

Honolulu, Hawaii

APR 29 2016

RE: S.B. No. 3102
S.D. 1
H.D. 1
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 3102, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Authorize the Department of Business, Economic Development, and Tourism to develop, and any state agency to enter into, and implement inter-agency agreements without entering into a memorandum of agreement or memorandum of understanding;
- (2) Establish the high-growth grant program and high-growth grant special fund to assist qualified businesses through



the provision of grants for specific business development purposes; and

- (3) Appropriate funds to be deposited into and appropriated out of the high-growth grant special fund for the high-growth grant program.

Your Committee on Conference finds that duplicate agency programs result in an ineffective use of resources. Inter-agency agreements provide agencies with an opportunity to coordinate resources and eliminate unnecessary duplication without having to enter into a memorandum of agreement or memorandum of understanding. Implementation of this measure will streamline and expedite agreements between state agencies.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the high-grant program may not provide grants to qualified businesses greater than thirty percent of the amount that is privately invested in a business; provided that the program provides no more than \$250,000 to any qualified business in one calendar year, rather than forty percent of the amount that is privately invested and an annual limit of \$400,000;
- (2) Inserting an appropriation amount of \$1,000,000 to be deposited into and appropriated out of the high-growth grant special fund for the high-growth grant program; and
- (3) Changing the effective date to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3102, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3102, S.D. 1, H.D. 1, C.D. 1.



Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE


ON THE PART OF THE SENATE


DEREK S.K. KAWAKAMI, Co-Chair


DONNA MERCADO KIM, Chair


KYLE T. YAMASHITA, Co-Chair


GILBERT S.C. KEITH-AGARAN, Co-Chair


JILL N. TOKUDA, Co-Chair



