



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
RICHARD C. LIM
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC REVITALIZATION AND BUSINESS
Thursday, February 9, 2012
8:30 A.M.
State Capitol, Conference Room 312
in consideration of
HB 2387
RELATING TO NEW MARKETS TAX CREDITS

Chair McKelvey, Vice-Chair Choy and Committee members:

The Department of Business, Economic Development and Tourism appreciates the over-all concept of this bill, but we are concerned about the cost implications generated by this proposal.

This bill does not provide the necessary funding for loan guarantees within the Community Based Economic Development (CBED) Revolving Fund or for staff with the necessary expertise to administer complex financial instruments such as the Federal government's New Market Tax Credits.

Thank you for the opportunity to offer these comments.