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. A United States Economic
- 12 Development Administration investment of federal funds 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 Administration-
- 3 approved comprehensive economic development strategy that
- 4 contains a specific program for intra-district cooperation,
- 5 self-help, and public investment, is approved by the affected
- 6 state and the United States Economic Development Administration
- 7 Assistant Secretary, obtains commitments from a majority of
- 8 counties within the proposed district, and forms a district
- 9 organization that meets the economic development district
- 10 requirements. A district organization may be organized as a
- 11 public organization established under state-enabling legislation
- 12 for the creation of a multi-jurisdictional area-wide planning
- 13 organization.
- 14 To ensure that Hawaii is eligible for the substantial
- 15 benefits of a United States Economic Development Administration-
- 16 designated economic development district, the purpose of this
- 17 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 Federal Regulations section 304.2, by being
2		broadly representative of the principal economic
3		interests of the region, including 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
10		assisted by professional staff with economic
11		development planning qualifications.
12	SECT	ION 2. Chapter 226, Hawaii Revised Statutes, is
13	amended b	y adding a new section to part II to be appropriately
14	designate	d and to read as follows:
15	" <u>§22</u>	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	Developme	nt Administration-approved comprehensive economic
20	developme	nt strategy. The Hawaii economic development district
21	planning	organization shall be placed within the department of

1	business,	economic development, and tourism and attached to the	
2	office of	planning and sustainable development for	
3	administr	ative purposes.	
4	(b)	The Hawaii economic development district planning	
5	organizat	ion shall:	
6	(1)	Develop, manage, and support effective multi-level	
7		partnerships in order to promote intra-district	
8		cooperation, self-help, and public investment to	
9		restore and sustain economic resilience and	
10		<pre>prosperity;</pre>	
11	(2)	Support organizations within the economic development	
12		district to apply for funding;	
13	(3)	Implement the United States Economic Development	
14		Administration approved comprehensive economic	
15		development strategy; and	
16	(4)	Present to the governor and legislature any annual	
17		updates to the comprehensive economic development	
18		strategy.	
19	<u>(c)</u>	The Hawaii economic development district planning	
20	organizat:	ion shall be headed by a board that shall be composed	
21	21 of fifteen members as follows:		

1	<u>(1)</u>	Director of the office of planning and sustainable
2		development, or the director's designated
3		representative, who shall serve as chair;
4	(2)	The mayor of each county, or the mayor's designated
5		representative;
6	(3)	The executive director of each county economic
7		development board, or the executive director's
8		designated representative;
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		president's designated representative; and
14	(6)	A representative of a labor organization to be
15		appointed by the governor.
16	<u>(d)</u>	The nongovernmental members of the Hawaii economic
17	developme	nt district planning organization board shall serve for
18	not more	than two consecutive terms of four years and without
19	compensat	ion but shall be reimbursed for expenses, including
20	travel ex	penses, necessary for the performance of their duties.
21	Members s	hall not be subject to section 26-34(a).

- 1 (e) The Hawaii economic development district planning
- 2 organization board shall hold public meetings, subject to
- 3 chapter 92, at least twice a year."
- 4 SECTION 3. There are established two full-time temporary
- 5 exempt economic development planning analyst positions to
- 6 support the Hawaii economic development district planning
- 7 organization to be paid out of the general revenues of the State
- 8 of Hawaii.
- 9 SECTION 4. There is appropriated out of the general
- 10 revenues of the State of Hawaii the sum of \$200,000 or so much
- 11 thereof as may be necessary for fiscal year 2023-2024 and the
- 12 same sum or so much thereof as may be necessary for fiscal year
- 13 2024-2025 to carry out the purposes of this Act, including the
- 14 hiring of necessary staff.
- The sums appropriated shall be expended by the department
- 16 of business, economic development, and tourism.
- 17 SECTION 5. New statutory material is underscored.
- 18 SECTION 6. This Act shall take effect on July 1, 2023.

Report Title:

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

Description:

Establishes the Hawaii Economic Development District Planning Organization and board. Designates the Office of Planning and Sustainable Development to organize the Hawaii Economic Development District Planning Organization. Establishes two full-time exempt positions. Makes an appropriation. (SD1)

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