

STAND. COM. REP. NO. **76**

Honolulu, Hawaii

February 9, 2015

RE: H.B. No. 771
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 771 entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to assist small business owners in Hawaii by providing an alternative means of financing the establishment or expansion of a small business. Specifically, this bill:

- (1) Reenacts the Hawaii Capital Loan Revolving Fund (Fund);
- (2) Appropriates \$2,000,000 into the Fund; and
- (3) Appropriates \$100,000 for the establishment of one full-time equivalent permanent program manager position within the Department of Business, Economic Development, and Tourism to administer the Fund.

The Chamber of Commerce of Hawaii testified in support of this bill. The Department of Business, Economic Development, and Tourism testified in support of the intent of this measure.

Small businesses often encounter difficulties in obtaining business loans through a commercial bank. This lack of capital is one of the top barriers individuals face in attempting to start a small business or attempting to expand their existing business.

HB771 HD1 HSCR EDB HMS 2015-1554



Your Committee finds that the reestablishment of the Fund may provide, as a last resort, an alternative means of financing the establishment or expansion of a small business in Hawaii.

Your Committee has amended this measure by changing the amounts of the appropriations to unspecified amounts.

Should the Committee on Finance deliberate this measure further, your Committee respectfully requests that it consider appropriating \$2,000,000 into the Fund and \$100,000 for the permanent program manager position to administer the Fund.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 771, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 771, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,



DEREK S.K. KAWAKAMI, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSCC 36

Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: HB 771	Committee Referral: EDB, FIN	Date: 3 FEB 15		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. KAWAKAMI, Derek S.K. (C)	/			
2. KONG, Sam Satoru (VC)	/			
3. BROWER, Tom	/			
4. CACHOLA, Romy M.	/			
5. CHOY, Isaac W.	/			
6. ITO, Ken				/
7. OHNO, Takashi	/			
8. ONISHI, Richard H.K.	/			
9. TOKIOKA, James Kunane	/			
10. TSUJI, Clift	/			
11. WOODSON, Justin H.	/			
12. MATSUMOTO, Lauren Kealohilani	/			
13. WARD, Gene		/		
TOTAL (13)	11	1		1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 0.8em;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <u><i>James Kunane</i></u>				
Distribution: Original (White) -- Committee Duplicate (Yellow) -- Chief Clerk's Office Duplicate (Pink) -- HMSO				