

STAND. COM. REP. NO. 800

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 523
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 523, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY,"

begs leave to report as follows:

The purpose of this measure is to increase opportunities under the high technology research and development loan and grant program.

The measure requires the High Technology Development Corporation to make grants to any business in Hawaii that:

- (1) Receives a federal small business innovation research phase I award or contract or federal small business technology transfer program award or contract, of up to fifty per cent of the amount of the federal award or contract;
- (2) Applies for a small business innovation research or small business technology transfer program federal grant.

Your Committee finds that state matching grants from the High Technology Development Corporation to Hawaii companies that receive small business innovation research phase I awards and small business technology transfer awards greatly enhance the local company's project development, thereby helping the company to develop stronger proposals for the more lucrative federal phase

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II awards and, ultimately, to commercializing their innovations successfully and profitably.

Your Committee has amended this measure by:

- (1) Authorizing, rather than requires the High Technology Development Corporation to provide the matching grants;
- (2) Requiring that, in making matching grants, the High Technology Development Corporation give priority to Hawaii businesses that receive a federal small business innovation research award or apply for an award or small business technology transfer for the first time; and
- (3) Changing the effective date of this measure to July 1, 2050, to allow for further discussion of this measure.

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. 523, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 523, S.D. 2.

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



DONNA MERCADO KIM, Chair



