

---

---

# A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the State has a  
2 public interest in diversifying its economy and promoting the  
3 development of high-growth, entrepreneurial businesses. Job  
4 creation is at the top of every state's policy agenda. Recent  
5 reports from the National Governors Association have highlighted  
6 the importance of fostering an entrepreneurial environment and  
7 supporting high-growth businesses as a proven approach to  
8 creating high wage jobs.

9           Successful economic development outcomes in other states  
10 have demonstrated the effectiveness of a comprehensive state-  
11 level program establishing an entrepreneurial ecosystem that  
12 fosters entrepreneurialism, commercialization, and business  
13 formation capabilities needed by high-growth businesses. This  
14 comprehensive program must have input and support from the key  
15 stakeholders in the entrepreneurial ecosystem: private  
16 industry, investors, universities, and government. Finally,  
17 this comprehensive program must have sufficient resources to



1 provide the pace and scale of investment needed to make it  
2 effective.

3 The purpose of this Act is to enable the Hawaii strategic  
4 development corporation to implement an investment program, the  
5 HI growth initiative, that will be used to establish an  
6 innovation ecosystem that supports entrepreneurial high-growth  
7 businesses and creates high-wage jobs through research  
8 commercialization, entrepreneur mentoring, and the mobilization  
9 of startup investment capital.

10 SECTION 2. There is appropriated out of the general  
11 revenues of the State of Hawaii the sum of \$10,000,000 or so  
12 much thereof as may be necessary for fiscal year 2013-2014 and  
13 the same sum or so much thereof as may be necessary for fiscal  
14 year 2014-2015 to be deposited into the Hawaii strategic  
15 development corporation revolving fund.

16 SECTION 3. There is appropriated out of the Hawaii  
17 strategic development corporation revolving fund the sum of  
18 \$10,000,000 or so much thereof as may be necessary for fiscal  
19 year 2013-2014 and the same amount or so much thereof as may be  
20 necessary for fiscal year 2014-2015 to implement the HI growth  
21 initiative; provided that \$500,000 or so much thereof as may be  
22 necessary in each fiscal year shall be expended for program



1 development, program management, and oversight of program  
2 awardees.

3 The sums appropriated shall be expended by the Hawaii  
4 strategic development corporation for the purposes of this Act.

5 SECTION 4. The Hawaii strategic development corporation  
6 shall submit an annual report on the activities and expenditures  
7 of the HI growth initiative to the legislature no later than  
8 twenty days prior to the convening of each regular session,  
9 beginning with the regular session of 2014.

10 SECTION 5. This Act shall take effect on July 1, 2013.

11



**Report Title:**

Hawaii Strategic Development Corporation; HI Growth Initiative;  
Department of Business, Economic Development, and Tourism

**Description:**

Appropriates funds to the Hawaii Strategic Development Corporation to establish the HI Growth Initiative, an investment program to develop and ecosystem to support high-growth entrepreneurial companies in the State. Requires an annual report to the legislature. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

