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Written Statement of

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L A T E

before the
SENATE COMMITTEE ON WAYS AND MEANS
February 24, 2011
9:00 AM
State Capitol, Conference Room 211

In consideration of
SB 752 SD2 RELATING TO ECONOMIC DEVELOPMENT

Chair Ige, Vice Chair Kidani, and Members of the Committee on Ways and Means:

The Hawaii Strategic Development Corporation (HSDC) supports SB 752 SD2, Part II, which amends HRS 211F to clarify HSDC's oversight role with the Hydrogen Investment Capital Special Fund.

When the Hydrogen Investment Capital Special Fund was created it was housed within HSDC's statute, but expending authority was given to the Department of Business Economic Development and Tourism (DBEDT). DBEDT has administered this program to date and HSDC has not been actively involved. With staff changes at DBEDT, HSDC has been requested to provide active oversight over the program. To effect this change, HSDC has been advised to have the expending authority for this program changed to HSDC from DBEDT. The program's funds have been fully encumbered and management of the fund has been contracted to a private fund manager. None of the current arrangements would be affected. HSDC will consider the special fund part of HSDC's investment portfolio and HSDC will manage this program on the same basis as the other investment funds in our portfolio. There is no impact on the General Fund and no impact on the special fund.

Thank you for the opportunity to submit testimony on this bill.