

**SB 752**

**EDT**



NEIL ABERCROMBIE  
GOVERNOR

RICHARD C. LIM  
INTERIM DIRECTOR

## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804  
Web site: [www.hawaii.gov/dbedt](http://www.hawaii.gov/dbedt)

Telephone: (808) 586-2355  
Fax: (808) 586-2377

Statement of  
**RICHARD C. LIM**  
Interim Director

Department of Business, Economic Development, and Tourism  
before the

### SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY

Wednesday, February 2 2011  
1:45 pm  
State Capitol, Conference Room 016

in consideration of  
**SB 752**  
**RELATING TO ECONOMIC DEVELOPMENT.**

Chair Fukunaga, Vice Chair Wakai, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of the section of SB 752 that proposes that the Community-Based Economic Development (CBED) and Enterprise Zone (EZ) Programs' personnel and operating costs be funded through the Community-Based Economic Development Revolving Fund. However, we note that legislation fails to provide adequate up-front financial support for the CBED Revolving Fund to carry the personnel and operating costs of the CBED and EZ Programs, provide grants and loans to community nonprofit organizations, carry the operating costs of the CBED Advisory Council, and identify and obtain other funding sources besides state general funds. Presently, the CBED Revolving Fund and Enterprise Zone Program do not charge communities or businesses any fees.

Overall, DBEDT agrees that these programs are important economic generators for the State and have the potential to significantly assist Hawaii's small businesses and the community-based nonprofit sectors in the creation of better-paying jobs and more healthy economic environments in our communities.

Thank you for the opportunity to provide these comments.

## Jody Nakanelua

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**From:** Drew Astolfi [drewastolfi@facehawaii.org]  
**Sent:** Tuesday, February 01, 2011 2:13 PM  
**To:** EDTTestimony  
**Subject:** Testimony in favor of SB 752 using revolving fund to pay for personnel

Thanks for allowing us to "e-testify", it is easier than flying over to Oahu! FACE Oahu and FACE Maui are community organizations made up of churches and temples who join to work for the common good of our islands. We are enthusiastic about SB 752.

FACE on both Maui and Oahu support the SB 752 - it is something that should have been done several years ago. Specifically FACE Oahu has worked with the Empowerment Zone communities on Oahu and been frustrated that some good ideas and projects are slow to take off due to artificial budget constraints. Even so the Empowerment zone works!

At a time when so many of our small businesses are struggling for access to credit CBED and the EZ are vital to lifting us out of the lingering recession. FACE is not naive that this will solve all problems for small businesses in under served areas - but it seems like an easy way to enhance a system that has *already proven its worth*. Please pass SB 752 out of committee as soon as you can.

Mahalo for letting me testify.

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Drew Astolfi  
Executive Director, FACE  
cell 808.782.3674  
[www.facehawaii.org](http://www.facehawaii.org)