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# A BILL FOR AN ACT

RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

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

1       SECTION 1. The legislature finds that the Hawaii small  
2 business innovation research program is the longest-running  
3 federal small business innovation research matching grant  
4 program in the United States. The Hawaii small business  
5 innovation research program of the Hawaii technology development  
6 corporation has increased the competitiveness of small  
7 businesses in Hawaii, attracted additional federal dollars into  
8 the State, and helped Hawaii businesses to transform their  
9 research into innovative commercial products and services.

10       The legislature further finds that in 2017, the Hawaii  
11 small business innovation research program awarded approximately  
12 \$1,900,000 in matching grants to businesses that had received a  
13 federal small business innovation research phase II or III award  
14 or contract. These matching grants helped to create an  
15 anticipated one hundred thirty-one new high-paying jobs in the  
16 State.

17       The legislature believes that continued funding for the  
18 Hawaii small business innovation research program will further



1 help to develop Hawaii's technology sector. Additionally, in  
2 light of the amendments made by Act 216, Session Laws of Hawaii  
3 2015, that authorized the corporation to match phase II and III  
4 awards or contracts, the Hawaii technology development  
5 corporation should also be allowed to issue additional awards  
6 which will help to maximize the efficiency of the appropriated  
7 funds.

8 The purpose of this Act is to appropriate moneys to  
9 continue the small business innovation research program and to  
10 authorize the Hawaii technology development corporation to match  
11 federal small business innovation research phase III or small  
12 business technology transfer program phase III awards, including  
13 those funded by the private sector or government sources outside  
14 of the program.

15 SECTION 2. Section 206M-15, Hawaii Revised Statutes, is  
16 amended by amending subsection (b) to read as follows:

17 "(b) The development corporation may provide grants to any  
18 business in Hawaii that:

19 (1) Receives a federal small business innovation research  
20 phase [~~I, II, or III~~] I or II award or contract from



1 any participating federal agency, up to fifty per cent  
2 of the amount of the federal award or contract;

3 (2) Receives a federal small business technology transfer  
4 program award or contract from any participating  
5 federal agency, up to fifty per cent of the amount of  
6 the federal award or contract; [e#]

7 (3) Receives a federal small business innovation research  
8 phase III or small business technology transfer  
9 program phase III award or contract, up to fifty  
10 percent of the amount of the award or contract funded  
11 by private sector or government sources outside of the  
12 program; or

13 [+3+] (4) Applies for a small business innovation research  
14 federal grant or a small business technology transfer  
15 program federal grant, in an amount not to exceed  
16 \$3,000,

17 subject to the availability of funds."

18 SECTION 3. There is appropriated out of the general  
19 revenues of the State of Hawaii the sum of \$1,500,000 or so much  
20 thereof as may be necessary for fiscal year 2018-2019 for the  
21 small business innovation research program.



1       The sum appropriated shall be expended by the Hawaii  
2       technology development corporation for the purposes of this Act.

3       SECTION 4. Statutory material to be repealed is bracketed  
4       and stricken. New statutory material is underscored.

5       SECTION 5. This Act shall take effect on July 1, 2018.



H.B. NO. 1958  
H.D. 1  
S.D. 1  
C.D. 1

**Report Title:**

HTDC; Small Business Research Grants; Appropriation

**Description:**

Authorizes the Hawaii Technology Development Corporation to issue grants to phase III federal grant awardees of up to 50 percent of the amount of the award or contract funded by the private sector or government sources outside of the Small Business Innovation Research Program. Appropriates moneys.  
(HB1958 CD1)

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