

Honolulu, Hawaii

APR 05 2019

RE: H.B. No. 624
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 624, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STRUCTURE OF GOVERNMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to require and appropriate funds for the Department of Business, Economic Development, and Tourism to engage a consulting firm to conduct a study to evaluate the policies and organizational changes needed within that department.

Prior to decision making on this measure, your Committee made available for public review a proposed Senate Draft No. 2 (Proposed Draft) of this measure. The Proposed Draft amends the measure by deleting its contents and:

- (1) Inserting provisions to combine the resources, duties, and responsibilities of the Hawaii Technology Development Corporation, Hawaii Strategic Development Corporation, and a newly-established Hawaii Broadband Office into a new entity called the Hawaii Innovation and Technology Corporation; and
- (2) Changing the effective date to July 1, 2021; provided that certain provisions relating to:



- (A) Unencumbered balances remaining in the technology special fund;
- (B) Appropriations relating to certain employment positions in the Hawaii Technology Development Corporation;
- (C) The establishment of and appropriation of funds for positions in the Hawaii Broadband Office; and
- (D) The Broadband Advisory Council;

are effective on July 1, 2019.

Your Committee received testimony in support of the Proposed Draft from the Department of Business, Economic Development, and Tourism; and Hawaii Technology Development Corporation.

Your Committee received comments on the Proposed Draft from the Department of Taxation, Cable Television Division of the Department of Commerce and Consumer Affairs, and Hawaii Strategic Development Corporation.

Your Committee finds that Hawaii must become a leader in technology development, transfer, and commercialization in order to succeed in a competitive and evolving twenty-first century global economy.

Your Committee has amended this measure by adopting the Proposed Draft and further amending the Proposed Draft by:

- (1) Renaming the "Hawaii Innovation and Technology Corporation" to the "Hawaii Innovation Technology and Research Corporation" and making conforming amendments throughout the measure;
- (2) Inserting program appropriations for the operating expenses of the Hawaii Innovation Technology and Research Corporation;
- (3) Changing the statutory ceiling of the technology special fund established pursuant to section 206M-15.5, Hawaii

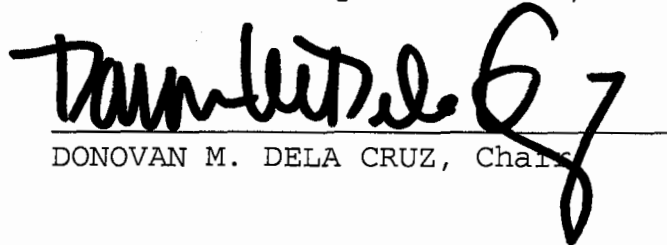


Revised Statutes, from \$3,000,000 to an unspecified amount; and

- (4) Providing that parts VII and VIII of the measure shall take effect on July 1, 2019.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 624, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 624, H.D. 1, S.D. 2.

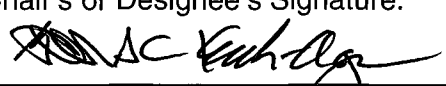
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB624 HDI SD1	EET/HRE, WAM	4/9/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
HARIMOTO, Breene	X			
INOUYE, Lorraine R.				X
KAHELE, Kaiali'i	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
FEVELLA, Kurt	X			
TOTAL	12			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes