

JAN 23 2025

A BILL FOR AN ACT

RELATING TO TOURISM.

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

1 SECTION 1. The legislature finds that the tourism sector
2 is a pillar of the State's economy. However, the tourism
3 industry is highly seasonal and vulnerable to global economic
4 shifts, natural disasters, and pandemics, leaving small
5 businesses with inconsistent revenue streams and heightened
6 risks. These compounded pressures have forced many small
7 enterprises to operate with razor-thin margins, highlighting the
8 necessity for resilience and adaptability.

9 The legislature further finds that technology adoption for
10 small business in the State, particularly the tourism sector, is
11 vital for the businesses to overcome these critical challenges
12 and remain competitive in an increasingly digital marketplace.
13 Leveraging digital tools such as booking systems, online
14 marketing platforms, and data analytics can reduce costs, expand
15 market reach, and help tourism-based businesses attract and
16 retain customers while enhancing the overall visitor experience.
17 Furthermore, technology mitigates the risks of geographic



1 isolation by enabling remote work, virtual services, and e-
2 commerce opportunities. Supporting small businesses with
3 technology adoption ensures their ability to innovate and adapt
4 and bolsters their resilience and contributions to the long-term
5 economic sustainability of the State's communities, while
6 inaction would exacerbate economic vulnerabilities in the State.

7 The legislature also finds that the Hawaii technology
8 development corporation (HTDC) was established to foster
9 innovation and economic diversification by supporting the growth
10 and development of the State's technology sector. With decades
11 of experience implementing technology-driven initiatives, HTDC
12 has successfully facilitated numerous projects funded by the
13 State and ensured effective use of state resources. HTDC has a
14 proven track record in fostering innovation and economic
15 diversification through state-funded initiatives by
16 demonstrating expertise in administering grants, supporting
17 startups, promoting public-private partnerships, and empowering
18 local businesses and driving economic progress. HTDC's
19 expertise spans a wide range of industries, enabling the
20 effective implementation of cutting-edge technologies tailored
21 to the State's unique challenges and opportunities. HTDC's



1 commitment to leveraging state funding for impactful technology
2 projects underscores its role as a critical catalyst for
3 innovation and competitiveness in the State's economy.

4 Accordingly, the purpose of this Act is to promote economic
5 development and tourism in the State by requiring the Hawaii
6 technology development corporation to implement technology
7 enablement projects for small businesses related to the tourism
8 sector.

9 SECTION 2. (a) The Hawaii technology development
10 corporation shall establish and implement projects to assist
11 small businesses related to the tourism sector with technology
12 enablement. The Hawaii technology development corporation may
13 collaborate with other state or county agencies as necessary to
14 implement the technology enablement projects.

15 (b) The Hawaii technology development corporation shall
16 submit a report of its findings and recommendations, including
17 the status of establishing and implementing technology
18 enablement projects to assist small businesses related to the
19 tourism sector and any proposed legislation, to the legislature
20 no later than twenty days prior to the convening of the regular
21 session of 2026.



1 SECTION 3. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$250,000 or so much
3 thereof as may be necessary for fiscal year 2025-2026 and the
4 same sum or so much thereof as may be necessary for fiscal year
5 2026-2027 for the establishment and implementation of projects
6 to assist small businesses related to the tourism sector with
7 technology enablement.

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

10 SECTION 4. This Act shall take effect on July 1, 2025.

11
INTRODUCED BY:

Lyn D. Coite



S.B. NO. 1299

Report Title:

HTDC; Tourism; Technology Enablement; Small Businesses; Report; Appropriations

Description:

Requires the Hawaii Technology Development Corporation to establish and implement projects to assist small businesses related to the tourism sector with technology enablement. Requires HTDC to submit a report to the Legislature. Appropriates funds.

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