



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Wednesday, February 8, 2017
9:00 a.m.
State Capitol, Conference Room 309

in consideration of
HB1036
RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION.

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

The Department of Business, Economic Development and Tourism (DBEDT) **supports** HB1036 that changes the name of the High Technology Development Corporation to Hawaii Technology Development Corporation and repeals the Hawaii Software Service Center that is established within the High Technology Development Corporation, effective July 1, 2017.

The revised name will make it easier for the public and the media who already commonly refer to the agency as the "Hawaii Technology Development Corporation" and to provide consistency with other Hawaii state agencies. The revised name would also better communicate to the public the function of the Corporation. It enables the High Technology Development Corporation (HTDC) to be more inclusive in leading the State's initiative to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030 and support DBEDT in diversifying the economy.

The Hawaii Software Service Center statute is obsolete and should be repealed. The Center has been unfunded and inactive for at least 10 years.

Thank you for the opportunity to offer these comments on HB1036.



Written Statement of
Robbie Melton
Executive Director & CEO
High Technology Development Corporation
before the
House Committee on Economic Development & Business
Wednesday, February 8, 2017
9:00 a.m.
State Capitol, Conference Room 309

In consideration of
HB1036
RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION.

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

The High Technology Development Corporation (HTDC) **supports** HB1036 that changes the name of the High Technology Development Corporation to Hawaii Technology Development Corporation and repeals the Hawaii Software Service Center that is established within the High Technology Development Corporation with an effective date of 7/01/2017.

The revised name will make it easier for the public and the media who already commonly refer to the agency as the “Hawaii Technology Development Corporation” and to provide consistency with other Hawaii state agencies. Furthermore, the revised name would better communicate to the public the function of the agency. In 1983 when HRS 206M was adopted, “high technology” was defined as “industries that are technology-intensive, including but not limited to electronics, biotechnology, software, computers, telecommunications, and other computer-related technologies”. In 2017, with the ubiquitousness of computers, electronics and software, these industries are simply referred to as the “technology” sector. The term “high technology” is reserved for a small subset of the technology sector related to research that is not ready for commercialization.

Technology companies today operate across a range of industries ranging from ag-tech and clean tech to manufacturing and photonics, all of which HTDC supports. The revised name will position HTDC better to compete for grants that provide support for these industries. It is more inclusive of all companies that have a technology core.

The Hawaii Software Service Center was established in 1990 to foster and sustain Hawaii’s software industry. The duties of the center primarily revolve around providing access to information and opportunities for Hawaii based software companies. Difficulty in accessing this information has been mitigated by the maturity of the World Wide Web. The

Center has been unfunded and inactive for at least 10 years. The statute is obsolete and should be repealed.

As part of HTDC's vision to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030, HTDC supports initiatives aimed at promoting technology and innovation jobs.