
A BILL FOR AN ACT

RELATING TO THE ECONOMY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that, in light of the
2 State's ongoing recovery from the coronavirus disease 2019
3 pandemic, the State must improve its economic coordination and
4 focus its efforts to meet specific state goals in the areas of
5 economic disaster mitigation and economic diversification.

6 This Act establishes a policy matrix that will ensure
7 economic success and meet the State's strategic economic
8 diversification goals to help meet this need. The legislature
9 finds that the implementation of this matrix will not require a
10 significant additional investment in overhead resources but will
11 require funds for specific programs that are identified
12 collaboratively by the legislature and department of business,
13 economic development, and tourism. The implementation will also
14 require the establishment of specific goals and reports to the
15 legislature that assess the effectiveness of the projects in
16 meeting those goals.



1 The legislature finds that through this Act, the department
2 of business, economic development, and tourism will serve as a
3 facilitative catalyst for the State, counties, businesses,
4 investors, labor organizations, and communities and will help to
5 align the State with the emerging knowledge-based,
6 zero-emission, and digital global economy while putting Hawaii
7 on the path toward economic prosperity. Finally, the
8 legislature finds that this Act will serve as a model for the
9 creation and implementation of future public policy frameworks
10 for the State.

11 The purpose of this Act is to promote economic recovery and
12 diversification by:

- 13 (1) Establishing state goals for economic disaster
14 mitigation and economic diversification;
- 15 (2) Appropriating funds to the department of business,
16 economic development, and tourism to implement
17 specific projects that address those goals; and
- 18 (3) Requiring the department of business, economic
19 development, and tourism to submit annual reports to
20 the legislature that summarize:



- 1 (A) The progress of projects assigned to the
- 2 department by this Act;
- 3 (B) The outcomes of the projects assigned to the
- 4 department, including an assessment of each
- 5 project's effectiveness in achieving state goals;
- 6 and
- 7 (C) Any other findings and recommendations, including
- 8 any proposed legislation.

9 SECTION 2. (a) The legislature declares that the projects
10 for which funds are appropriated pursuant to section 3 of this
11 Act align with one or more of the following goals that address
12 economic disaster mitigation and economic diversification:

- 13 (1) Economic disaster mitigation: projects shall address
- 14 economic disaster mitigation by strengthening
- 15 infrastructure to better serve the community's
- 16 well-being and by empowering community-based planning
- 17 and development;
- 18 (2) Economic diversification through participation in the
- 19 digital economy: projects shall address economic
- 20 diversification by strengthening Hawaii's
- 21 participation in the digital economy, including:

- 1 (A) Strengthening broadband infrastructure and
- 2 affordability;
- 3 (B) Increasing digital literacy;
- 4 (C) Strengthening remote work infrastructure; and
- 5 (D) Strengthening business capacity and readiness to
- 6 participate in the digital economy; and
- 7 (3) Economic diversification through strengthened trade
- 8 activities: projects shall address economic
- 9 diversification by strengthening traded activities
- 10 that redistribute Hawaii's gross domestic product,
- 11 including:
 - 12 (A) Increasing the export of professional services;
 - 13 (B) Increasing the export of creative intellectual
 - 14 property;
 - 15 (C) Strengthening the post-production capacity for
 - 16 value-added agriculture and manufacturing; and
 - 17 (D) Strengthening the attraction of film projects.
- 18 (b) The department of business, economic development, and
- 19 tourism shall implement the projects authorized or described in
- 20 section 3 of this Act for the purpose of meeting the goals
- 21 described in subsection (a); provided that the department may



1 work with any other state or county agency for the
2 implementation of the assigned projects.

3 (c) No later than twenty days prior to the convening of
4 the regular sessions of 2023, 2024, and 2025, the department of
5 business, economic development, and tourism shall submit a
6 report to the legislature that includes:

7 (1) A summary of the progress of the projects assigned to
8 the department by this Act;

9 (2) The outcomes of the projects assigned to the
10 department by this Act, including an assessment of
11 each project's effectiveness in achieving the goals
12 described in subsection (a); and

13 (3) Any findings and recommendations, including any
14 proposed legislation.

15 SECTION 3. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$ or so
17 much thereof as may be necessary for fiscal year 2022-2023 for
18 the following projects:

19 (1) For the purpose of economic disaster mitigation, as
20 described in section 2(a)(1) of this Act: \$
21 for community-based economic development



1 revitalization grants to provide funding for
2 communities to hold economic development activities;
3 and
4 (2) For the purpose of economic diversification, as
5 described in section 2(a)(2) and 2(a)(3) of this Act:
6 (A) \$ for digital literacy training in
7 partnership with state libraries and Hawaii
8 Literacy;
9 (B) \$ for Instant Teams' phase 2 to
10 increase remote work opportunities for Hawaii's
11 residents;
12 (C) \$ for remote work website business
13 resources build-out to strengthen business
14 capacity to hire Hawaii's remote workforce;
15 (D) \$ to expand creative space studio at
16 Entrepreneurs Sandbox;
17 (E) \$ for a film permitting digital system
18 to streamline the permit process; and
19 (F) \$ for a cyber leaders program to
20 provide educational and technical cybersecurity
21 assistance to local businesses to maintain



1 compliance with cybersecurity requirements, and
2 for workforce and economic development of other
3 defense related sectors.

4 The sum appropriated shall be expended by the department of
5 business, economic development, and tourism for the purposes of
6 this Act.

7 SECTION 4. The appropriation made for projects authorized
8 by section 3 of this Act shall not lapse at the end of the
9 fiscal biennium for which the appropriation is made; provided
10 that all moneys from the appropriation unencumbered as of
11 June 30, 2024, shall lapse as of that date.

12 SECTION 5. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$ or so
14 much thereof as may be necessary for fiscal year 2022-2023 to
15 fund two full-time equivalent (2.0 FTE) positions at the Hawaii
16 center for advanced transportation technologies; provided that
17 should federal funds or funding from other private or public
18 sources for these positions become available, the sum
19 appropriated by this section shall be decreased by the amount of
20 the funds secured from other sources.



1 The sum appropriated shall be expended by the department of
2 business, economic development, and tourism for the purposes of
3 this Act.

4 SECTION 6. This Act shall take effect on October 18, 2050.



Report Title:

DBEDT; Economic Disaster Mitigation; Economic Diversification;
Hawaii Center for Advanced Transportation Technologies;
Appropriation

Description:

Establishes a public policy framework that addresses state goals in the areas of economic disaster mitigation and economic diversification. Appropriates funds to DBEDT to implement specific projects that address those goals. Requires DBEDT to submit annual reports to the legislature summarizing project outcomes. Appropriates funds to staff the Hawaii center for advanced transportation technologies. Effective 10/18/2050.
(HD1)

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