
A BILL FOR AN ACT

RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

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

1 SECTION 1. The legislature finds that there is a need to
2 bolster business innovation and economic development in the
3 State through programs under the Hawaii technology and
4 development corporation. The legislature further finds that
5 these programs should work towards specific goals related to
6 economic growth and diversification. The legislature
7 additionally finds that the Hawaii technology development
8 corporation and its various programs should serve as a
9 facilitative catalyst for innovation in the State and help to
10 align the State with the emerging knowledge-based,
11 zero-emission, and digital global economy while putting Hawaii
12 on the path toward economic prosperity.

13 Accordingly, the purpose of this Act is to promote economic
14 recovery and diversification by:

15 (1) Establishing state goals for economic growth fueled by
16 innovation and technology;



- 1 (2) Appropriating funds to the Hawaii technology
2 development corporation to support programs that
3 address those goals; and
- 4 (3) Requiring the Hawaii technology development
5 corporation to submit annual reports over three years
6 to the legislature.

7 SECTION 2. (a) The legislature declares that the programs
8 for which funds are appropriated pursuant to section 3 of this
9 Act shall align with one or more of the following goals that
10 address economic diversification:

- 11 (1) Economic diversification through participation in the
12 digital economy: programs shall address economic
13 diversification by strengthening Hawaii's
14 participation in the digital economy, including:
- 15 (A) Accessing new markets and market opportunities;
 - 16 (B) Strengthening business capacity and readiness to
17 participate in the digital economy;
 - 18 (C) Retaining and strengthening businesses that are
19 increasing revenues through the digital economy;



- 1 (D) Strengthening digital economy infrastructure,
2 including broadband affordability and coworking
3 facilities; and
- 4 (E) Increasing the number of businesses, revenue, and
5 employees dedicated to the digital economy;
- 6 (2) Economic diversification through strengthened trade
7 activities: programs shall address economic
8 diversification by strengthening traded activities
9 that redistribute Hawaii's gross domestic product,
10 including:
 - 11 (A) Increasing the export of goods manufactured in
12 the State;
 - 13 (B) Increasing the export of knowledge-based
14 professional services;
 - 15 (C) Increasing the value of knowledge-based
16 professional services through research and
17 development and intellectual property;
 - 18 (D) Strengthening the post-production capacity for
19 value-added agriculture and manufacturing; and
 - 20 (E) Increasing businesses, revenue, and employees in
21 traded sectors;



- 1 (3) Economic diversification through an increase in
2 activity to reduce and mitigate climate change:
3 programs shall address economic diversification by
4 focusing on activities at the intersection of
5 technology development and climate change mitigation,
6 including:
- 7 (A) Making renewable energy more affordable;
 - 8 (B) Retaining and strengthening businesses that are
9 increasing revenues through solutions to reduce
10 climate change;
 - 11 (C) Increasing the export of knowledge-based
12 professional services related to climate change
13 mitigation; and
 - 14 (D) Increasing the number of businesses, revenue, and
15 employees in renewable energy sectors; and
- 16 (4) Economic diversification through import replacement:
17 programs shall address economic diversification by
18 reducing reliance on imports and expanding local
19 manufacturing, agriculture, aquaculture, and renewable
20 resources, including:
- 21 (A) Strengthening local supply chains;



1 (B) Increasing food and energy self-sufficiency; and
2 (C) Growing businesses that replace imported goods
3 and services.

4 (b) The Hawaii technology development corporation shall
5 expend the funds appropriated in section 3 of this Act for the
6 purpose of meeting the goals described in subsection (a);
7 provided that the Hawaii technology development corporation may
8 work with any other state or county agency for the
9 implementation of the assigned programs.

10 (c) No later than twenty days prior to the convening of
11 the regular sessions of 2026, 2027, and 2028, the Hawaii
12 technology development corporation shall submit a report to the
13 legislature that includes:

14 (1) A summary of the progress of the programs for which
15 appropriations are made pursuant to this Act;

16 (2) The outcomes of the programs for which appropriations
17 are made pursuant to this Act, including an assessment
18 of each program's effectiveness in achieving the goals
19 described in subsection (a); and

20 (3) Any findings and recommendations, including any
21 proposed legislation.



1 SECTION 3. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so
3 much thereof as may be necessary for fiscal year 2025-2026 and
4 the same sum or so much thereof as may be necessary for fiscal
5 year 2026-2027 for the purpose of economic diversification, as
6 described in section 2(a) of this Act as follows:

7 (1) \$ for the Hawaii small business innovation
8 research program;

9 (2) \$ for the manufacturing assistance program;
10 and

11 (3) \$ for accelerator programs facilitated by
12 the Hawaii technology development corporation.

13 The sums appropriated shall be expended by the Hawaii
14 technology development corporation for the purposes of this Act.

15 SECTION 4. The appropriation made for programs authorized
16 by section 3 of this Act shall not lapse at the end of the
17 fiscal biennium for which the appropriation is made; provided
18 that all moneys from the appropriation unencumbered as of June
19 30, 2028, shall lapse as of that date.

20 SECTION 5. This Act shall take effect on July 1, 2050.



Report Title:

Hawaii Technology Development Corporation; Economic
Diversification; Appropriation

Description:

Establishes state goals related to economic diversification.
Appropriates funds to the Hawaii Technology and Development
Corporation to meet those goals. Requires the Hawaii Technology
Development Corporation to submit annual reports over three
years to the legislature. Effective 7/1/2050. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is
not legislation or evidence of legislative intent.*

