

STAND. COM. REP. NO. 2811

Honolulu, Hawaii

FEB 29 2008

RE: S.B. No. 2983
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2983, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to facilitate the community-based economic development program's provision of financial assistance to community-based businesses and enterprises by:

- (1) Authorizing the Hawaii community-based economic development program revolving fund to receive funding from any source;
- (2) Repealing the prohibition on the reallocation of funds from the loan program to the grant program and reducing the maximum interest rate on the loans from ten per cent to six per cent; and
- (3) Reducing the limit on an applicant's total loan balance from \$500,000 to \$250,000.

The Department of Business, Economic Development, and Tourism submitted testimony in support of this measure.

The Hawaii community-based economic development program provides business counseling, and financial and other support to

SB2983 SD2 SSCR LRB 08-2388.doc

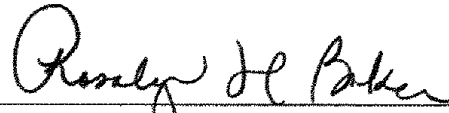


community-based businesses, nonprofit organizations, and entrepreneurs. Your Committee finds that the measure will update and improve the program's provision of these services.

Upon further consideration, your Committee has amended this measure by making technical, nonsubstantive amendments, including the deletion of section 5 of the measure because it does not make any substantive amendments to section 210D-8, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2983, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2983, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



ROSALYN H. BAKER, Chair



