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## A BILL FOR AN ACT

RELATING TO HIGH TECHNOLOGY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 206M-15, Hawaii Revised Statutes, is  
2 amended by amending subsections (b), (c), and (d) to read as  
3 follows:

4           " (b) The development corporation may provide [~~grants as~~  
5 ~~follows:~~

6           ~~(1) Up to the lesser of:~~

7           ~~(A) Fifty per cent of the federal small business  
8 innovation research phase I award or contract;~~

9           ~~(B) \$25,000 to each business in Hawaii that receives  
10 a federal small business innovation research  
11 phase I award or contract from any participating  
12 federal agency;~~

13           ~~(2) Up to \$25,000 to each business in Hawaii that receives  
14 a federal small business technology transfer program  
15 award or contract from any participating federal  
16 agency; or~~

17           ~~(3) Up to \$3,000 to each business in Hawaii that applies  
18 for a small business innovation research federal grant~~



1 ~~or small business technology transfer program federal~~  
2 ~~grant,]~~

3 a grant to each business in Hawaii that:

4 (1) Receives a federal small business innovation research  
5 phase I award or contract, in an amount not to exceed  
6 fifty per cent of the amount of the award or contract;

7 (2) Receives a federal small business technology transfer  
8 program award or contract from any participating  
9 federal agency, in an amount not to exceed fifty per  
10 cent of the amount of the award or contract; or

11 (3) Applies for a small business innovation research  
12 federal grant, or small business technology transfer  
13 program federal grant, in an amount not to exceed  
14 \$3,000,

15 subject to the availability of funds.

16 (c) The development corporation shall adopt rules pursuant  
17 to chapter 91 that:

18 (1) Specify the qualifications for eligibility of grant  
19 applicants;

20 (2) Establish priorities in determining eligibility in the  
21 event that insufficient funds are available to fund  
22 otherwise qualified applicants; and



1           (3) Give preference to all qualified businesses receiving  
2           their first award [~~in one fiscal year~~] over multiple  
3           award grantees.

4 The development corporation may adopt any other rules pursuant  
5 to chapter 91 necessary for the purposes of this section.

6           (d) If funds appropriated for the purpose of making grants  
7 under this section are inadequate to satisfy all qualified  
8 requests, the development corporation [~~shall~~] may apply for  
9 funds to be transferred from the Hawaii capital loan revolving  
10 fund to provide the grants in accordance with subsection (b).  
11 The amount of any single transfer of funds shall not exceed  
12 \$100,000, and the development corporation shall transfer the  
13 entire amount back to the Hawaii capital loan revolving fund  
14 within twelve months of receiving the funds. No more than one  
15 fund transfer shall be outstanding at any one time. The  
16 director of business, economic development, and tourism may  
17 transfer funds from the Hawaii capital loan revolving fund to  
18 the development corporation upon request to carry out the  
19 purposes of this section. Transfers of funds shall be made  
20 without any charges or fees."


21           SECTION 2. Statutory material to be repealed is bracketed  
22 and stricken. New statutory material is underscored.



1 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

A handwritten signature in black ink, appearing to be "A. J. De", written over a horizontal line.

JAN 17 2008



**Report Title:**

High Technology Development Corporation Loans and Grants

**Description:**

Removes the \$25,000 limit on HTDC grants to recipients of federal Small Business Innovation Research Phase I awards or contracts, or federal Small Business Technology Transfer Program awards; retains limit of 50 percent of the federal award or contract.

