

JAN 19 2018

A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,
AND TOURISM.

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

1 SECTION 1. The legislature finds that diversifying the
2 economy is critical to the future of the State.

3 Accordingly, the purpose of this Act is to establish the
4 high-growth grant program within the department of business,
5 economic development, and tourism to assist qualified businesses
6 by providing grants for specific business development purposes.

7 SECTION 2. Chapter 201, Hawaii Revised Statutes, is
8 amended by adding a new section to part I to be appropriately
9 designated and to read as follows:

10 "\$201- High-growth grant program; high-growth grant
11 program special fund; established. (a) There is established
12 within the department a business development grant program that
13 shall be known as the high-growth grant program. The high-
14 growth grant program shall assist qualified businesses by
15 providing grants to:

16 (1) Expand business operations;



1 (2) Improve business productivity; or

2 (3) Invest in food safety or quality control programs.

3 (b) The department shall issue grants to finance:

4 (1) Equipment purchases;

5 (2) Management and workforce training;

6 (3) Infrastructure improvements; and

7 (4) Consulting or feasibility studies.

8 (c) There is established in the state treasury the high-
9 growth grant program special fund to be administered by the
10 department and into which shall be deposited appropriations made
11 by the legislature to the fund. Moneys in the special fund
12 shall be used for the purposes of this section.

13 (d) The high-growth grant program shall provide grants to
14 qualified businesses in an amount no greater than thirty per
15 cent of the amount that is privately invested in a business for
16 one or more of the purposes set forth in subsection (a);
17 provided that the program shall provide no more than \$500,000 to
18 any specific qualified business in one calendar year.

19 (e) The department shall adopt rules pursuant to chapter
20 91 to implement this section.



(f) As used in this section, "qualified business" means a business that has:

(1) Been in business for at least two full years; and

(2) Demonstrated the ability to export products."

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2018-2019 to be deposited into the high-growth grant program special fund.

SECTION 4. There is appropriated out of the high-growth grant program special fund the sum of \$ or so much thereof as may be necessary for fiscal year 2018-2019 for the high-growth grant program to provide grants to qualified businesses; provided that no more than \$ may be used to administer the program.

The sum appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 5. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2018.

INTRODUCED BY:

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S.B. NO. 2695

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S.B. NO. 2695

Report Title:

DBEDT; Business Development; Grant Program; Special Fund;
Established; Appropriation

Description:

Establishes the high-growth grant program and special fund to provide grants to qualified businesses for certain business development activities. Makes an appropriation.

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