PM  
Conference Room 229**

**RE: SB3045 Relating to Hawaii Technology Development Corporation**

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

The Chamber of Commerce Hawaii ("The Chamber") **supports SB3045**, which increases 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 Hawai'i Technology Development Corporation, 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.

As advocates for innovation, The Chamber endorses the increase of the allocation of funds for research and development purposes, especially for small businesses struggling to find the financial support needed to prosper in our state. Investing in these endeavors not only propels scientific progress but also cultivates a culture of creativity and problem-solving. By supporting R&D, we pave the way for groundbreaking discoveries, technological advancements, and economic growth, ensuring a more lucrative future for our state. The increased cap on award amount for small businesses will enable small business applicants to further pursue their endeavor for the benefit of our state.

HTDC has aided SBIR awarded companies since 1988; as a result, Hawaii companies have attracted federal dollars in return to the state plus commercialization funding for every state dollar invested through the program. This bill would allow HTDC to continue to provide the necessary support of a commercialization assistance program to all phases in the program for local businesses in Hawaii.

As stated in this measure, the manufacturing industry is a critical part of the State's economy. This program has become a positive resource to aid companies with their investments in manufacturing equipment, training, and energy efficiency purposes. Continued and increased funding of these grant programs will help fuel manufacturing in Hawaii to grow and provide more products for both local consumption and export.

To diversify Hawaii's economy and help Hawaii's economic recovery, the state needs to support Hawaii companies who are stuck between research and product realization.

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.



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#### **Executive Officers**

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**Toby Taniguchi**, KTA Superstores, *Advisor*  
**Joe Carter**, Coca-Cola Bottling of Hawaii, *Advisor*  
**Eddie Asato**, Pint Size Hawaii, *Immediate Past Chair*

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TO: Committee on Energy, Economic Development, and Tourism

FROM: HAWAII FOOD INDUSTRY ASSOCIATION  
Lauren Zirbel, Executive Director

DATE: February 15, 2024  
TIME: 1pm  
PLACE: Room 229

RE: SB3045 Relating to the Hawaii Technology Development Corporation

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

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

HFIA is in support of this measure. Many local businesses have successfully made use of the programs that this measure supports and we believe the changes mentioned here will make them even more beneficial.

Allowing for the purchasing of renewable energy as an eligible expense for the Manufacturing Development Grant Program helps promote renewable energy usage and integrate sustainable energy into our local manufacturing sector. Clarifying that training is an eligible expense for this program also helps promote local manufacturing and workforce development within this sector. We urge the committee to pass this measure and we thank you for the opportunity to testify.



Written Statement of  
**DR. PATRICK SULLIVAN**  
**CEO, OCEANIT**

Before the  
**SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT and TOURISM**

Thursday, February 15, 2024  
1:00 p.m.  
State Capitol, Conference Room 229 and Videoconference

Offers Comments to  
**SB3045 RELATING TO THE HAWAII TECHNOLOGY  
DEVELOPMENT CORPORATION**

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

From: Dr. Patrick Sullivan, CEO

Re: Comments relating to SB3045

Honorable Chair, Vice-Chair and Committee Members:

Testimony in Support for SB3045

The technology industry in Hawaii has grown over the past 20 years and has made significant strides towards achieving the goal of diversifying and stimulating Hawaii's economy. The continuation of the Small Business Innovation Research ("SBIR") grants is crucial to move the technology towards prototyping, customer interface, and commercialization.

The objectives of the SBIR grants are:

- To support economic growth and the diversification of our economy;
- To launch new ventures based on technology innovations; and
- To support the growth of the tech industry and the creation of intellectual property and innovation in the State.

When the SBIR matching program started a few decades ago, Hawaii was ranked close to the bottom in the US. After this program, Hawaii's success ranking improved to 29<sup>th</sup> out of 50 States. Accordingly, there is a direct correlation between the State's SBIR Matching Grant Program and improving Hawaii's position in receiving federal SBIR funds. Adding more funds is expected to further improve Hawaii's position and contribute significant research capital into the State of Hawaii, providing a positive ROI, plus supporting the diversification of Hawaii's economy.