



Written Statement of
Robbie Melton
Executive Director & CEO
High Technology Development Corporation
before the
House Committee on Finance
Tuesday, February 28, 2017
1:00 p.m.
State Capitol, Conference Room 308

In consideration of
HB911 HD1
RELATING TO ECONOMIC DEVELOPMENT.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

The High Technology Development Corporation (HTDC) **supports the intent** of HB911 HD1 that establishes a program for companies to borrow and loan high technology equipment to be administered by HTDC.

As part of HTDC's vision to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030, HTDC supports initiatives aimed at promoting technology and innovation jobs. Providing low-cost access to shared infrastructure can be an effective way to support tech companies by allowing companies access to equipment they might not otherwise afford and would help further their R&D.

HB911 HD1 incorporates the recommendations made by HTDC. With a network of partners and adequate funding, a shared equipment program would provide value to the tech companies.

We respectfully request correction of the defective effective date. We support this initiative as long as it does not replace our priorities requested in the Executive Budget. Thank you for the opportunity to offer these comments.

DAVID Y. IGE
GOVERNOR



WESLEY K. MACHIDA
DIRECTOR

LAUREL A. JOHNSTON
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OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 911, H.D. 1

February 28, 2017
1:00 p.m.
Room 308

RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION

House Bill No. 911, H.D. , establishes a program for companies to borrow and loan high technology equipment to be administered by the High Technology Development Corporation (HTDC); allows the HTDC to accept a fee for facilitating transactions between companies; allows HTDC to purchase or accept high technology equipment and allow companies access to that equipment for a fee; allows HTDC to dispose of equipment and deposit proceeds into the special fund; establishes the High Technology Equipment Loan Program Special Fund (HTELPSPF); and appropriates an unspecified amount of general funds to be deposited into the HTELPSPF to be expended for implementation and administration of the loan program.

As a matter of general policy, the Department of Budget and Finance does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a

clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. In regards to House Bill No. 911, H.D. 1, it is difficult to determine whether the proposed special fund would be self-sustaining.

Thank you for your consideration of our comments.

LATE

From: mailinglist@capitol.hawaii.gov
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HB911

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Submitted By	Organization	Testifier Position	Present at Hearing
Don Aweau	Individual	Support	No

Comments:

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