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ECONOMIC DEVELOPMENT & TOURISM KA 'OIHANA HO'OMOHALA PĀ'OIHANA. 'IMI WAIWAI A HOʻOMĀKAʻIKAʻI

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DEPARTMENT OF BUSINESS,

Web site: dbedt.hawaii.gov

Statement of JAMES KUNANE TOKIOKA Director

Department of Business, Economic Development, and Tourism before the

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

February 5, 2025 10:00 AM State Capitol, Conference Room 423

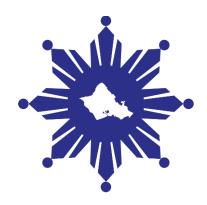
In consideration of **HB437** RELATING TO OUT-OF-STATE OFFICES.

Chair Ilagan, Vice Chair Hussey and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) supports the intent of HB437 which establishes an out-of-state office in the Philippines.

There exists a long history of cultural and business ties between Hawaii and the Philippines. An office in the Philippines can strengthen, expand and promote these ties for economic development and cultural exchanges between the two jurisdictions.

An appropriation in the amount of \$200,000 in fiscal year 2025-26 is needed for salaries, operating expenses, programmatic expenses, and start-up costs including a study as to where best to locate the office. An appropriation in the amount of \$175,000 is needed for fiscal year 2026-2027 and thereafter on a recurring basis.

Thank you for the opportunity to testify.



OAHU FILIPINO COMMUNITY COUNCIL Honolulu, Hawaii

February 5, 2025

Testimony in Support of HB437: RELATING TO OUT-OF-STATE OFFICES

Dear Chair Ilagan, Vice Chair Hussey, and Members of the Committee on Economic Development & Technology,

The Oahu Filipino Community Council strongly supports HB437, which mandates and allocates funds for the Department of Business, Economic Development, and Tourism (DBEDT) to establish an out-of-state office in the Philippines. This initiative is crucial for fostering stronger economic and cultural ties between Hawaii and the Philippines.

As a state with a significant Filipino population, Hawaii stands to benefit immensely from this out-of-state office. It will serve as a vital bridge for business opportunities, cultural exchange, and tourism promotion. By establishing a presence in the Philippines, we can attract investments, create job opportunities, and enhance our state's economic growth.

Moreover, this office will facilitate better communication and collaboration between Hawaii and the Philippines, ensuring that our shared interests are effectively represented and advanced. It will also provide valuable support to Filipino businesses and entrepreneurs looking to expand their operations in Hawaii, further strengthening our local economy.

In conclusion, we urge you to support HB437 and help establish this important out-of-state office in the Philippines. This initiative will not only benefit our state's economy but also reinforce the strong cultural and historical ties between Hawaii and the Philippines.

Thank you for your consideration.

Sincerely,

Melodie Aduja Chair, Social Action Committee Director, Oahu Filipino Community Council



Melody G. Calisay, Ph.D. President

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Randy Cortez Vice President

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FILIPINO CHAMBER OF COMMERCE OF HAWAII

Promoting Hawaii's Business Community since 1954
70 Years of Endurance, Resilience, Excellence and Success

Statement of Melody Calisay, Ph.D. President

Filipino Chamber of Commerce of Hawaii before the

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY

5 February 2025 10 AM State Capitol, Conference Room 423

In Consideration of HB437
RELATING TO OUT-OF-STATE OFFICES

Chair Ilagan, Vice Chair Hussey and members of the Committee, the Filipino Chamber of Commerce of Hawaii (FCCH) <u>supports</u> **HB437** which requires, and appropriates funds for, the Department of Business, Economic Development, and Tourism to establish an out-of-state office in the Philippines.

Hawaii and the Philippines share a long history of cultural and business ties. An out-of-state office in the Philippines solidifies and promotes these ties especially with regard to increased economic development.

With Filipinos comprising approximately 25% of Hawaii's population, this initiative strengthens trade, cultural exchange, and economic partnerships between Hawaii and the Philippines. The office will serve as a bridge for collaboration, promoting small business opportunities and mutual growth.

I urge you to support this bill. Thank you for the opportunity to testify.

P.O. BOX 1572 HONOLULU, HAWAII 96806 Website: https://filipinochamber.org Email: filipinochamber@gmail.com

Submitted on: 2/3/2025 4:51:20 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Rose Cruz Churma	Hawaii Philippines Business & Economic Council	Support	Written Testimony Only

Comments:

There is a need to expand cooperation between the Philippines and Hawaii by assisting small businesses on both sides of the Paciifc to develop and market new products to expand and diversify mutual trade opportunities. There is also a need to expand cultural exchanges such as the J-1 program to address the teacher shortage in Hawaii and other workforce needs in health care and in the hospitality industry. A growing number of Hawaii residents have also considered the Philippines as a retirement destination due to the high cost of aging in Hawaii but there is a need to expand our case management system overseas to ensure proper care for the retirees and promote Medicare portability. Hawaii businesses have also outsourced some of their back-office chores to the Philippines to reduce overhead costs. Lately the DOD funding of EDCA bases which has HI PACDIV oversight in Hawaii have interested Hawaii professionals in the infrastructure development industry in seeking joint-ventures with Philippine-based companies to work on these projects. All these developments demonstrate the need for a more visible Hawaii presence in the Philippines.

January 31, 2025

House of Representatives Hawaii State Capitol 415 South Bertania Street Honolulu, Hawaii 96813

Honorable Representative Greggor Ilagan, Chair Committee on Economic Development & Technology Rep. Ikaika Hussey, Vice Chair & Members

Dear Chair Ilagan and Members,

RE: HB437

Aloha and Mabuhay! My name is Randall Francisco and I am writing in support of the intent to establish a Hawaii out-of-state office in the Philippines. As one of the founding members of the Association of Southeast Asian Nations (ASEAN), the Philippines over the past few years has emerged as an important emerging economy which today joins its contemporaries of Indonesia, Thailand, Vietnam and smaller nation-states as they continue to progress towards a rapidly developing nation and association. This legislation and its intent will significantly contribute to strengthening and leveraging opportunities for both economic, social, workforce development and, prosperity for all. The past two decades have seen a significant turnaround of the economy as policies, institutions and infrastructure continue to provide significant advancement and confidence in the economy.

Especially significant are the youth who will continue to contribute towards a young workforce essential for critically contributing to the growth and development of both the Philippines and Hawaii. Recent data from Nikkei News and the Asian Development Bank highlight that the Philippines by 2040 will emerge in the top 40 economies in the world. Hawaii has an opportunity to mutually benefit. One great example are the current Philippine-trained teachers recruited by the Hawaii Dept. of Education and who under the current J-1 Cultural & Educational Exchange Visa Program are providing data-driven improvements in contributing to students' success. As noted by Nikkei News, approximately 27,400 recent nurse graduates applied to take the National Examination for Nursing in order to gain employment in the US health industry. Hawaii can significantly benefit from this opportunity by establishing a presence in Manila that will have individual(s) on the ground to serve as a bridge to the Philippine government as well as Hawaii.

Lastly, Mahalo Nui Loa and Selamat Po for your recognition of Filipinos' contributions since the "Sakadas" first arrived in Hawaii in 1906 and in 2026 as we observe the 120th Anniversary of the arrival of the Sakadas. Thank You for the opportunity to have the foresight as Hawaii's community is approximately 20%+ Filipinos and who are contributing throughout many sectors of Hawaii's economy.

Randall Francisco Member, Kauai Filipino Chamber of Commerce And Community Volunteer

Submitted on: 2/1/2025 3:55:01 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sandy Ma	Individual	Support	Written Testimony Only

Comments:

Dear Chair Ilagan, Vice Chair Hussey, and Members of the Economic Development & Technology Committee,

I support HB437. This bill requiring and appropriating funds for the Department of Business, Economic Development, and Tourism to establish an out-of-state office in the Philippines is an innovative way to strengthen relationships with the Philippines. The Filipino community is the second largest population in Hawaii. It is therefor prudent to build ties to the Philippines. Thank you for the opportunity to testify in support of HB437. I urge you to pass HB437 out of your Committee.

Submitted on: 2/3/2025 4:56:35 PM

Testimony for ECD on 2/5/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mylene Reyes	Individual	Support	Written Testimony Only

Comments:

To further strengthen business and trade between Hawaii and the Philippiines, an Out-of-State Office to be established in the Philippines by DBEDT is critical. This office will serve as a bridge for collaboration and will promote small business opportunities and mutual growth.

Submitted on: 2/5/2025 10:11:50 AM

Testimony for ECD on 2/5/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
amy agbayani	Hawai'i Friends of civil rights	Support	In Person

Comments:

Amy Agbayani and Patricia McManaman

Hawai'i Friends of Civil Rights

We strongly support establishing an office in the Philippines that will support increasing trade with the Philippines and Hawai'i. There is a long history between these two communities and currently 25% of the state has Filipino heritage and immigrants from the Philippines continue to be the largest immigrant group.