

STAND. COM. REP. NO. 1704

Honolulu, Hawaii

MAR 28 , 2025

RE: H.C.R. No. 209
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Economic Development & Technology, to which was referred H.C.R. No. 209 entitled:

"HOUSE CONCURRENT RESOLUTION RELATED TO ECONOMIC DEVELOPMENT VIA IMPORT SUBSTITUTION,"

begs leave to report as follows:

The purpose of this measure is to request the State of Hawaii to consider import substitution as a key strategy for economic growth and diversification.

Your Committee received testimony in support of this measure from the Hawai'i Technology Development Authority. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; and Department of Agriculture.

Your Committee finds that Hawaii's dependence on imported goods creates economic vulnerability and reliance on external markets. Your Committee further finds that import substitution strategies, as utilized by Japan, Korea, Taiwan, and other countries, serve as clear examples for how to decrease reliance on external markets while improving domestic industries and production. This measure ensures that the State considers import substitution in its efforts to diversify the economy and spur economic growth.

2025-2916 HCR209 HD1 HSCR HMSO



Your Committee has amended this measure by:

- (1) Adding a definition for import substitution;
- (2) Urging the Hawaii Technology Development Corporation and other agencies to take steps to avoid and prevent new import dependencies, such as dependencies on fossil fuels like liquid natural gas, and leverage monopsony powers to substitute existing imports;
- (3) Adding the Chair of the Public Utilities Commission and Chief Energy Officer of the Hawai'i State Energy Office to the list of recipients of certified copies of this measure;
- (4) Changing its title to make technical amendments; and
- (5) Making other 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 & Technology that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 209, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 209, H.D. 1.

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


GREGGOR ILAGAN, Chair



