

Honolulu, Hawaii

March 6, 2009

RE: H.B. No. 1207  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1207 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 update and improve services provided by the Hawaii Community-Based Economic Development Program (CBED), by, among other things:

- (1) Allowing CBED's revolving fund to access funding other than from general funds;
- (2) Allowing CBED to make smaller loans due to the reduced funds available and reducing the maximum interest rate of those loans from ten percent to six percent; and
- (3) Clarifying the definition of "community interest" to mean a group of people who may not live in the same area, but are bound together through common economic interest.

The Office of Hawaiian Affairs, Department of Business, Economic Development, and Tourism, Kona Pacific Farmers Cooperative, Hawaii Alliance for Nonprofit Organizations, and Malu'ohai Residents Association supported this bill.

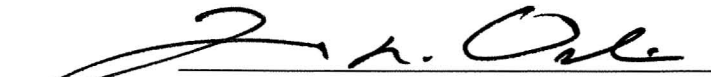


Your Committee has amended this bill by:

- (1) Making conforming amendments to section 210D-9, HRS, adjusting the loan amount from \$500,000 to \$250,000; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1207, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1207, H.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
MARCUS R. OSHIRO, Chair



