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

H.B. NO. ¹¹⁹⁴ H.D. 2

A BILL FOR AN ACT

RELATING TO AN ECONOMIC DEVELOPMENT DISTRICT PLANNING ORGANIZATION.

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

1 SECTION 1. The legislature finds that being designated as 2 an economic development district by the United States Economic 3 Development Administration offers opportunities to advance 4 coordinated and locally developed goals that leverage and build 5 upon interrelated community assets, such as workforce, 6 infrastructure, and housing. An economic development district 7 advances a long-term established relationship with the United 8 States Economic Development Administration that includes annual federal funding to support the development and implementation of 9 10 the Hawaii comprehensive economic development strategy. The 11 United States Economic Development Administration is much more 12 likely to invest federal funds in a designated economic 13 development district than in an area that is not covered by an 14 economic development district.

15 The legislature further finds that, pursuant to Title 13
16 Code of Federal Regulations section 304.1, an economic

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1	developme	nt district designation by the United States Economic
2	Developme	nt Administration requires:
3	(1)	A comprehensive economic development strategy that has
4		been approved by the Assistant Secretary for Economic
5		Development of the United States Department of
6		Commerce and includes a specific program for intra-
7		district cooperation, self-help, and public
8		investment;
9	(2)	Commitments from a majority of counties within the
10		proposed district;
11	(3)	A district organization, which may be organized under
12		state law as a multi-jurisdictional area-wide planning
13		organization; and
14	(4)	That the district organization meet requirements
15		established in Title 13 Code of Federal Regulations
16		section 304.2, including that the organization's
17		governing body be broadly representative of the
18		principal economic interests of the region by
19		involving the private sector, public officials,
20		community leaders, representatives of workforce

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1	development boards, institutions of higher learning,
2	minority and labor groups, and private citizens.
3	The purpose of this Act is to ensure that Hawaii is
4	eligible for the substantial benefits of a United States
5	Economic Development Administration-designated economic
6	development district by:
7	(1) Establishing the Hawaii economic development district
8	planning organization and governing board to be
9	administratively attached to the office of planning
10	and sustainable development; and
11	(2) Creating four full-time equivalent temporary positions
12	and appropriating funds to support the operations of
13	the Hawaii economic development district planning
14	organization.
15	SECTION 2. Chapter 226, Hawaii Revised Statutes, is
16	amended by adding a new section to part II to be appropriately
17	designated and to read as follows:
18	" <u>§226-</u> Hawaii economic development district planning
19	organization. (a) There is established the Hawaii economic
20	development district planning organization, which shall be the
21	district organization for purposes of implementing the United



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1	<u>States Ec</u>	conomic Development Administration-approved
2	<u>comprehen</u>	sive economic development strategy. The Hawaii
3	economic	development district planning organization shall be
4	placed wi	thin the department of business, economic development,
5	and touri	sm and attached to the office of planning and
6	sustainab	le development for administrative purposes.
7	(b)	The Hawaii economic development district planning
8	organizat	ion shall:
9	(1)	Develop, manage, and support effective multi-level
10		partnerships to promote intra-district cooperation,
11		self-help, and public investment to restore and
12		sustain economic resilience and prosperity;
13	(2)	Assist organizations within the economic development
14		district with applications for funding;
15	(3)	Implement the United States Economic Development
16		Administration-approved comprehensive economic
17		development strategy; and
18	(4)	Report to the governor and legislature regarding any
19		annual updates to the comprehensive economic
20		development strategy.

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1	<u>(c)</u>	The Hawaii economic development district planning
2	organizat	ion shall be headed by a board that shall comprise the
3	following	fifteen members:
4	(1)	The director of the office of planning and sustainable
5		development or the director's designee, who shall
6		serve as chair;
7	(2)	The mayor of each county or the respective mayor's
8		designee;
9	(3)	The executive director of each county economic
10		development board or the respective executive
11		<u>director's designee;</u>
12	(4)	A representative of each county workforce development
13		board, who shall be designated by the chair of the
14		respective board;
15	(5)	The president of the university of Hawaii or the
16		president's designee; and
17	(6)	A representative of a labor organization who shall be
18		appointed by the governor.
19	(d)	The nongovernmental members of the Hawaii economic
20	developme	nt district planning organization board shall serve for

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1	no more than two consecutive four-year terms. Members shall not
2	be subject to section 26-34(a).
3	(e) Members of the Hawaii economic development district
4	planning organization board shall serve without compensation but
5	shall be reimbursed for expenses, including reasonable travel
6	expenses, necessary for the performance of their duties.
7	(f) The Hawaii economic development district planning
8	organization board shall hold public meetings at least twice a
9	year. The meetings shall be subject to chapter 92."
10	SECTION 3. There are established four full-time equivalent
11	(4.0 FTE) temporary economic development planning analyst
12	positions to support the Hawaii economic development district
13	planning organization; provided that the positions shall be
14	exempt from chapters 76 and 89, Hawaii Revised Statutes;
15	provided further that the positions shall be funded using
16	general funds.
17	SECTION 4. There is appropriated out of the general
18	revenues of the State of Hawaii the sum of \$ or so
19	much thereof as may be necessary for fiscal year 2023-2024 and

20 the same sum or so much thereof as may be necessary for fiscal

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year 2024-2025 to carry out the purposes of this Act, including
 the hiring of necessary staff.
 The sums appropriated shall be expended by the department
 of business, economic development, and tourism for the purposes
 of this Act.
 SECTION 5. New statutory material is underscored.

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



Report Title:

Office of Planning and Sustainable Development; Hawaii Economic Development District Planning Organization; Appropriation

Description:

Establishes the Hawaii Economic Development District Planning Organization. Designates the Hawaii Economic Development District Planning Organization as the district organization for purposes of implementing the United States Economic Development Administration-approved comprehensive economic development strategy. Establishes positions. Appropriates funds. Effective 6/30/3000. (HD2)

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