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Statement of
LEO R. ASUNCION
Director, Office of Planning
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND BUSINESS
Friday, February 2, 2018
8:45 AM
State Capitol, Conference Room 309

in consideration of
HB 2560
RELATING TO A SUSTAINABLE ECONOMIC DEVELOPMENT STRATEGY.

Chair Evans, Vice Chair Keohokalole, and Members of the House Committee on Economic Development and Business.

The Office of Planning (OP) supports HB 2560 provided that its passage does not replace or adversely impact the priorities indicated in the Executive Budget. HB 2560 requires the state's sustainability coordinator to develop a sustainable economic development strategy, derived from data mining services provided by the University of Hawaii, and using genuine progress indicators (GPI) to generate recommendations that promote indigenous-based economies, and the economic diversity, and sustainability of the State's economy.

OP supports the development of a sustainable economic development strategy and the development of genuine progress indicators as a set of metrics to supplement the measurement of the gross domestic product (GDP). Genuine progress indicators (GPI) are more commonly used in ecological economics to appropriately measure sustainability initiatives by measuring whether the environmental impact and social costs of economic production and consumption are negative or positive factors in overall health and well-being.

OP appreciates the intent to coordinate the many indicators provided in the Hawaii 2050 Sustainability Plan, the Aloha+ Challenge resolution, and the Hawaii Comprehensive Economic Development Strategy to align and support the development of statewide genuine progress indicators for an overall sustainable economic development strategy.

In coordination with researchers from the University of Hawaii, who provide data mining services and genuine progress indicator development, the Office of Planning was advised that such a strategy may take one year to develop, which would be beyond the reporting requirement to provide the legislature a report twenty days prior to the convening of the 2019 regular session.

Thank you for the opportunity to offer support on HB 2560.



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
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LUIS P. SALAVERIA
DIRECTOR

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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND BUSINESS
Friday, February 2, 2018
8:45 a.m.
State Capitol, Conference Room 309

in consideration of
HB 2560
RELATING TO A SUSTAINABLE ECONOMIC DEVELOPMENT STRATEGY.

Chair Evans, Vice Chair Keohokalole, and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) **supports the intent with comments** on House Bill 2560.

HB 2560 requires the state's sustainability coordinator to develop a sustainable economic development strategy, derived from data mining services provided by the University of Hawaii, and using genuine progress indicators (GPI) to generate recommendations that promote indigenous-based economies, and the economic diversity, and sustainability of the State's economy.

DBEDT offers the following comments:

- 1) We support the development of a sustainable economic development strategy and the development of genuine progress indicators as a set of metrics to supplement the measurement of the gross domestic product (GDP). Genuine progress indicators (GPI) are more commonly used in ecological economics to appropriately measure sustainability initiatives by measuring whether the environmental impact and social costs of economic production and consumption are negative or positive factors in overall health and well-being.
- 2) The Sustainability Coordinator would require two appropriations in order to complete the strategy: \$500,000 to UH for data-mining services; and \$100,000 to OP for research services, provided that it does not replace or adversely impact the priorities indicated in the Executive Budget.

- 3) The project will take longer than 6 months. We recommend that the report in 2019 be a progress report with the final report being due in 2020.
- 4) DBEDT supports the use of both GDP and GPI measures to be used as appropriate.

Thank you for the opportunity to offer comments on HB 2560.

LATE

HB-2560

Submitted on: 2/1/2018 9:00:12 PM

Testimony for EDB on 2/2/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:

**PRESENTATION OF THE
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES
DEMOCRATIC PARTY OF HAWAII
TO THE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS
THE HOUSE OF REPRESENTATIVES
TWENTY-NINTH LEGISLATURE
REGULAR SESSION OF 2018**

Friday, February 2, 2018

8:45 a.m.

Hawaii State Capitol, Conference Room 309

**RE: Testimony in Support of HB 2560, RELATING A
SUSTAINABLE ECONOMIC DEVELOPMENT
STRATEGY**

To the Honorable Cindy Evans, Chair; the Honorable Jarrett Keohokalole, Vice Chair, and Members of the Committee on Economic Development & Business:

Good morning. My name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No. 2560, relating to a study to develop a sustainable economic development strategy that uses genuine progress indicators to provide recommendations to strengthen Hawaii's indigenous-based economies and create a more diverse and sustainable economy for

the State. The OCC Legislative Priorities Committee is in favor of House Bill No. 2560 and support its passage.

House Bill No. 2560, is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it: (1) requires the state sustainability coordinator to develop a sustainable economic development strategy; (2) directs the state sustainability coordinator to use genuine progress indicators to generate recommendations that promote indigenous-based economies, economic diversity, and sustainability; (3) requires the University of Hawaii to provide data mining services; and (4) requires a report to legislature.

Specifically, the DPH Platform states, "We believe in efforts to build and retain a qualified workforce in Hawai'i . . . As the party of working men and women in Hawai'i, we work to protect labor rights and social security; to ensure fair labor right and social security; to ensure fair labor practices, a living wage for all workers, equal pay for equal work and fair taxation; we encourage legislation to raise the minimum wage and paid family and sick leave; to protect employees' rights to organize and bargain collectively with their employers; to oppose the outsourcing of Hawaii's jobs; to promote employment opportunities and sustainable growth; to assist the economically disadvantaged and advocate for sound trade and economic policies; and build our workforce for jobs in emerging technologies, in green industries, in renovation and in green construction, so that their jobs are not dependent on ever-expanding real estate development. (Platform of the DPH, P. 3, Lines 119, 122-129 (2016)).

Given that House Bill No. 2560 provides for a study to develop a sustainable economic development strategy that uses genuine progress indicators to establish recommendations to strengthen Hawaii's indigenous-based economies and create a more diverse and sustainable economy for the State; it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ **Melodie Aduja**

Melodie Aduja, Chair, OCC Legislative Priorities Committee

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LATE

HB-2560

Submitted on: 2/1/2018 11:22:02 PM

Testimony for EDB on 2/2/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
William Tam	Private Practice	Support	No

Comments:

2/1/18

Representatives:

Re: HB2560.

EDB Hearing: Feb 2, 2018 (8:45 am)

I **STRONGLY SUPPORT HB2560** to include genuine progress indicators as additional measures of Hawaii's well being.

Traditional tools are limited. This bill will expand our understanding of costs, benefits, and tradeoffs in the broadest terms and improve decision making. It will be particularly valuable

in land use, ocean, water, environmental, and human resource matters where the interrelationships among factors is important, but not well understood. A genuine progress

indicator model improves our ability to add more dimensions.

I strongly urge you to pass HB2560.

Respectively Submitted.

William Tam