
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
2 technology development corporation is a key state agency in
3 developing and supporting initiatives aimed at promoting
4 technology and innovation jobs in the State. In 2018, the
5 legislature provided funding for and made changes to the small
6 business innovation research program. The legislature supports
7 continuation of the small business innovation research program
8 as an important initiative of the State to assist Hawaii small
9 businesses in advancing technology and developing new products.

10 The purpose of this Act is to:

11 (1) Require the Hawaii technology development corporation
12 to adopt rules to require awardees of small business
13 innovation research program grants to reimburse funds
14 awarded if they relocate their principal place of
15 business outside the state within five years of
16 receiving the award; and



1 (2) Appropriate funds for the continuance of the small
2 business innovation research program operated by the
3 Hawaii technology development corporation.

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

6 " (c) The development corporation shall adopt rules
7 pursuant to chapter 91 that:

- 8 (1) Specify the qualifications for eligibility of grant
9 applicants;
- 10 (2) Establish priorities in determining eligibility in the
11 event that insufficient funds are available to fund
12 otherwise qualified applicants; [~~and~~]
- 13 (3) Give preference to all qualified businesses receiving
14 their first award in one fiscal year over multiple
15 award grantees[-]; and
- 16 (4) Require businesses receiving an award to reimburse the
17 State all moneys awarded in the event that the company
18 relocates its principal place of business out of
19 Hawaii within five years of receiving an award.

20 The development corporation may adopt any other rules pursuant
21 to chapter 91 necessary for the purposes of this section."



1 SECTION 3. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so
3 much thereof as may be necessary for fiscal year 2019-2020 and
4 the same sum or so much thereof as may be necessary for fiscal
5 year 2020-2021 for the continuance of the small business
6 innovation research program; provided that the Hawaii technology
7 development corporation shall plan to provide funds for phase
8 three grants where applicable.

9 The sums appropriated shall be expended by the Hawaii
10 technology development corporation for the purposes of this Act.

11 SECTION 4. This Act does not affect rights and duties that
12 matured, penalties that were incurred, and proceedings that were
13 begun before its effective date.

14 SECTION 5. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 6. This Act shall take effect on July 1, 2019.

17



Report Title:

Hawaii Technology Development Corporation; Small Business
Innovation Research Program; Appropriation

Description:

Appropriates funds to the Hawaii technology development corporation to continue the small business innovation research program. Requires businesses that receive a small business innovation research grant award to return the award if they move their principal place of business out of Hawaii within five years. (SD1)

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