

Dual Use Task Force Meeting #1 Minutes

Held via Zoom video conference, 1400 Hawaii Time, 16 Dec 2021.

In support of Act 121, Session Laws of Hawaii 2021

- I. Call to order. Chair Dennis Ling called the meeting to order at 1405 Hawaii time, with quorum present. Meeting was open to the public.

In attendance:

Senator Misalucha, Hawaii District 16

John Greene, DBEDT

Vassilis Syrmos, UH

Len Higashi, HTDC

Jarret Yip, DLIR

Susan Tai, EDAH

Absent:

Jason Chung, CoC

Staff:

Dennis Ling, DBEDT

Mark Richie, DBEDT

Bernice Glenn, Pacific Impact Zone

Kevin Miyashiro, Pacific Impact Zone

Margaret Ahn, Deputy AG

Gregg Kinkley, AG office

II. Old Business

- A. None

IV. New Business:

- A. Kickoff, introduction of Dual Use Technology Task Force members

Mr. Dennis Ling, DBEDT Manager, introduced the members of the Task Force. Mr. Ling explained that Ms. Tai and Mr. Chung are awaiting official approval by the State as appointees to the Task Force.

- B. Overview of the role, responsibilities, and scope of the Task Force, pursuant to Act 121, Session Laws of Hawaii 2021

Senator Misalucha, Hawaii District 16, and Mr. Dennis Ling, introduced the scope of the Task Force. Senator Misalucha provided the historical context that the founding goal of the Dual Use Act (121) was to focus on supporting phase III SBIR companies. As the act

worked through the legislative process it morphed into the Task Force to come up with a plan and strategy for how the state can best support the Dual Use industry.

C. Overview of the Task Force's goals and objectives and time schedule of events and deliverables

Mr. Miyashiro, Task Force lead facilitator, showed the forecasted schedule which calls for an additional seven meetings to occur in 2022, approximately monthly.

Mr. Miyashiro indicated that the deliverable at the end of the Task Force is a concrete plan for a tangible investment to be made in the Dual Use industry.

D. Discussion of next steps and Task Force members' points of interest or priorities

Mr. Kevin Miyashiro, Task Force lead facilitator, suggested the Task Force consider focusing on the creation of an Innovation and Experimentation Hub, as this is something Pacific Impact Zone has heard is a missing asset within the Dual Use economy. Len Higashi, HTDC, supports the idea and suggests additional studying and consideration.

Numerous valuable points were made by the Task Force members and are provided below:

- [Kevin Miyashiro] Pacific Deterrence Initiative represents the potential inflow of federal contracts exceeding \$5B per year for the next 5 years. This is in addition to historical nominal contract activities of \$2.5B per year in Hawaii.
- [John Greene] Per analyses performed by DBEDT, defense spending within Hawaii has experienced large outflows of subcontracting, resulting in a net loss of 2,800 jobs in 2020, many of which are in engineering services.
- [Kevin Miyashiro] commented that unless the systemic reasons for the net outflows are fixed, then the outflows are likely to grow proportionately as Pacific Deterrence Initiative funding increases. Fixing the systemic issues is the call-to-action for this task force.
- [Vassilis Syrmos] commented that the Task Force should decide whether we will be focusing on engineering service jobs, or dual use technology. Both are important, but distinctly different.
- [Senator Misalucha] provided the historical context that the founding goal of the Dual Use Act (121) was to focus on supporting phase III SBIR companies. As the act worked through the legislative process it morphed into the Task Force.
- [Len Higashi] concurs with Vassilis Syrmos' commentary that both are important, and added that, if done properly, Dual Use can provide a feed into growing engineering services. Agreed that the Task Force should focus, however, which also includes a clear definition and set of terminology of what we are working on.

- [John Greene] pointed out that there has been a large increase in contract activity in Hawaii in NAICS code 541715.
 - \$70M in FY19, \$87M in FY20, and \$180M in FY21.
- [Senator Misalucha] requested we bring subject matter experts from the community to speak with the Task Force.
- [Vassilisy Syrmos] suggested one of the subject matter experts be a representative of a Native Hawaiian Organization 8(a) business to share their perspectives.
- [Susan Tai] indicated the next 5-year cycle to refresh the economic development strategy will be kicking off in Jan 2022 and suggested the Task Force provide representation.
- [Kevin Miyashiro] suggested the Task Force consider focusing on the creation of an Innovation and Experimentation Hub, as this is something Pacific Impact Zone has heard is a missing asset within the Dual Use economy. [Len Higashi] supports the idea and suggests additional studying and consideration.
- [Jarret Yip] and [Bernice Glenn] discussed the inclusion of workforce development as it relates to a facility such as an Innovation and Experimentation Hub. The ability to de-risk deep technology development, facilitate technology scouting, and up-skilling of labor, would all benefit workforce development.

V. Next Meeting

No date and time set for next meeting.

VI. Adjournment

Due to lack of quorum, meeting was ajourned at 1500 Hawaii time.