

2024

LEGISLATIVE AGENDA



Chamber of Commerce Hawaii

Proudly serving as Hawaii's advocate for business for 173 years.

www.cochawaii.org

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A MESSAGE FROM OUR PRESIDENT & CEO SHERRY MENOR-MCNAMARA



Aloha!

On behalf of the Chamber of Commerce Hawaii, I am pleased to present our 2024 Legislative Agenda. The Agenda includes the legislative bill package and policy positions developed by the Business Advocacy Team and the Board of Directors to advance the interests of our local business community during the 2024 Legislative Session.

Representing over 2,000 businesses of all sizes from a wide variety of industries, the Chamber's initiatives aim to advance the state's economic climate and help businesses succeed. The 2024 Agenda incorporates key policy reforms identified by the Young Professionals 2023 Cost of Living Summit discussions and the 2030 Blueprint for Hawaii's Economic Future strategic planning process. The Agenda promotes pro-economic growth legislation to stimulate private sector expansion, support workforce development and increase local job opportunities.

In 2023, we committed to completing the Blueprint with a goal of developing a long-term economic growth strategy initiatives that will help Hawaii become more business-friendly and increase our state's economic competitiveness. The Chamber team and our consultants conducted a series of interviews and focus groups over several months. We also collected data and reviewed economic studies to evaluate opportunities and challenges for Hawaii's economic future. We are pleased to share the fact-finding process is now complete and will present the Blueprint during Chamber Week in January 2024.

We look forward to working with you to improve Hawaii's economic competitiveness and resiliency during this legislative session!

A handwritten signature in black ink, appearing to read 'Sherry', followed by a long horizontal line.

ABOUT THE CHAMBER

We are a statewide community of more than 2,000 businesses including small companies and nonprofits that represent 200,000+ employees who believe that together, we are stronger. With members on every island, we are making Hawaii a better place to do business. We help our members thrive through advocacy, education, events and initiatives. We are one of the oldest, most established Chambers in the nation and our efforts have given rise to many important organizations. As an independent nonprofit, we work collaboratively with Chambers throughout the state and nation to advance economic prosperity for all.

OUR HISTORY

Chamber of Commerce Hawaii is one of the oldest business organizations in the state and the second oldest Chamber west of the Rockies. In 1850, ten of the city's leading businessmen signed the constitution of a chamber of commerce. As it evolved, this organization came to play a major role in building Honolulu from a collection of mud streets and thatched houses to a bustling cosmopolitan center.

The California Gold Rush of 1848 created a demand for food and supplies from Honolulu and Hawaii's business boom began. People and goods quickly began to flow back and forth between Honolulu and San Francisco ports. A small group of merchants realized that to secure the advantages the islands had to offer for commerce, they would need to stand together with common goals and policies for trade and commerce, along with addressing the concerns of the island community.

Today, the Chamber continues to represent the interests of Hawaii's business community. With more than 2,000 member companies representing over 200,000 employees, the Chamber serves as the "Voice of Business" in Hawaii.

BUSINESS ADVOCACY TEAM



Sherry Menor-McNamara
President & CEO



Eliza Talbot
Vice President, Business Advocacy &
Community Relations



Nadia Garcia
Manager, Government Relations

BOARD OF DIRECTORS

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Gary Oda, President, Allied Builders

Megumi Sakae, Senior Vice President, Human Resources and General Counsel, Marathon Group/BEI Hawaii

Ed Schultz, President & CEO, Hawaiian Host

Kyle Shelly, Senior Vice President & Director, Corporate Banking, American Savings Bank

Vassilis Syrmos, VP for Research and Innovation, University of Hawaii

Craig Takamine, President, Takamine Construction

Justin Yoshino, President, Market Advantage

2030 BLUEPRINT FOR HAWAII

Securing our
Economic Future



“In 2024, we will make an IMPACT in the business community by improving Hawaii’s economic competitiveness and resiliency.”
-Sherry Menor-McNamara

VISION

Create a data-based action plan for the private sector to lead and shape Hawaii’s economic future as a top place to do business.

MISSION

Stakeholders from business, government & community will shape goals and priorities and develop a strategy that presents achievable policy reforms and metrics for success.

STAKEHOLDER INPUT

We conducted a series of interviews and focus groups with a variety of stakeholders across the state. Overall, there is a consensus on the need to:

- Reduce Hawaii’s reliance on tourism
- Promote economic diversification
- Invest in education and technology
- Ensure that economic growth benefits the local community

BLUEPRINT IN ACTION

The 2024 Legislative Agenda of the Chamber of Commerce Hawaii takes into account the significant challenges highlighted in our strategic planning initiative, the 2030 Blueprint for Hawaii, and valuable insights gathered from the Chamber’s Young Professional Cost of Living Summit.

LEGISLATIVE AGENDA 2024

HAWAII'S KEY ECONOMIC CHALLENGES

- A high cost of living and insufficient access to affordable housing and childcare, prevents the development and retention of a qualified, adequate local workforce.
- Antiquated and overly burdensome regulatory barriers at the county and state levels cause extensive delays and cost increases that make it difficult to grow and expand businesses.
- High state tax liabilities cripple economic growth opportunities, deter new business formation and quash entrepreneurship.

RECENT HAWAII RANKINGS:

- | | |
|---|-------------|
| • CNBC Best States for Business | 47th |
| • Chief Executive Best & Worst States for Business | 43rd |
| • CNBC Cost of Doing Business | 50th |
| • US News Infrastructure Rankings | 37th |
| • State & Local Taxes per Capita | 6th highest |
| • Percent of Households Cost Burdened by Rent of Mortgage | 2nd highest |
| • Tax Foundation Business Tax Climate | 42nd |

2024 LEGISLATIVE FOCUS

Build a More Competitive Economy

Upgrade the Business Climate by Increasing Efficiency

Prioritize and Retain Our Local Workforce

Expand Work-based Learning and Workforce Development

To learn more, provide support or join the Chamber's Policy Committees, please contact Eliza Talbot, VP of Business Advocacy and Community Relations, at etalbot@cochawaii.org.

2024 LEGISLATIVE BILL PACKAGE

Upgrade the Business Climate by Increasing Efficiency:

- Establish a task force (1-2 years) to evaluate regulations and tax burdens hindering small business formation and growth.
- Improve the regulatory environment to increase the production of affordable housing for our workforce, expand economic development and improve infrastructure.
- Encourage the state and counties to review their government structures and provide independent oversight over executive departments identified as experiencing extensive backlogs and/or unethical behavior to accelerate critical public infrastructure needs.

Prioritize and Retain Our Local Workforce:

- Establish a pilot grant program for employers that provide childcare and caregiving support. A nonprofit organization will administer the program and funding.
- Expedite licensing applications for known, compliant childcare providers to open new facilities or existing facilities.
- Provide incentives to increase the early childhood workforce.

**For the full Legislative
Agenda & Digest:**

SCAN ME



Build a More Competitive Economy:

- Expand available income tax credits to encourage research and development activities conducted by high technology small businesses (500 employees or less) registered within the state of Hawaii.
- Establish a state-wide Entrepreneur Advisory Council or Task Force to identify ways to support burgeoning industries like manufacturing, creative industries, and technology as key economic drivers.
- Support Maui's economic recovery in the aftermath of the wildfires with capital, building infrastructure, and developing talent to foster innovation and economic development.

Expand Work-based Learning and Workforce Development:

- Establish a pilot grant program for employers that offer qualified student internships. The funding can go to a nonprofit organization that can administer the program and distribute funding to employers.

**For information on the 2030
Blueprint for Hawaii:**

SCAN ME



2024 POLICY POSITIONS & PRIORITIES

Advocate for initiatives that foster financial resiliency, support our business community, and elevate the overall economic competitiveness of our state.

Regenerative Tourism:

- Promote the state's environmental resilience and cultural preservation while advancing the economic goals of our business community.
- Reward responsible visitors that engage in regenerative tourism ideals and offer culturally and environmentally appropriate education and best practices to visitors.

Maui's Recovery in the aftermath of the wildfires:

- Allow the state to establish an Economic Development District for purposes of EDA grant funding.
- Establish a grant program for retooling/upskilling/certification classes for persons impacted by the Maui Wildfires.
- Increase the availability of a skilled-trade workforce in Maui in order to facilitate reconstruction.
- Expedite the permitting and licensing required for new childcare facilities, housing and business establishments in Maui.

State's Economic Outlook and Business Expansion:

- Diversify the economy by providing capital, building infrastructure, and developing talent to foster innovation, especially in the high technology, film, manufacturing, and creative industries.
- Provide training, consulting, collaboration-focused industry programs, and grant opportunities to increase the global competitiveness of Hawaii manufacturers.
- Advocate for local manufacturing, especially in maritime, food and value-added products.
- Diversify the economy and prepare the future workforce by funding infrastructure and expanding access to broadband throughout the state.

Cost of Living and Housing Supply:

- Improve the regulatory environment to increase the production of affordable housing, improve infrastructure, and increase resiliency.
- Allow pre-approved DPP starter home plans ("shovel-ready homes").
- Increase the inventory of housing at every price point to expand options and create more affordable housing for our workforce.

Workforce Development and Retention:

- Provide funding and support to expand internship opportunities for the private sector.
- Encourage the state to grow the childcare workforce and streamline childcare provider guidelines to increase capacity at existing facilities and hasten the development of new, in demand providers.

Protection of the business community from legislation that could increase the cost of doing business, which include:

- Regulations that encumber our workforce and employers.
- Delays that inhibit improvement to public infrastructure and essential services
- Expansion of family leave and sick leave policies that would burden businesses with additional expenses and workforce shortages.
- Increases in income taxes and other expenses for businesses and individuals.
- Increases in the employer contribution rate for the state unemployment insurance fund.