

STAND. COM. REP. NO. **2305**

Honolulu, Hawaii

FEB 17 2026

RE: S.B. No. 3227
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Economic Development and Tourism, to which was referred S.B. No. 3227 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Hawaii Technology Development Corporation to establish state goals and implement projects to advance economic diversification through innovation and technology;
- (2) Appropriate funds to support the Hawaii Small Business Innovation Research Program, Manufacturing Assistance Program, and accelerator and small business training programs; and
- (3) Require annual reporting to the Legislature.

Your Committee received testimony in support of this measure from the Hawai'i Technology Development Corporation; Normal Corporation; Nāmaka Algae, Inc.; Hawai'i Farm Bureau; Makai Ocean Engineering, Inc.; HNu Photonics; Maui Chamber of Commerce; Uncle's Ice Cream; Pi'ikū Co.; PacMar Technologies; Hub Coworking Hawaii; Small Kine Farm; Pacific Impact Zone; Hawaiian King



Candies, LLC; Island Princess; Coffees of Hawaii; Maui Brewing Co.; Hawaii Fish Company Inc.; Chamber of Commerce Hawaii; and two individuals.

Your Committee finds that local businesses often require support to overcome barriers such as access to capital, workforce development, and market diversification to scale from the startup stage through growth and exports. Goals and projects of the Hawaii Technology Development Corporation, including its Manufacturing Assistance Program, Hawaii Small Business Innovation Research Program, and accelerator and small business training programs, offer critical assistance throughout this process, supporting local entrepreneurs, encouraging research and development, and accelerating the commercialization of innovative products and services. This measure will foster small business growth and technological advancement in the State, particularly in emerging sectors such as the blue economy, space technology, biotech, and advanced manufacturing.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3227, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3227, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development and Tourism,


LYNN DECOITE, Chair



