



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKA'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
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Statement of
LAURIE MCALLISTER MOORE
Executive Director
Military and Community Relations Office
Department of Business, Economic Development and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Friday, February 13, 2026

8:30 AM

State Capitol, Conference Room 423

TESTIMONY IN SUPPORT OF HB2545

RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Chair Ilagan, Vice Chair Hussey, and Members of the Committee:

On behalf of the Military and Community Relations Office (MACRO) within the Department of Business, Economic Development and Tourism, I respectfully submit testimony in strong support of this measure.

As the HTDC's small business innovation research program has demonstrated quantitative success, MACRO supports HB2545 as it will utilize the Small Business Innovation Research Matching Program to establish STEM outreach and mandate a strategic plan for diversification – both of which are critical to Hawai'i's economy and security.

Section II(b) removes additional state-level technical reviews for companies that have already cleared the rigorous federal approval process, which will act as a fast-track approach, allowing local innovators to work at a more efficient pace.

The requirement for HTDC to develop a strategic economic diversification plan is timely. Hawai'i's unique geography and military presence offer a competitive advantage in the global innovation economy. By integrating STEM outreach with the Department of Education, we ensure that the high-wage jobs created by this bill will be filled by Hawai'i's own residents, fostering a sustainable local workforce to keep our keiki home.

Mahalo for the opportunity to testify.



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/13/2026

Time: 08:30 AM

Location: 423 VIA VIDEOCONFERENCE

Committee: ECD

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: HB2545, RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Purpose of Bill: Requires the Hawaii Technology Development Corporation to establish the Small Business Innovation Research Matching Program. Requires the Hawaii Technology Development Corporation, in collaboration with the Department of Education, to establish a STEM education outreach program. Requires and appropriates funds for the Hawaii Technology Development Corporation to develop an economic diversification strategic plan. Appropriates funds for economic diversification and defense ecosystem development.

Department's Position:

The Hawai'i State Department of Education (Department) appreciates the opportunity to testify in support of HB 2545. This bill directs the Hawaii Technology Development Corporation to establish a STEM education outreach program to be conducted in collaboration with the Department, including coordination to schedule presentations and identify appropriate schools and grade levels.

Efforts that increase student awareness of STEM careers and programs of study can help build meaningful connections between classroom learning and workforce pathways in our state. The Department appreciates the intent of the bill and encourages continued clarity regarding roles, expectations, and implementation support as the measure advances. Presentations during the instructional day should support student learning and minimize disruption to core instruction.

The Department defers to the Hawaii Technology Development Corporation regarding the implementation of this bill.

Thank you for the opportunity to provide testimony on this measure.



Written Statement of
DR. PATRICK SULLIVAN
FOUNDER & CEO, OCEANIT

Before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Friday, February 13, 2026
8:30 a.m.
State Capitol, Conference Room 423 and Videoconference

In Support of
**HB2545 RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT
CORPORATION**

To: Chair Representative Greggor Ilagan, Vice Chair Representative Ikaika Hussey,
and Members of the Committee

From: Dr. Patrick Sullivan, Founder & CEO, OCEANIT

Re: Testimony in Support of HB2545

Chair Ilagan, Vice Chair Hussey, and Members of the Committee:

Oceanit Laboratories, Inc. strongly supports HB2545, which establishes a permanent \$5 million appropriation for Hawai'i's Small Business Innovation Research (SBIR) matching program. For over 40 years, Oceanit has been a Hawai'i-based technology and innovation company, developing solutions in defense, energy, healthcare, and infrastructure. We have direct experience with federal SBIR awards and understand how critical state matching support is for growing innovation companies and creating high-wage jobs here in Hawai'i.

The Economic Opportunity. Hawai'i's economy faces significant headwinds: UHERO projects slow growth in 2026 with declining tourism and federal workforce reductions. Economic diversification is not optional; it is essential. The federal SBIR program, often called "America's Seed Fund," offers a proven pathway. Unlike venture capital, which concentrates in established tech hubs, SBIR awards are merit-based and available to any qualified small business nationwide. The National Academies of Sciences found that states underserved by venture capital, like Hawai'i, benefit disproportionately from SBIR programs. Federal SBIR/STTR programs distribute over \$4 billion annually. This bill helps Hawai'i companies compete for those dollars.

Proven Results. Hawai'i has operated the nation's longest-running state SBIR matching program since 1988, 37 years of proven performance. In FY25, the program's \$1.5 million state investment leveraged \$13.22 million in federal SBIR awards. That funding supported 144 jobs in Hawai'i, with 62% paying over \$80,000

annually. The National Academies documented that SBIR firms attract more than four dollars in additional federal R&D funding for every dollar invested, and firms receiving state matching support show higher rates of follow-on federal contracts, patent generation, and successful technology commercialization.

The Problem. The program works, but it is severely underfunded. Current funding means Phase II and Phase III companies, those closest to commercialization and large-scale job creation, receive only 25% of the matching support the program is designed to provide. In FY25, five applicants received no funding at all. Companies that could create high-wage jobs in Hawai'i are being turned away or underfunded because the state appropriation cannot meet demand.

What HB2545 Does. This bill provides \$5 million as a permanent annual appropriation, enough to fully fund current applicants at program caps while maintaining modest capacity for growth. Critically, the bill streamlines administration by eliminating duplicative state technical review. Companies that have already won competitive federal SBIR awards have demonstrated technical and business merit through a rigorous federal evaluation process; requiring a second state-level review adds delay without value. The bill also establishes pro-rata distribution when demand exceeds funds, ensuring all eligible applicants receive support.

Investing in the Next Generation. HB2545 requires grant recipients to deliver two STEM education presentations annually to Hawai'i public school students through a new HTDC-DOE partnership. At \$5 million funding with approximately 20-30 recipient companies, this generates 40-60 school presentations per year. This outreach shows students that high-wage innovation careers exist right here at home, building the workforce pipeline Hawai'i's technology sector needs to grow.

This legislation represents a commitment to building an economy based on ideas, innovation, and intellectual capital. It is a smart, proven investment with clear accountability measures and meaningful returns.

Oceanit urges the committee to pass HB2545.



Statement of
BARBARA LOGAN
CO-FOUNDER
UNCLE'S ICE CREAM
before the
Senate Committee on Economic Development & Tourism

Tuesday, February 10, 2026
1:02 PM
State Capitol, Conference Room 229 & Videoconference

In consideration of
SB 3227
RELATING TO HAWAI'I TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Economic Development & Tourism.

Uncle's Ice Cream **SUPPORTS HB 2545** requiring the Hawaii Technology Development Corporation to establish the Small Business Innovation Research Matching program; requiring the Hawaii Technology Development Corporation, in collaboration with the Department of Education, to establish a STEM education outreach program; requiring and appropriating funds for the Hawaii Technology Development Corporation to develop an economic diversification strategic plan; appropriating funds for economic diversification and defense ecosystem development.

While the matching grants for SBIR help small businesses like ours grow and innovate, the STEM outreach part is just as important for the long run.

As a local business, we know that the future of Hawaii isn't just about tourism—it's about our keiki having the skills to build great things right here at home. When we invest in STEM education, we're building a pipeline of local talent that can help companies like Uncle's scale up and compete. It's about giving our students the tools to stay in the islands and lead the way in a more diverse, resilient economy for all of us.

Also, HTDC's partnership with the **Hawai'i SBDC** provided us with important business advisory services to effectively utilize state resources and scale our operations.

Mahalo for the opportunity to offer these comments.

HB-2545

Submitted on: 2/11/2026 1:50:36 PM

Testimony for ECD on 2/13/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Norman K. Kauai	NOKANET, LLC	Support	Written Testimony Only

Comments:

Statement of
Norman K. Kauai
Consultant
NOKANET, LLC

Before the
House Committee on Economic Development & Technology

Friday, February 13, 2026 – 8:30 AM

In Consideration of
HB 2545

Chair Ilagan, Vice Chair Hussey, and Members of the Committee:
NOKANET, LLC submits testimony in support of HB 2545.

HB 2545 reflects thoughtful steps toward strengthening Hawai‘i’s innovation ecosystem and expanding economic opportunity. We support this measure and appreciate the Committee’s consideration.

Mahalo for the opportunity to provide testimony.

SAGE Pacific

Sustainable Advancement of Green Energy

February 11, 2026

Statement of

Jeffrey S. Winston, Colonel (Retired) US Army

Founder, Owner, CEO

Sustainable Advancement of Green Energy – SAGE Pacific LLC

before the

Senate Committee on Economic Development & Tourism

Tuesday, February 13, 2026

8:30 AM

State Capitol, Conference Room 423 & via Videoconference

In consideration of

SB 2545

RELATING TO HAWAI'I TECHNOLOGY DEVELOPMENT CORPORATION

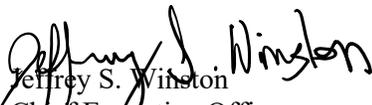
Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Economic Development & Tourism.

SAGE Pacific **SUPPORTS** SB 2545 requires the Hawai'i Technology Development Corporation to establish the Small Business Innovation Research Matching program. Requires the Hawai'i Technology Development Corporation, in collaboration with the Department of Education, to establish a STEM education outreach program. Requires and appropriates funds for the Hawai'i Technology Development Corporation to develop an economic diversification strategic plan. Appropriates funds for economic diversification and defense ecosystem development.

SAGE Pacific is a Hawai'i-based Service-Disabled Veteran Owned Small Business founded in Kapolei, Hawai'i. SAGE Pacific was created as a biproduct of the Hawai'i Hydrogen Hub initiative due to a very limited STEM-focused small business capability able to advance Hawai'i's energy technology. SAGE is currently involved with JBPHH solar-to-hydrogen microgrid integration and safety along with other STEM related projects in defense biomanufacturing, biosurveillance, chemical biological radiological and nuclear (CBRN) awareness, and medical resiliency. SAGE is partnering with the Joint Program Executive Office for CBRN Defense to pilot an Indo-Pacific Command, University of Hawai'i and State of Hawai'i pilot program to create actionable innovation for defense needs and transition successful solutions directly into the commercial sector. The proposed pipeline will de-risk venture and private equity investment, and grow a defense-relevant, university-generated, sustainable defense economy. The goal is to recruit, educate, and retain Hawai'i STEM talent. This pilot program will require matching funds to launch. HTDC's fund matching program will successfully bring federal program dollars to Hawai'i benefiting a Hawai'i-based company, Hawai'i STEM students and future entrepreneurs. I look forward to a favorable outcome supporting Hawai'i's STEM defense contracting small businesses.

Thank you for the opportunity to offer these comments.

Sincerely,


Jeffrey S. Winston
Chief Executive Officer

Statement of
Mikioi Vericella
Co-Owner
Pawniolo Pets
before the
Senate Committee on Economic Development & Tourism

Friday, February 13, 2026
8:30 AM

In consideration of
HB 2545
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee on Economic Development & Tourism.

Pawniolo Pets LLC **SUPPORTS** HB 2545 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Small Business Training & Accelerator programs. These programs have demonstrated value in nurturing local startups, supporting commercialization of research, and expanding opportunities for skilled employment in emerging industries. These HTDC programs aim to provide programmatic business, technical, and financial support for innovative small businesses from the startup stage through growth and export.

Pawniolo Pets LLC is a Hawai'i-based, family-owned small business producing locally sourced raw pet food, single-ingredient treats, and chews, working directly with island ranchers, farmers, and hunters to keep food dollars circulating in our local economy. Since launching **Pawniolo Pets LLC**, we've grown from a home-based startup into a small manufacturing operation serving customers statewide through farmers markets, wholesale partners, and online sales.

Programs offered by the **Hawaii Technology Development Corporation** have been critical for our business and other small manufacturers like us who are building real products, not just ideas. Access to the Manufacturing Assistance Program and small business training & Accelerator programs helps companies like ours invest in equipment, improve food safety systems, scale responsibly, and prepare for growth beyond Hawai'i. This appropriation would directly support our ability to increase local sourcing, create additional skilled jobs, and move closer to exporting Hawai'i-made

products while staying rooted in our community. HB 2545 represents an investment in homegrown businesses that strengthens Hawai'i's economy from the ground up, and we strongly support funding HTDC's core programs so more local entrepreneurs can turn innovation into sustainable livelihoods. Mahalo for the opportunity to offer these comments.

Written Statement of
Trung Lam, Executive Director

before the
House Committee on Economic Development & Technology

Friday, February 13, 2026
8:30 am
Conference Room 423 & Videoconference

In consideration of
HB2545
RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

Chair Ilagan, Vice Chair Hussey, and Members of the Committee.

The Hawai'i Technology Development Corporation supports HB2545 because it strengthens one of the State's most effective tools for economic diversification: the Small Business Innovation Research (SBIR) matching program. The federal SBIR and STTR programs distribute more than \$4 billion annually in competitive research funding. For a state like Hawai'i, where venture capital is limited, these merit-based federal awards represent a critical pathway to building technology companies and high-wage jobs locally.

Hawai'i has operated the nation's longest-running state SBIR matching program since 1988. The program has demonstrated measurable impact. In FY25, a \$1.5 million state investment leveraged more than \$13 million in federal SBIR awards, supporting 144 jobs in Hawai'i, the majority of which paid over \$80,000 annually. This is a strong return on investment by any standard.

Current funding levels of \$1-\$2M a year are insufficient to meet demand, particularly for Phase II and Phase III companies that are closest to commercialization and large-scale job creation. When companies that have already won competitive federal awards are underfunded or turned away due to limited state resources, Hawai'i risks losing both economic opportunity and talent.

HB2545 addresses this gap by establishing a permanent \$5 million annual appropriation. This level of funding allows the program to operate at intended match levels, provide predictable support to companies planning multi-year R&D efforts, and modestly expand capacity. The bill also streamlines administration by recognizing the rigor of the federal SBIR review process and eliminating duplicative state-level technical review, reducing delay while maintaining

accountability. The pro-rata distribution mechanism further ensures fairness and transparency when demand exceeds available funds.

Importantly, HB2545 also integrates workforce development into the program design. By requiring grant recipients to deliver STEM education presentations to Hawai'i public school students through a partnership between HTDC and the Department of Education, the bill directly connects economic development with talent pipeline development. These presentations demonstrate to students that high-wage careers in science, engineering, cybersecurity, advanced manufacturing, health technology, and defense innovation exist here in Hawai'i. They provide visible role models and reinforce the message that students can build meaningful, well-compensated careers without leaving the State. Over time, this exposure strengthens the workforce pipeline that innovation companies depend on to grow.

Hawai'i faces economic headwinds and increasing uncertainty in traditional sectors. Diversification is essential. SBIR matching has proven to be one of the most efficient mechanisms for converting federal research dollars into local jobs and company growth. HB2545 builds on that proven model while intentionally investing in the next generation of Hawai'i's workforce.

For these reasons, HTDC respectfully urges the Committee to pass HB2545.

Mahalo for this opportunity to testify.



Statement of
Mark Nelson
Founder, Applied Enclaves
before the
COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Friday, February 13, 2026
8:30 AM
State Capitol, Conference Room 423 & Videoconference

In consideration of
HB 2545
RELATING TO HAWAI‘I TECHNOLOGY DEVELOPMENT CORPORATION

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

Aloha and thank you for the opportunity to submit testimony in strong support of HB 2545, which appropriates funds for the Hawai‘i Technology Development Corporation’s (HTDC) core programs, including the Manufacturing Assistance Program (MAP), the Hawai‘i Small Business Innovation Research (HSBIR) matching program, and Small Business Training & Accelerator programs.

I am the Founder of Applied Enclaves LLC, a Hawai‘i-based cybersecurity startup commercializing patented research developed at the University of Hawai‘i at Mānoa. I have been a Hawai‘i resident for fourteen years, a Navy veteran, a Ph.D. candidate in Computer Science, and a Research Liaison at the National Security Agency here in Hawaii. For five years, I served as a Visiting Professor at UH Mānoa’s College of Engineering teaching programming and cyber operations classes. Applied Enclaves represents my effort to develop and commercialize my Ph.D. dissertation.

Applied Enclaves is precisely the kind of company HTDC was created to incubate.

Applied Enclaves reimagines how computer programs are executed and uses hardware-backed security features already present in modern processors to dramatically increase the security of software systems. In simple terms, today most programs run as large, implicitly trusted blocks of code. If one part is compromised, the entire process is often exposed. My architecture restructures software so that each executable component and shared library operates inside its own cryptographically isolated region—an enclave—even while running within a single process.

The result is fine-grained, hardware-enforced isolation that can significantly reduce attack surface, limit lateral movement during breaches, and provide cryptographic verification of software components. Independent analysis suggests this approach can make systems materially more resilient—potentially an order of magnitude more secure—without requiring developers to rewrite their existing source code.

In January 2025, I filed three U.S. patent applications and one international patent application related to this architecture. I am pleased to share that our first patent has now been allowed by the United States Patent and Trademark Office. All intellectual property is owned and controlled by Applied Enclaves LLC.

Applied Enclaves is still early stage. We are pre-revenue and I'm the sole member of the company. Our near-term goals include completing our minimum viable product, securing federal SBIR funding, and building a small engineering team here in Hawai'i. If successful, we anticipate creating high-wage technical jobs in cybersecurity engineering, compiler development, and trusted execution systems—fields that are directly aligned with national defense, artificial intelligence security, and critical infrastructure protection.

HTDC has already played a meaningful role in our trajectory.

Through meetings with HTDC leadership and program managers, I have received guidance on SBIR opportunities, proposal development support, and local investor



engagement. HTDC introduced me to members of the Hawai'i venture community, including a connection to OM/VC, which materially influenced my decision to formally incorporate and launch Applied Enclaves. HTDC staff also provided resources related to federal xTech and SBIR pathways, along with access to proposal-writing matching support.

For a deep-technology founder in Hawai'i—particularly one commercializing research emerging from academia—this kind of connective tissue is invaluable. Hawai'i does not yet have the density of venture capital or defense-tech infrastructure found on the mainland. HTDC helps bridge that gap.

The programs funded by SB 3227 are precisely the tools companies like mine need:

- SBIR matching funds reduce the financial friction of competing for federal non-dilutive capital.
- Accelerator and training programs help first-time founders translate technical innovation into investable businesses.
- Manufacturing and commercialization assistance programs help companies transition from research to scalable product development.

In addition, the measures described in HB 2545—particularly the establishment of a Small Business Innovation Research Matching program, STEM education outreach in collaboration with the Department of Education, and development of an economic diversification strategic plan—are directly aligned with Hawai'i's long-term economic resilience.

Cybersecurity, confidential computing, and hardware-backed software security are strategic growth sectors globally. Hawai'i has unique strengths in defense, Indo-Pacific security partnerships, and university research. With sustained investment and programmatic support, companies like Applied Enclaves can anchor high-value intellectual property and technical talent here at home rather than exporting innovation to the mainland.

Hawai'i is my home. My professional network, students, and community are here. As we grow Applied Enclaves, I want Hawai'i to have the first and best opportunity to

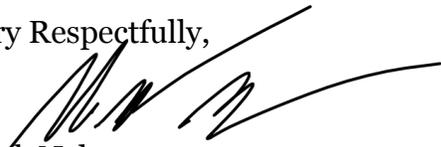
support, invest in, and ultimately benefit from this technology. My intention is not simply to build a company—but to build a company *here*.

HTDC represents the State’s commitment to nurturing precisely this kind of innovation-driven enterprise. Continued and expanded funding ensures that early-stage, high-risk, high-reward ventures have a structured pathway to maturity. Without that support, many such companies would never leave the research phase.

I respectfully urge the Committee to pass SB 3227 and continue strengthening HTDC’s core programs. These investments are not abstract expenditures—they are seed capital for Hawai‘i’s economic diversification, national security relevance, and next generation of technology companies.

Mahalo for your time and consideration.

Very Respectfully,

A handwritten signature in black ink, appearing to read 'Mark Nelson', with a long, sweeping horizontal line extending to the right.

Mark Nelson
Founder, Applied Enclaves LLC
Honolulu, Hawai‘i



Statement of
Gregory Wong
Co-Founder and General Manager
WaiHome LLC
before the
House Committee on Economic Development & Technology

Thursday, February 13th, 2026
8:30 AM
State Capitol, Conference Room 423 & Videoconference

In consideration of
HB2545
RELATING TO HAWAI'I TECHNOLOGY DEVELOPMENT CORPORATION

Chair Ilagan, Vice Chair Hussey, and Members of the Committee on Economic Development & Tourism.

WaiHome LLC **SUPPORTS** HB2545 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Small Business Training & Accelerator programs. These programs have demonstrated value in nurturing local startups, supporting commercialization of research, and expanding opportunities for skilled employment in emerging industries. These HTDC programs aim to provide programmatic business, technical, and financial support for innovative small businesses from the startup stage through growth and export.

As a direct result of these HTDC programs, WaiHome has been able to:

- Create 4 high-skilled technical jobs from the local workforce;
- Establish a physical office and laboratory space in Hawaii;
- Bridge the critical funding gap between our Phase I and Phase II federal grants from the NSF and NOAA.

Moving forward, we rely on these grants to transition from a research-focused startup to a full-scale manufacturing and wastewater service company. This transition is vital to ensuring Hawaii has locally-produced, cost-effective solutions to meet our 2050 cesspool conversion mandate. Investing in these core HTDC programs is an investment in Hawaii's environmental and economic resilience.

Thank you for the opportunity to offer these comments.



Gregory Wong
Co-founder and General Manager
WaiHome LLC



builders | vc

Statement of
Johnny Chankhamany
Executive Director
Builders VC

before the
House Committee on Economic Development & Technology

Friday, February 13, 2026
8:30 AM
State Capitol, Conference Room 423 & Videoconference

In consideration of
HB 2545
RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

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

Builders VC strongly **SUPPORTS** HB 2545 that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Small Business Training & Accelerator programs. These programs have demonstrated value in nurturing local startups, supporting commercialization of research, and expanding opportunities for skilled employment in emerging industries. These HTDC programs aim to provide programmatic business, technical, and financial support for innovative small businesses from the startup stage through growth and export.

Builders VC is a venture capital firm based in Hawaii for nearly a decade, with headquarters in San Francisco and regional offices across the globe. Builders has invested millions into several Hawaii-based companies, and Builders spends hundreds of thousands annually in Hawaii. Our Hawaii-based companies expend over \$10 million annually in Hawaii and are responsible for several dozen high paying local jobs. HTDC's full range of programs and efforts are critical in supporting and developing innovative technologies and businesses that Builders would potentially invest in.

In summary, HB 2545 is necessary if Hawaii is serious about economic diversification, creating industries and jobs that will uplift individuals in our communities, and realize the vision of a resilient, tech-enabled future for our islands.

Thank you for the opportunity to offer these comments.



Blue Startups

55 Merchant Street, Suite 1700
Honolulu, HI 96813

To be presented to the ECD committee on
Friday, February 13, 2026 at 8:30 AM

Regarding **HB2545**: “Relating to the Hawaii Technology Development Corporation”

Testimony in Support

Date: February 11, 2026

From: Chenoa Farnsworth
Managing Director, Blue Startups
chenoa@bluestartups.com

To:

Committee on Economic Development & Technology:

Chair Greggor Ilagan, Vice Chair Ikaika Hussey,
and esteemed members of the Committee

Aloha,

My name is Chenoa Farnsworth, and I am the Managing Director at Blue Startups. Thank you for the opportunity to provide testimony in **support of HB2545**.

Blue Startups was founded to help **diversify Hawai'i's economy** by building a stronger technology sector. For more than a decade, we have supported entrepreneurs with mentorship, product validation, investor introductions, and access to early capital. Our work has shown us firsthand how critical **state investment** in innovation infrastructure is to attracting federal funding, retaining talent, and creating **high-wage jobs** in Hawai'i.

HB2545 establishes a **Small Business Innovation Research (SBIR) Matching Program** within HTDC, providing state matching grants at fifty percent of federal SBIR/STTR awards to Hawai'i-based companies. It also creates a **STEM Education Outreach Program** in collaboration with the Department of Education and requires HTDC to develop an **Economic Diversification Strategic Plan** for the State. Requiring funded companies to present in public schools connects students, especially in underserved communities, to real-world innovation happening right here in Hawai'i.

The bill's **STEM Education Outreach Program** is equally important and builds the pipeline of local talent our technology sector needs to grow. The **Economic Diversification Strategic Plan** will provide the clear goals, measurable outcomes, and coordinated actions necessary to strengthen emerging industries and **high-wage job** sectors across all counties.

HB2545 supports outcomes that matter statewide. It strengthens **economic diversification**. It leverages federal dollars through a proven **SBIR matching model**. It expands pathways to **higher-wage jobs** in fields like AI, biotechnology, ocean science, renewable energy, aerospace, and defense. It helps attract and retain **talent and investment** by demonstrating a clear statewide commitment to innovation and technology-driven growth.

HB2545 is a practical step toward stronger innovation infrastructure and stronger results for Hawaii's **technology economy**. We respectfully urge the Committee to **pass HB2545** with a recommendation of support and advance it through the remaining referrals.

Mahalo,

Chenoa Farnsworth
Managing Director
Blue Startups





Hawai'i Angels

335 Merchant Street, Suite #516
Honolulu, HI 96808

Statement of **Alexi Drouin**
Assistant Director, Hawai'i Angels

Committee on Economic Development & Technology

Regarding HB2545:
Relating to the Hawaii Technology Development Corporation

Testimony in Support

Date: February 11, 2026

To:

Chair Greggor Ilagan, Vice Chair Ikaika Hussey,
and esteemed members of the Committee on ECD

Aloha,

My name is Alexi Drouin, and I am the Assistant Director at Hawai'i Angels, Program Operations at Blue Startups, and Ambassador for Hawai'i Tech Week. Thank you for the opportunity to provide testimony in **strong support of HB2545**.

Hawai'i Angels is a statewide startup investing group. We support founders with early capital, and we convene entrepreneurs and investors through a regular pitch forum. Our work depends on a strong pipeline of local companies and the partners that help them grow in Hawai'i.

HB2545 strengthens Hawai'i's ability to compete in the **innovation economy** by directing the **Hawai'i Technology Development Corporation (HTDC)** to establish a **Small Business Innovation Research (SBIR) Matching Program**, a **STEM Education Outreach Program** in collaboration with the Department of Education, and an **Economic Diversification Strategic Plan**. The SBIR matching model provides state funds at fifty percent of federal awards, helping local companies leverage federal dollars to grow right here in Hawai'i.

This approach supports outcomes that matter statewide. It grows **high-wage jobs** in fields like AI, biotechnology, ocean science, renewable energy, and defense. It accelerates **economic diversification** by leveraging proven federal funding. It builds the **STEM talent pipeline** by

connecting funded companies directly to public school students. It improves Hawai'i's ability to **attract and retain talent and investment**. It also increases **statewide participation** across all counties.

For Hawai'i Angels, a structured SBIR matching program and a clear economic diversification strategy help more founders understand where the opportunities are and how to connect to **public and private partners**. It also helps outside investors see Hawai'i has an organized **pipeline** and credible **infrastructure** for technology development and commercialization.

For these reasons, Hawai'i Angels respectfully urge the Committee to **pass HB2545** with a recommendation of **support** and advance it through the remaining referrals.

Mahalo,



Alexi Drouin
Assistant Director
Hawai'i Angels





TESTIMONY TO THE HAWAII STATE LEGISLATURE
RE: HB2545 RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT
CORPORATION

COMMITTEE: House Committee on Economic Development.

HEARING DATE: Friday, February 13, 2026 at 8:30 a.m.

TIME: 8:30 a.m.

POSITION: STRONG SUPPORT

Dear Chair, Vice Chair, and Members of the Committee:

I am the founder and CEO at Nalu Scientific, a Hawaii-based microelectronics design and development company that has received over 10 federal SBIR federal SBIR awards totaling over \$10M in the past 10 years since inception. We strongly support this measure to establish a permanent annual appropriation for Hawaii's SBIR matching program. Our company has directly benefited from Hawaii's current SBIR matching program, and we can attest to its impact. The state matching funds we received allowed us to hire additional staff, accelerate development timeline, bridge funding gaps and take on advanced R&D with high returns on investments. Today, we employ 16 people in Hawaii, and all of them earn over \$80,000 annually.

The bill's streamlined administration is critical. Having already undergone the federal government's rigorous technical and business review, a duplicative state process adds delay, and wastes critical resources without adding value. The proposed approach—accepting the federal award as evidence of merit, is both efficient and appropriate.

We are committed to the STEM education outreach requirement. We have been working with faculty and students at both UH and HPU for early onboarding of their graduates. Most of our staff have started as interns at Nalu and have risen the ranks to be senior engineers over the years. Hawaii's innovation economy needs a pipeline of local talent, and connecting students with successful technology companies helps build that pipeline.

Federal SBIR funding has been transformative for our company. State matching funds multiply that impact and demonstrate that Hawaii values and supports its innovation sector. We have Received 3 US and one European patent for our underlying microelectronics technology that has laid the foundation on our commercialization journey. This has also allowed us to be sole sources selected for several national lab funded awards (federal) for subsequent developments. Our work has put Hawaii on the map of high tech microelectronics development with new microelectronics funding activity slated for the forthcoming years through the CHIPS act. We need to be ready at the table when time comes and matching grants help us bridge to success. This bill will enable more Hawaii companies to achieve similar success. We urge the committee to pass this measure.

Thank you for the opportunity to testify.

Respectfully submitted, Isar Mostafanezhad, Founder and CEO at Nalu Scientific



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 423
FRIDAY, FEBRUARY 13, 2026 AT 8:30 A.M.**

To The Honorable Representative Greggor Ilagan, Chair
The Honorable Representative Ikaika Hussey, Vice Chair
Members of the Committee on Economic Development & Technology

**SUPPORT HB2545 RELATING TO THE
HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

Economic growth and diversification are among the top priorities of the Maui Chamber of Commerce and we support HB2545 as a timely and strategic measure to strengthen the state's economic foundation. The bill's focus on supporting small business innovation, STEM education outreach, and the development of an economic diversification strategic plan directly aligns with our commitment to fostering a resilient, forward-looking economy—especially as Maui and other communities continue to recover from recent economic disruptions.

The establishment of the Small Business Innovation Research Matching Program is a positive step toward empowering local entrepreneurs and high-tech startups. By providing targeted support for innovation, this program can help Hawai'i businesses compete for federal research funding and stimulate the creation of high-quality jobs. Such initiatives are widely recognized as catalysts for economic growth, attracting investment and encouraging the development of new industries beyond tourism.

We respectfully recommend that the implementation of these programs prioritize transparency, measurable outcomes, and community engagement to maximize their effectiveness. Additionally, ensuring that resources are accessible to businesses and students across all islands, including rural and underserved areas, will be essential for equitable economic development.

Mahalo for the opportunity to share our support of HB2545 and ask that you move this bill forward.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-2545

Submitted on: 2/11/2026 1:14:55 PM

Testimony for ECD on 2/13/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark Himeda	Individual	Support	Written Testimony Only

Comments:

I'm originally from Hawaii and came back to the islands to take care of aging parents. I've been in technology management in the mainland for over 30+ years and having moved back to a role in Hawaii, I was immediately impacted by the lack of on-island talent, especially mid-level technical roles.

While this bill is related to STEM programs at the start of careers or pre-careers, I feel that the more technical talent we can foster in Hawaii, the larger the pool of talent we can preserve in Hawaii. Additionally, I believe that there are a host of opportunities in the islands for technology entrepreneurs, but they will need local talent to flourish.

HB-2545

Submitted on: 2/11/2026 1:37:52 PM

Testimony for ECD on 2/13/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Charlie Field	Individual	Support	Written Testimony Only

Comments:

I strongly SUPPORT HB 2545

HB-2545

Submitted on: 2/11/2026 9:46:58 PM

Testimony for ECD on 2/13/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Dr Joe Ritter	Individual	Support	Written Testimony Only

Comments:

High tech development is critical for diversity in our economy.

As of February 2026, SBIR and STTR funds have **not been restored** at the federal level. The programs' statutory authority expired on September 30, 2025, and Congress has yet to pass a reauthorization bill.

Even if restored, funding tech development has a high payoff in our economy. I urge you to support this effort.

Dr. Joe Ritter

Statement of
J. Pascall
Creative Director
PIARCO
before the
Senate Committee on Economic Development & Tourism

Tuesday, February 10, 2026
1:02 PM
State Capitol, Conference Room 229 & Video conference

In consideration of
HB 2545
RELATING TO HAWAI'I TECHNOLOGY DEVELOPMENT CORPORATION

Chair DeCoite, Vice Chair Wakai, and Members of the Committee
on Economic Development & Tourism.

Piarco **SUPPORTS HB 2545** that appropriates funds for HTDC's core programs: the Manufacturing Assistance Program (MAP), Hawai'i Small Business Innovation Research (HSBIR), and Small Business Training & Accelerator programs. These programs have demonstrated value in nurturing local startups, supporting commercialization of research, and expanding opportunities for skilled employment in emerging industries. These HTDC programs aim to provide programmatic business, technical, and financial support for innovative small businesses from the startup stage through growth and export.

Our work centers on developing locally created intellectual properties and contributing to Hawai'i's growing innovation and creative technology economy. HTDC plays a critical role in strengthening Hawai'i's innovation ecosystem by providing funding, mentorship, and infrastructure that help local companies move from early-stage development to scalable businesses. The programs they provide help Hawai'i-based businesses to remain competitive while building industries beyond tourism and strengthening economic diversification across the state.

Thank you for the opportunity to offer these comments.



02/12/26