

Honolulu, Hawaii

MAR 25 2009

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

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

Madam:

Your Committee on Economic Development and Technology, to which was referred H.B. No. 1207, H.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 update and improve services provided by the Hawaii Community-Based Economic Development Program.

Specifically, this measure achieves the following:

- (1) Clarifies the definition of "community of interest" to mean a group of people who may not live in the same geographic area, but who are bound together through a common economic interest;
- (2) Deletes the requirement for royalties to be deposited into the Hawaii Community-Based Economic Development Revolving Fund, but requiring all other moneys received by the Fund to be deposited into the Fund;
- (3) Deletes the restriction against reallocating funds from the loan program to the grant program; and
- (4) Lowers the maximum loan amount and interest rate on loans to a qualified applicant.



Testimony in support of this measure was submitted by the Department of Business, Economic Development, and Tourism, Office of Hawaiian Affairs, Hawaii Alliance of Nonprofit Organizations, and Maluohai Residents Association. Written testimony presented to the Committee may be reviewed on the Legislature's website.


Your Committee finds that the Hawaii Community-Based Economic Development Program must adjust and evolve to the constant changing needs of non-profit community-based organizations. Your Committee also finds that decreasing the principal loan amounts and interest rates, as well as allowing the Hawaii community-based economic development revolving fund to receive moneys from any source rather than just the general fund, will allow the Hawaii Community-Based Economic Development Program to provide more funding and grants to qualified applicants.

Your Committee has amended this measure by:

- (1) Adding the definition of "community-based organization" to remove the restriction for a community-based organization to be membership-based; and
- (2) Making a technical, nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1207, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1207, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

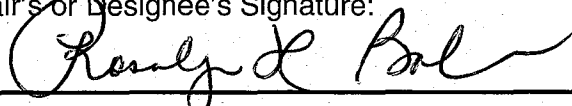
Respectfully submitted on
behalf of the members of the
Committee on Economic
Development and Technology,


CAROL FUKUNAGA, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Economic Development and Technology
EDT

Bill / Resolution No.:* HB 1207, HD1	Committee Referral: EDT, WAM	Date: 3-16-09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
FUKUNAGA, Carol (C)	✓			
BAKER, Rosalyn H. (VC)	✓			
HEE, Clayton	✓			
IGE, David Y.	✓			
SLOM, Sam				✓
TOTAL	4	-	-	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes