



2016 LEGISLATIVE PACKAGE

The Chamber's 2016 Legislative Package focuses on three strategic areas to support businesses in Hawaii. This legislative package was proposed by members and approved by our policy committees, which are open for participation by all members.

SPURRING ECONOMIC DEVELOPMENT

Support manufacturing programs. (HB2262, HB2550, SB2791, SB3109)

- Continue support and funding for grants to manufacturers for training, energy savings, equipment and planning of new facilities (\$2 million). Also provide funds for DBEDT for Hawaii branding program to promote Hawaii-made products (\$150,000).

Funding for small business and innovation programs supported by state agencies.

- Innovation and incubation: Innovation continues to be a key component of Hawaii's new economy and sector for growth.
 - Continue support and funding for the Hawaii Small Business Innovation and Research (SBIR) program, supported by High Technology Development Corporation (HTDC), which helps local companies get federal R&D dollars for research and commercialization development (\$2 million). (**HB2668, SB1003, SB3110**)
 - The Hawaii Strategic Development Corporation invests state and federal money in a match with private firms to build targeted industries in Hawaii, such as digital, innovation/tech and other areas. The Administration bill we support sets aside \$5 million each year from the corporate tax (same as general funds) for this program. (**HB1070, HB2288, SB1004, SB2817**)
 - Development of workforce is critical in the innovation space. A program that has been implemented in other states will be housed in HTDC to help start-ups with a small funding program to pay interns, which will help keep young local talent in Hawaii (\$250,000). (**HB2264, SB3011**)
- Regulations affecting small businesses: The Small Business Regulatory Review Board provides comment and input into the rulemaking process. They also provide recommendations to the Legislature, Governor and counties on rule changes to help small business. The board needs additional staff to be more effective (\$50,000). (**HB774, SB12, SB1188**)
- Capital for small businesses: Fund the existing small business loan program in DBEDT (\$2 million). (**HB771, SB1002, SB2792**)

Support resources for programs to support the military in Hawaii.

- Follow up support of the MAC via a state GIA.

Support development of a sports tourism and entertainment industry. (HB1847, SB2216)

- Establishes the sports and stadium authority to coordinate and develop a sports authority industry in the state. The goal is to make Hawaii a venue for sporting and entertainment events in the region.

INVESTING IN OUR FUTURE

Support and expand existing early learning programs. (HB1716, HB1786, HB2266, SB844, SB2227, SB2595, SB2603)

- Provide additional funding for public programs to provide access to more students.

Set up infrastructure revolving fund. (HB276, HB441, HB2027, SB1026, SB2510)

- The bill would set up a revolving fund in the state to use public & private funds to help provide funding for some infrastructure projects.

Support Transit Oriented Development. (HB1963, HB2199, SB2507)

- Allow HCDA to plan, coordinate and develop infrastructure at one of the three rail transit stations on state land holdings.

Address private ownership of public roads. (HB2049, HB2050, SB2372, SB2735)

- Many roads that the public uses each day are still owned by private people or companies. This problem has created many issues like R&M and questions of liability. The bill would require the counties to repair and maintain private roads that have been previously maintained by the county and surrendered to the county after the absence of any act of private ownership over the road for five years.

IMPROVING BUSINESS CLIMATE

Bill to address Adams v. CDM court ruling. (HB2209, HB2444, SB3036)

- The case, arguably, overturns decades of settled law. In the past, because Hawaii is an at-will employment state, an employer could take an adverse employment action (e.g., firing, demotion, refusal to hire) for any non-discriminatory reason. The new rule as stated imposes far greater restriction, i.e., the adverse action must only be related to the person's ability to perform the job.
- Other aspects include that, essentially, if an employer ends up not hiring an applicant for a reason that is not stated in the job posting, the employer is on the hook for a discrimination claim.
- Lastly, the Court stated that the decision maker for a hiring decision must have personal knowledge of the issues/reasons for not hiring a candidate. This can especially be an issue for organizations where the interviewer is not the hiring authority.

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