The Chamber’s 2020 Legislative Package focuses on the work of the organization’s 4HI campaign and the 4HI Committees. These Committees are working to address issues and initiatives in the areas of Economy, Environment, Education and Entrepreneurship across the State of Hawaii.

**ECONOMY**

- Introduce legislation that would require an economic impact statement or study for any revenue bill that would impact the cost of doing business in Hawaii. We continue to see a push for legislation without regard to the impact these bills would have on the business community. By requiring this on legislation, we would be able to see if legislation would do more harm than good for the communities it’s intended to help.
- Propose legislation to clarify action under *Adams v. CDM Media USA* to make clear the grounds under which an employer may take employment action without committing a discriminatory practice.

**ENVIRONMENT**

- Supporting efforts that help encourage clean energy and a clean environment while supporting the creation of new jobs. However, we must recognize that such proposals need to be reasonable, scaled and holistically approached as they can place a heavy burden on businesses and residents.
- Provide education and support relating to showcasing how businesses across Hawaii are doing their part to be responsible environmental stewards. In the past, we’ve heard arguments that the business community isn’t doing their part; through increased education, we’ll be able to highlight what our current members are doing.

**EDUCATION**

- Expanding the Hawaii Promise to qualified students in Title I schools with varying career pathways and desired levels of education will provide more financially hindered students the support needed to pursue their academic goals.
- Supporting FAFSA completion for all public school students. Supporting FAFSA completion will lead to more students attending post-secondary institutions. Data shows that 90% of students who complete FAFSA attend college, as opposed to 55% percent of those who don’t.
- Finding reasonable solutions to teacher recruitment and retention will ensure there are qualified teachers to support college and career readiness for the over 180,000 DOE students in Hawaii.

**ENTREPRENEURSHIP**

- Continued support and funding for grants to manufacturers for training, energy savings, equipment and planning of new facilities.
- Continued support and funding for the Hawaii Small Business Innovation and Research (SBIR) program, which helps local companies get federal R&D dollars for research and commercialization development.
- Support legislation to create CPA Mobility for Hawaii, which would allow a licensee in good standing from a substantially equivalent state to gain practice privilege outside of their home state without needing to get an additional license in the state where they will be serving a client or employer.
AN ECONOMY THAT DRIVES SUCCESS

Numerous reports highlight how expensive it is to live in Hawaii and how the state continues to have the highest cost of living in the country. While everyone would like to find one, there is no one-size-fits-all solution. We need to continue to find avenues where stakeholders and legislators can discuss and address these needs in order to find common ground solutions.

ESTABLISHING A COST OF LIVING IMPACT STATEMENT

Propose legislation that would require an economic impact statement or study for any revenue bills that would impact the cost of doing business in Hawaii.

How Would This Help?

- Fiscal impact statements are important to help with voter and public education regarding certain proposals.
- A number of states currently have a law in place that if a proposed initiative will have a monetary effect on the state’s budget, a fiscal impact statement must be drafted. Agencies in charge of these reports vary by states from the Director of Budget, the State Auditor, Department of Finance Director or even the Tax Commissioner.
- Recently, we have seen legislation that has been passed and proposed without really taking into consideration the impact that such laws would have on the business community. Requiring an economic impact statement for future legislation, will help legislators and the public get a better understanding of the economic impact that such proposed legislation would have on industries and communities across the state.

CLARIFYING ACTION UNDER ADAMS V. CDM MEDIA USA DECISION

Propose legislation to clarify the grounds under which an employer may take employment action without committing a discriminatory practice.

How Would This Help?

- Continued efforts to address the 2018 Adams v. CDM Media USA court ruling.
- This case 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.
A BALANCED APPROACH TO ENVIRONMENT

Hawaii continues to play a leading role in protecting our environment and increasing energy efficiency. We believe in the benefits of a sustainable future, but we must ensure that solutions that would affect the business community do not impede or create unintended burdens on entrepreneurs. Policies need to be shaped to create common ground, especially so that businesses can have the flexibility to develop and create sound solutions to address these important issues.

SUPPORTING EFFORTS THAT HELP ENCOURAGE CLEAN ENERGY, WHILE SUPPORTING THE CREATION OF NEW JOBS:

As we continue to move towards a 100% renewable future for electricity and carbon neutrality for the State of Hawaii, we need to continue to ensure that any proposals to achieve our state’s energy goals are reasonable, scaled and holistically approached as they can place a heavy burden on businesses and residents across the state.

How Would This Help?

- Hawaii continues to be at the forefront of addressing a renewable energy future. Looking into how as a state we can create incentives to be added to federal dollars to help fund research in renewable energy, alternative fuels, grid technology, environmental monitoring, etc. can help Hawaii become a leader in these industries.
- Creation of a large industry for renewable energy technologies could help Hawaii attract companies and investment opportunities in our state, and help to create several new, high earning jobs for our students here in the state.

PROVIDING EDUCATION AND SUPPORT FOR HOW HAWAII BUSINESSES ARE DOING THEIR PART TO BE RESPONSIBLE ENVIRONMENTAL STEWARDS

Our members are doing their part to continue to protect our environment and help to create a sustainable future for our children; however, they can’t really get that message out to a larger audience. We’ve seen this issue very prominently with regards to certain environmental legislation, and businesses are painted as “just kicking the can down the road” despite their best efforts to help solve these issues.

How Would This Help?

- We hope to look at the Chamber as a bridge and convener between businesses and advocacy groups and individuals who share the goals of environmental stewardship, but might disagree on the best ways to achieve them. By creating an opportunity to get the conversation started, or by getting these folks into the same room, we can help create healthy dialogue and discover solutions to these issues.
- Additionally, through acting as a convener, we would be able to point our members towards organizations that are currently using tools and dashboards that can help to utilize and highlight what our members are doing to contribute towards the state’s overall targets when it comes to sustainability.
Ensuring that every child in Hawaii has an equal opportunity to receive a quality education will help to prepare them for college and their future roles in the workforce. As the current needs in the workforce continue to change, we must continue to adapt so that we can fill these critical positions.

SUPPORTING THE EXPANSION OF THE HAWAII PROMISE PROGRAM TO FOUR-YEAR UNIVERSITIES

The Hawaii Promise Program currently provides assistance for students who, after exhausting all means of support through scholarships and grants, the last bit of financial aid needed to cover remaining costs to attend a UH Community College. With 48% of DOE students attending Title I schools, the money to cover direct education costs such as tuition, books, supplies and transportation is pivotal to supporting their academic aspirations. As of now, this option is only available for students at our 2-year institutions.

How Would This Help?

• Ensuring that every child in Hawaii has an equal opportunity to receive a quality education will help to prepare them for college and their future roles in the workforce. As the current needs in the workforce continue to change, we must continue to adapt so that we can fill these critical positions with highly skilled local candidates.
• Currently, if a student meets all the financial qualifications for the Hawaii Promise, they cannot attend a 4-year UH institution. For students who have been accepted to a 4-year UH institution, expansion of this program will allow them to attend the college of their choice. Additionally, it will provide support for those who choose to advance beyond their 2-year degree.

SUPPORTING FAFSA COMPLETION FOR ALL PUBLIC-SCHOOL STUDENTS

The Hawaii DOE has set a goal to have 58% of their high school seniors complete the FAFSA in the 2020 school year.

How Would This Help?

• The Hawaii DOE has set a goal to have 90% of their high school seniors complete the FAFSA in the 2020 school year.
• Supporting FAFSA completion will lead to more students attending post-secondary institutions. Data shows that 90% of students who complete FAFSA attend college, as opposed to 55% percent of those who don’t.
• 62% of Hawaii DOE students completed the FAFSA in 2019. This led to $10 million dollars in Pell Grant money that went unused. This amount could have sent 2,500 students, roughly 25% of the entire DOE graduating class, to a UH Community College tuition-free.

TEACHER RECRUITMENT & RETENTION

Since 2012, the number of teachers leaving Hawaii has increased by more than 70%. Teachers are leaving because of salary compensation, advancement, and certification concerns.

How Would This Help?

• Finding reasonable solutions to Hawaii’s teacher recruitment and retention crisis will improve the learning environment for Hawaii’s students.
• Having qualified teachers will support college and career readiness for the 180,000 DOE students, representing over 80% of the students in public, private or charter schools.
According to the U.S. Small Business Administration Office of Advocacy, there are over 132,000 small businesses across the State of Hawaii who employ more than 52% of Hawaii workers. We must continue to work to ensure that our local entrepreneurs are provided with the resources they need to sustain and expand their businesses here in Hawaii.

**MANUFACTURING ASSISTANCE GRANT PROGRAM (MAP) FUNDING**

Continued support and funding for grants to manufacturers for training, energy savings, equipment and planning of new facilities.

*How Would This Help?*

- The MAP program offers Hawaii-based manufacturers up to a 20% reimbursement (up to $100,000) on qualified expenses to help Hawaii manufacturers become globally competitive. Qualified expenses include equipment purchases, training, energy efficiency projects and manufacturing feasibility studies.
- In FY2019, there were 69 applications from Hawaii manufacturers, with 37 companies receiving nearly $900,000 worth of MAP grants. Additionally, these Hawaii manufacturers committed over $13 million on qualified expenses under the MAP program criteria.

**SMALL BUSINESS INNOVATION RESEARCH (SBIR) PROGRAM FUNDING**

Continued support and funding for the Hawaii Small Business Innovation and Research (SBIR) program, which helps local companies get federal R&D dollars for research and commercialization development.

*How Would This Help?*

- The SBIR is a highly competitive program that encourages domestic small businesses to engage in federal research and development that has the potential for commercialization. Through the Hawaii SBIR program, Hawaii-based companies receive matching funds that can help them to enhance their project development, compete for more lucrative awards and ultimately reach successful commercialization.
- The Hawaii Technology Development Center (HTDC), can provide matching funding for companies at various phases of funding:
  - Phase 0: Up to $3,000 for grant writing services
  - Phase I: Up to 50% of the Federal Phase I award
  - Phase II & III: Up to $500,000
- Since its beginnings in 1988, there has been $51 million of federal phase I funding received by companies, with Hawaii SBIR providing $8.6 million in matching Phase I grants. There has been $124 million in federal phase II and III funding, with $3.9 million in matching phase II and III grants.
According to the U.S. Small Business Administration Office of Advocacy, there are over 132,000 small businesses across the State of Hawaii who employ more than 52% of Hawaii workers. We must continue to work to ensure that our local entrepreneurs are provided with the resources they need to sustain and expand their businesses here in Hawaii.

SUPPORTING CPA MOBILITY FOR HAWAII

Practice mobility for CPAs is the general ability of a licensee in good standing from a substantially equivalent state to gain practice privilege outside of their home state without needing to get an additional license in the state where they will be serving a client or employer.

How Would This Help?

- Hawaii businesses require specialized expertise from service providers to support the state’s diverse economy and CPA mobility will help to expand the range of choices available to companies that purchase CPA services.
- CPAs who are not licensed in Hawaii, will need to gain licensure from the state, but sometimes CPAs are not able to gain their licenses in a timeframe to accommodate a business’s needs.
- CPA mobility will help Hawaii businesses get the services they need, when they need them and without unnecessary regulatory burdens.
- Currently, 49 states, the District of Columbia, Guam, Puerto Rico and the U.S. Virgin Islands, have successfully passed and implemented mobility laws. Hawaii and the Commonwealth of the Northern Mariana Islands are the only U.S. jurisdictions without CPA mobility laws.