

STAND. COM. REP. NO.

2775

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 2832
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2832, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY,"

begs leave to report as follows:

The purpose and intent of this measure is to facilitate high technology small business growth in the State.

Specifically, the measure authorizes the High Technology Development Corporation to:

- (1) Provide grants to a business in Hawaii of up to fifty per cent of a small business innovation research Phase II or III award or contract; and
- (2) Increase the maximum amount of a single transfer of funds allowed from the Hawaii capital loan revolving fund to \$500,000.

Your Committee received written comments in support of this measure from the High Technology Development Corporation, Oceanit, and The Chamber of Commerce of Hawaii.

Your Committee finds that a diversified economy is important to Hawaii's economic long-term viability. The growth of the technology industry in Hawaii over the past ten years has contributed to diversification. Your Committee also finds that companies that develop "cutting edge" technologies rely on federal

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support, such as a small business innovation research program award or contract. However, technological development requires a long time frame, and as a result, more capital investment.

Your Committee has amended this measure by:

- (1) Changing the cap on any single transfer of funds from the Hawaii capital loan revolving fund from \$500,000 to an unspecified amount; and
- (2) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2832, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2832, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



