

JAN 23 2009

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 as follows:

3 1. By amending subsection (b) to read:

4 "(b) The development corporation [may] shall provide
5 grants [~~as 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,~~] to any business in Hawaii that:

3 (1) Receives a federal small business innovation research
4 phase I award or contract from any participating
5 federal agency, up to fifty per cent of the amount of
6 the federal award or contract;

7 (2) Receives a federal small business technology transfer
8 program award or contract from any participating
9 federal agency, up to fifty per cent of the amount of
10 the federal award or contract; or

11 (3) Applies for a small business innovation research
12 federal grant or a 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 2. By amending subsection (d) to read:

17 "(d) If funds appropriated for the purpose of making
18 grants under this section are inadequate to satisfy all
19 qualified requests, the development corporation [~~shall~~] may
20 apply for funds to be transferred from the Hawaii capital loan
21 revolving fund to provide the grants in accordance with
22 subsection (b). The amount of any single transfer of funds



1 shall not exceed \$100,000, and the development corporation shall
 2 transfer the entire amount back to the Hawaii capital loan
 3 revolving fund within twelve months of receiving the funds. No
 4 more than one fund transfer shall be outstanding at any one
 5 time. The director of business, economic development, and
 6 tourism may transfer funds from the Hawaii capital loan
 7 revolving fund to the development corporation upon request to
 8 carry out the purposes of this section. Transfers of funds
 9 shall be made without any charges or fees."

10 SECTION 2 Statutory material to be repealed is bracketed
 11 and stricken. New statutory material is underscored.

12 SECTION 3. This Act shall take effect upon its approval.
 13

INTRODUCED BY:

Russell H. Baker
David Fukushima



Report Title:

Small Business Innovation

Description:

Clarifies the operation of the high technology research and development loan and grant program to allow the State to catch up to increased federal award amounts since 1989. Gives priority to first-time small business innovation research and small business technology transfer award or contract recipients. Allows, rather than requires, the grant program to borrow funds from the Hawaii capital loan revolving fund.

