

ACT 167

S.B. NO. 1195

A Bill for an Act Relating to the Economy.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 201-19, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The department shall submit to the legislature no later than twenty days prior to the convening of each regular legislative session, a ~~written performance report on the impact of activities of the department and attached agencies that demonstrate their efforts to support, promote, and facilitate the expansion and long-term viability of emerging growth industries including those identified in subsection (a)(1).~~ report that provides an update on the criteria used to measure growth of these emerging growth industries. In updating its reports on growth of emerging industries each year, the department shall develop updated measurements and analyses in collaboration with the University of Hawaii, county economic development boards, and private, non-profit economic research activities.”

SECTION 2. Section 226-6, Hawaii Revised Statutes, is amended to read as follows:

“§226-6 Objectives and policies for the economy—in general. (a) Planning for the State’s economy in general shall be directed toward achievement of the following objectives:

- (1) Increased and diversified employment opportunities to achieve full employment, increased income and job choice, and improved living standards for Hawaii’s people[-], while at the same time stimulating the development and expansion of economic activities capitalizing on defense, dual-use, and science and technology assets, particularly on the neighbor islands where employment opportunities may be limited.
 - (2) A steadily growing and diversified economic base that is not overly dependent on a few industries, and includes the development and expansion of industries on the neighbor islands.
- (b) To achieve the general economic objectives, it shall be the policy of this State to:
- (1) Expand Hawaii’s national and international marketing, communication, and organizational ties, to increase the State’s capacity to adjust to and capitalize upon economic changes and opportunities occurring outside the State.
 - (2) Promote Hawaii as an attractive market for environmentally and socially sound investment activities that benefit Hawaii’s people.
 - (3) Seek broader outlets for new or expanded Hawaii business investments.
 - (4) Expand existing markets and penetrate new markets for Hawaii’s products and services.
 - (5) Assure that the basic economic needs of Hawaii’s people are maintained in the event of disruptions in overseas transportation.
 - (6) Strive to achieve a level of construction activity responsive to, and consistent with, state growth objectives.
 - (7) Encourage the formation of cooperatives and other favorable marketing arrangements at the local or regional level to assist Hawaii’s small scale producers, manufacturers, and distributors.
 - (8) Encourage labor-intensive activities that are economically satisfying and which offer opportunities for upward mobility.
 - (9) Foster greater cooperation and coordination between the government and private sectors in developing Hawaii’s employment and economic growth opportunities.
 - (10) Stimulate the development and expansion of economic activities which will benefit areas with substantial or expected employment problems.
 - (11) Maintain acceptable working conditions and standards for Hawaii’s workers.
 - (12) Provide equal employment opportunities for all segments of Hawaii’s population through affirmative action and nondiscrimination measures.
 - (13) Stimulate the development and expansion of economic activities capitalizing on defense, dual-use, and science and technology assets, particularly on the neighbor islands where employment opportunities may be limited.
 - ~~(13)~~ (14) Encourage businesses that have favorable financial multiplier effects within Hawaii’s economy[-], particularly with respect to emerging industries in science and technology.

- [(14)] (15) Promote and protect intangible resources in Hawaii, such as scenic beauty and the aloha spirit, which are vital to a healthy economy.
- [(15)] (16) Increase effective communication between the educational community and the private sector to develop relevant curricula and training programs to meet future employment needs in general, and requirements of new, potential growth industries in particular.
- [(16)] (17) Foster a business climate in Hawaii—including attitudes, tax and regulatory policies, and financial and technical assistance programs—that is conducive to the expansion of existing enterprises and the creation and attraction of new business and industry.”

SECTION 3. Section 226-7, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) To achieve the agriculture objectives, it shall be the policy of this State to:

- (1) Establish a clear direction for Hawaii’s agriculture through stakeholder commitment and advocacy.
- (2) Encourage agriculture by making best use of natural resources.
- (3) Provide the governor and the legislature with information and options needed for prudent decision making for the development of agriculture.
- (4) Establish strong relationships between the agricultural and visitor industries for mutual marketing benefits.
- (5) Foster increased public awareness and understanding of the contributions and benefits of agriculture as a major sector of Hawaii’s economy.
- (6) Seek the enactment and retention of federal and state legislation that benefits Hawaii’s agricultural industries.
- (7) Strengthen diversified agriculture by developing an effective promotion, marketing, and distribution system between Hawaii’s producers and consumer markets locally, on the continental United States, and internationally.
- (8) Support research and development activities that ~~[provide greater efficiency and]~~ strengthen economic productivity in agriculture[-], stimulate greater efficiency, and enhance the development of new products and agricultural by-products.
- (9) Enhance agricultural growth by providing public incentives and encouraging private initiatives.
- (10) Assure the availability of agriculturally suitable lands with adequate water to accommodate present and future needs.
- (11) Increase the attractiveness and opportunities for an agricultural education and livelihood.
- (12) Expand Hawaii’s agricultural base by promoting growth and development of flowers, tropical fruits and plants, livestock, feed grains, forestry, food crops, aquaculture, and other potential enterprises.
- (13) Promote economically competitive activities that increase Hawaii’s agricultural self-sufficiency.
- (14) Promote and assist in the establishment of sound financial programs for diversified agriculture.
- (15) Institute and support programs and activities to assist the entry of displaced agricultural workers into alternative agricultural or other employment.

- (16) Facilitate the transition of agricultural lands in economically non-feasible agricultural production to economically viable agricultural uses.”

SECTION 4. Section 226-8, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) To achieve the visitor industry objective, it shall be the policy of this State to:

- (1) Support and assist in the promotion of Hawaii’s visitor attractions and facilities.
- (2) Ensure that visitor industry activities are in keeping with the social, economic, and physical needs and aspirations of Hawaii’s people.
- (3) Improve the quality of existing visitor destination areas[;] by utilizing Hawaii’s strengths in science and technology.
- (4) Encourage cooperation and coordination between the government and private sectors in developing and maintaining well-designed, adequately serviced visitor industry and related developments which are sensitive to neighboring communities and activities.
- (5) Develop the industry in a manner that will continue to provide new job opportunities and steady employment for Hawaii’s people.
- (6) Provide opportunities for Hawaii’s people to obtain job training and education that will allow for upward mobility within the visitor industry.
- (7) Foster a recognition of the contribution of the visitor industry to Hawaii’s economy and the need to perpetuate the aloha spirit.
- (8) Foster an understanding by visitors of the aloha spirit and of the unique and sensitive character of Hawaii’s cultures and values.”

SECTION 5. Section 226-9, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) To achieve the federal expenditures objective, it shall be the policy of this State to:

- (1) Encourage the sustained flow of federal expenditures in Hawaii that generates long-term government civilian employment;
- (2) Promote Hawaii’s supportive role in national defense, [~~while remaining~~] in a manner consistent with Hawaii’s social, environmental, and cultural goals[;] by building upon dual-use and defense applications to develop thriving ocean engineering, aerospace research and development, and related dual-use technology sectors in Hawaii’s economy;
- (3) Promote the development of federally supported activities in Hawaii that respect statewide economic concerns, are sensitive to community needs, and minimize adverse impacts on Hawaii’s environment;
- (4) Increase opportunities for entry and advancement of Hawaii’s people into federal government service;
- (5) Promote federal use of local commodities, services, and facilities available in Hawaii;
- (6) Strengthen federal-state-county communication and coordination in all federal activities that affect Hawaii; and
- (7) Pursue the return of federally controlled lands in Hawaii that are not required for either the defense of the nation or for other purposes of national importance, and promote the mutually beneficial exchanges of land between federal agencies, the State, and the counties.”

SECTION 6. Section 226-10, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) To achieve the potential growth activity objective, it shall be the policy of this State to:

- (1) Facilitate investment and employment growth in economic activities that have the potential [~~for growth such as~~] to expand and diversify Hawaii’s economy, including but not limited to diversified agriculture, aquaculture, [apparel and textile manufacturing, film and television production, and energy and marine related industries.] renewable energy development, creative media, and science and technology-based sectors.
- (2) Expand Hawaii’s capacity to attract and service international programs and activities that generate employment for Hawaii’s people.
- (3) Enhance and promote Hawaii’s role as a center for international relations, trade, finance, services, technology, education, culture, and the arts.
- (4) Accelerate research and development of new energy- related industries based on wind, solar, ocean, and underground resources and solid waste.
- (5) Promote Hawaii’s geographic, environmental, social, and technological advantages to attract new economic activities into the State.
- (6) Provide public incentives and encourage private initiative to attract new industries that best support Hawaii’s social, economic, physical, and environmental objectives.
- (7) Increase research and the development of ocean-related economic activities such as mining, food production, and scientific research.
- (8) Develop, promote, and support research and educational and training programs that will enhance Hawaii’s ability to attract and develop economic activities of benefit to Hawaii.
- (9) Foster a broader public recognition and understanding of the potential benefits of new, growth-oriented industry in Hawaii.
- (10) Encourage the development and implementation of joint federal and state initiatives to attract federal programs and projects that will support Hawaii’s social, economic, physical, and environmental objectives.
- (11) Increase research and development of businesses and services in the telecommunications and information industries.”

SECTION 7. Section 226-10.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Planning for the State’s economy with regard to [~~the information industry shall be directed toward the achievement of the objective of positioning Hawaii as the leading dealer in information businesses and services in the Pacific Rim.] telecommunications and information technology shall be directed toward positioning Hawaii as a leader in broadband communications and applications in the Pacific Region.”~~

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 9. This Act shall take effect upon its approval.

(Approved July 1, 2009.)