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Date: February 14, 2018

To: Representative Sylvia Luke, Chair, Representative Ty J.K. Cullen, Vice-Chair, and members of the Committee on Finance

From: Brent Kakesako, Hawai'i Alliance for Community-Based Economic Development (HACBED)

Re: Support for HB2333 HD1

Aloha Chair Luke, Vice-Chair Cullen, and Committee Members,

The Hawai'i Alliance for Community-Based Economic Development (HACBED) supports HB2333 HD1, which authorizes the Department of Business, Economic Development, and Tourism (DBEDT) to deposit money it receives from the repayments of loans and payments of interest or fees from three DBEDT legacy small business loan programs into the Hawai'i Community-Based Economic Development (CBED) Revolving Loan Fund.

HACBED was established in 1992 as a nonprofit statewide intermediary to address social, economic, and environmental justice concerns through community-based economic development. It advances its mission with core competencies in the areas of community and organizational capacity building, community and economic development planning, and asset policy development and advocacy. HACBED has historically been intertwined with the CBED Program as many of HACBED's Founders were involved with the creation of the CBED Program and served on the Advisory Council and/or received grants and loans to plan, implement, and enhance their projects in the community.

HB2333 HD1 would allow DBEDT to deposit any recoveries from outstanding loans in the CBED revolving fund, to be used to make loans and grants to small businesses that will result in positive community economic impacts. The CBED Program was founded to support bottom-up economic development initiatives in which communities drive economic development opportunities that fit their gifts and resources. These initiatives would supplement more centralized or top-down approaches to ensure communities had choice and control in terms of what happens in their communities around economic development.

The three inactive programs, the Hawai'i Capital Loan Program, the Hawai'i Large Fishing Vessel Purchase, Construction, Renovation, Maintenance, and Repair Loan Program, and the Hawai'i Small Fishing Vessel Loan Program share similar missions with the CBED Program as they are all economic development programs designed to provide assistance and support to businesses that positively impact their communities. As such, depositing any recovered money from these programs would continue the support they offer in the CBED Program, which has been in existence for almost 25 years and continues a legacy of supporting community-based organizations across the state.

Please let me know if you may have any additional questions at (808)550-2661 or bkakesako@hacbed.org.

Mahalo for this opportunity to testify,

Brent N. Kakesako
Executive Director



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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Statement of
LUIS P. SALAVERIA
Director

Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON FINANCE

Friday, February 16, 2018
3:00 p.m.
State Capitol, Conference Room 308

in consideration of
HB 2333, HD1
**RELATING TO THE HAWAII COMMUNITY-BASED ECONOMIC DEVELOPMENT
TECHNICAL AND FINANCIAL ASSISTANCE PROGRAM.**

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

The Department of Business, Economic Development, and Tourism (DBEDT) strongly supports HB 2333, HD1, an administration bill. This measure authorizes DBEDT to deposit moneys it receives from the repayments of loans and payments of interest or fees from three DBEDT legacy small business loan programs into the Hawaii Community-based Economic Development (CBED) Revolving Fund.

The Hawaii Capital Loan Program, the Hawaii Large Fishing Vessel Purchase, Construction, Renovation, Maintenance, and Repair Loan Program and the Hawaii Small Fishing Vessel Loan Program have been inactive since the repeal of the three programs' revolving funds. This bill would allow DBEDT to deposit any recoveries from outstanding loans into the CBED Revolving Fund, to be used to make loans and grants to small businesses that will result in positive community economic impacts.

The Community-based Economic Development (CBED) Program addresses the needs of Hawaii's most socially and economically challenged regions and demographic groups through community-supported economic development projects. By stimulating business activity and

creating jobs, the CBED program improves the economic environment and standard of living in some of Hawaii's most vulnerable communities, particularly those in rural areas of the State.

The Hawaii Capital Loan Program, the Hawaii Large Fishing Vessel Purchase, Construction, Renovation, Maintenance, and Repair Loan Program and the Hawaii Small Fishing Vessel Loan Program shared similar missions with the CBED program, in that they are all economic development programs designed to assist small businesses and positively impact their communities.

The CBED program has been in existence for almost 25 years. Throughout its history, it has assisted over a thousand organizations with grants, loans and technical assistance and created numerous jobs and assisted vital community-based entities of our economy to grow and become sustainable.

Thank you for the opportunity to provide testimony.

HB-2333-HD-1

Submitted on: 2/15/2018 3:35:24 AM

Testimony for FIN on 2/16/2018 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
De MONT R. D. CONNER	Ho'omanapono Political Action Committee (HPAC)	Support	Yes

Comments:

We STRONGLY SUPPORT this bill.

February 15, 2018

The Honorable Sylvia Luke, Chairperson
And Members of the Committee on Finance
State Capitol Conference Room 308
Honolulu, Hawaii 96813

Dear Chairperson Luke and Members:

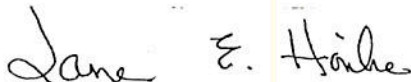
RE: HB No.2333, HD1 Relating to the Hawaii Community-Based Economic Development (CBED)
Technical and Financial Assistance Program-

Thank you for the opportunity to submit testimony on HB No. 2333, HD1 relating to the Hawaii CBED Technical and Financial Assistance Program. As an East Hawaii Community-Based Economic Development Advisory Member, I strongly support HB 2333, HD1 that authorizes DBEDT to deposit moneys recovered from the repayment of loans and interest or fees from the DBEDT small business loan programs into the Hawaii CBED) Revolving Fund.

Community based economic development projects in socially and economically challenged regions is assisted by the CBED program. CBED improves the economic environment by stimulating business activity and creating jobs especially in the rural area. The CBED program provided Kohala Meats & Deli on Hawaii Island funding so it can open its doors to make locally produced pork, meat and vegetables available to the community.

Thank you for the opportunity to express support on this bill. I humbly ask that members of this committee pass HB 2333, HD1 to enable funds from recovered loans be put into the CBED Revolving Fund to help communities help themselves.

Sincerely,

A handwritten signature in black ink that reads "Jane E. Horike". The signature is written in a cursive style with a large initial "J" and "H".

Jane E. Horike

CBED Advisory Committee Member



P.O. Box 253, Kunia, Hawai'i 96759
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e-mail info@hfbf.org; www.hfbf.org

February 16, 2018

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 2333, HD1
RELATING TO THE HAWAII COMMUNITY-BASED ECONOMIC DEVELOPMENT
TECHNICAL AND FINANCIAL ASSISTANCE PROGRAM

Room 308
3:00 PM

Aloha Chair Luke, Vice Chair Cullen, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

The Hawaii Farm Bureau is in support of HB 2333, HD1, which authorizes the Department of Business, Economic Development, and Tourism to deposit moneys it receives from the repayments of loans and payments of interest or fees from the Hawaii capital loan program in chapter 210, the Hawaii large fishing vessel purchase, construction, renovation, maintenance, and repair loan program in chapter 189, and the Hawaii small fishing vessel loan program in chapter 189, into the Hawaii community-based economic development revolving fund.

The community—based economic development (CBED) program addresses the needs of Hawaii's most socially and economically challenged regions and demographic groups through community—supported economic development projects. By stimulating business activity and creating jobs, the CBED program improves the economic environment and standard of living in some of Hawaii's most vulnerable communities, particularly those in rural areas of the State.

Thank you for the opportunity to testify on this measure.