

STAND. COM. REP. NO. 341

Honolulu, Hawaii

Feb 13, 2007

RE: H.B. No. 312
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,
to which was referred H.B. No. 312 entitled:

"A BILL FOR AN ACT RELATING TO COMMUNITY-BASED ECONOMIC
DEVELOPMENT,"

begs leave to report as follows:

The purpose of this bill is to fund the Hawaii Community-
Based Economic Development Program to provide assistance to
community based businesses.

Supporting testimony was submitted by: the Department of
Business, Economic Development, and Tourism; a member of the
Hawaii Community-Based Economic Development Program Advisory
Committee; the Maui County Office of Economic Development; the
Kaua'i Economic Development Board, Inc.; the Kaua'i Community
College; the Hawai'i Alliance for Community-Based Economic
Development; the Small Business Development Network, Kaua'i and
Maui Centers; the Kona Pacific Farmers Cooperative; and The Arc of
Kauai for Children and Adults with Disabilities.

Your Committee finds that community-based businesses require
a functional, service-oriented agency that can provide general
support, such as business counseling and consulting, and that,
particularly, can provide financial support for community-based
economic development. The Hawaii Community-Based Economic
Development Program, established by Act 111, Session Laws of
Hawaii 1990, provides essential support to communities to achieve

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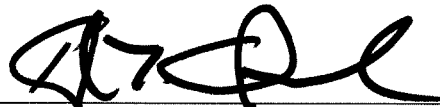
self-reliance and sustainability through economic development. Besides business counseling and consulting, the program offers seeding and matching grants to community-based for-profit and nonprofit companies alike, thus fostering new start-ups, encouraging entrepreneurship, and building capacity and creating sustainable jobs.

Your Committee has amended this measure by:

- (1) Redirecting the general fund appropriation in section 2 of the bill to be deposited into the community-based economic development revolving fund;
- (2) Adding a new section 3 appropriating the funds out of the community-based economic development revolving fund for the community-based economic development program;
- (3) Renumbering the remaining sections consecutively; and
- (4) Changing its effective date from July 1, 2007, to July 1, 2034, to facilitate further discussion of the measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 312, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 312, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business
Concerns,



KYLE T. YAMASHITA, Chair



