

Honolulu, Hawaii

FEB 18, 2026

RE: H.B. No. 2545
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Economic Development & Technology, to which was referred H.B. No. 2545 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require the Hawaii Technology Development Corporation to establish the Small Business Innovation Research Matching Program;
- (2) Require the Hawaii Technology Development Corporation, in collaboration with the Department of Education, to establish a STEM education outreach program;
- (3) Require and appropriate funds for the Hawaii Technology Development Corporation to develop an economic diversification strategic plan; and
- (4) Appropriate funds for economic diversification and defense ecosystem development.

Your Committee received testimony in support of this measure from the Department of Education; Military and Community Relations



Office of the Department of Business, Economic Development, and Tourism; Hawai'i Technology Development Corporation; Oceanit Laboratories, Inc.; Uncle's Ice Cream; NOKANET, LLC; SAGE Pacific; Pawniolo Pets; Applied Enclaves LLC; WaiHome LLC; Builders VC; Blue Startups; Hawai'i Angels; Nalu Scientific; Maui Chamber of Commerce; Piarco; and three individuals.

Your Committee finds that Hawaii has been operating a state Small Business Innovation Research matching program since 1988, making it the longest running state matching program in the nation. Your Committee further finds that in 2025, an investment of \$1,500,000 in state funds leveraged more than \$13,000,000 in federal Small Business Innovation Research awards, which supported one hundred forty-four jobs in Hawaii. Your Committee believes that strengthening the state matching support for the federal Small Business Innovation Research and Small Business Technology Transfer awards will help small businesses in Hawaii compete on a national level and encourage statewide economic diversification by creating jobs in fields such as computer science, biotechnology, renewable energy, and defense.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making 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 is in accord with the intent and purpose of H.B. No. 2545, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2545, H.D. 1, and be referred to your Committee on Finance.



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



GREGGOR ILAGAN, Chair



