



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Economic Development & Business
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by
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HB 858 – RELATING TO THE HI GROWTH INITIATIVE

Chair Tsuji, Vice Chair Ward and Members of the Committee:

The University of Hawai'i supports diversifying our economy and promoting the development of high-growth businesses. This bill is in alignment with the University of Hawai'i Innovation Initiative (HI²), which seeks to diversify and expand Hawai'i's economy by developing our research industry and doubling the University of Hawai'i's extramural funding to \$1 billion over the next decade. According to the University of Hawai'i Economic Research Organization (UHERO), HI² presents an exceptional return on investment and could result in more than 5,000 new, research-industry jobs statewide.

UHERO says that in addition to the large positive expected return on investment and thousands of new jobs created, other benefits include new discoveries and the development of new support businesses and opportunities. These generate a win-win outcome for both UH and the state.

We also agree with HB 858's premise that a successful economic development program must have input and support from key stakeholders including private industry, investors, universities and government. This bill provides a \$20 million appropriation to the Hawai'i Strategic Development Corporation to implement an investment program called the HI growth initiative.

We look forward to working with DBEDT to build the linkages between the UH Innovation Initiative and the HI Growth Initiative, complementary efforts, to ensure that the State of Hawai'i gets the best return on its various investments into building an innovation economy. HI² continues to build critical mass in terms of developing researchers and creating new knowledge to solve some of our most pressing problems in health, food and fuel. The HI Growth Initiative will catalyze and leverage key entrepreneurial initiatives that can flow from these discoveries at the University of Hawai'i.

Building an innovation economy and growing our research industry will take all of us working together. The University of Hawai'i supports DBEDT's investment role and will work with this department and the HI Growth Initiative towards these goals.