
A BILL FOR AN ACT

RELATING TO GRANTS FOR ENTREPRENEURS.

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

1 SECTION 1. The legislature finds that small businesses
2 make up approximately ninety-nine per cent of all businesses in
3 Hawaii. Small businesses are defined by the United States Small
4 Business Administration as having five hundred or fewer
5 employees. The business climate in Hawaii shows the extent to
6 which the local economy is dependent upon businesses that are
7 not large corporations.

8 The legislature further finds that Hawaii is one of the
9 hardest states in which to both start a business and conduct
10 business. This fact has been verified and widely reported by
11 multiple sources and continues to hold true. The coronavirus
12 disease 2019 (COVID-19) pandemic, war in Ukraine, supply chain
13 crisis, and economic downturn have only intensified this
14 unfortunate reality.

15 The legislature also finds that the rising minimum wage
16 will have a negative impact on many small businesses' ability to
17 hire employees. At a time when both the local and national



1 economies are in a fragile state, local small businesses need
2 both support and the opportunity to foster creativity.

3 Accordingly, the purpose of this Act is to help support the
4 small business community by establishing an entrepreneurship
5 grant program within the department of business, economic
6 development, and tourism.

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- Entrepreneurship grants. (a) The department
11 shall award an entrepreneurship grant in an amount up to \$50,000
12 to businesses that:

- 13 (1) Are organized or incorporated and operating in the
14 United States;
- 15 (2) Meet the United States Small Business Administration's
16 small business size standards;
- 17 (3) Certify that the business is not barred from receiving
18 federal funds;
- 19 (4) Are registered and in good standing with the business
20 registration division of the department of commerce
21 and consumer affairs; and



1 (5) Have a current general excise tax license with the
2 department of taxation;
3 provided that the director of business, economic development,
4 and tourism shall have the final authority to determine whether
5 each applicant satisfies the qualifications to be awarded a
6 grant under this section.

7 (b) The amount awarded for each grant under this section
8 shall be determined based on the availability of funds and the
9 amount requested."

10 SECTION 3. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$ or so
12 much thereof as may be necessary for fiscal year 2023-2024 and
13 the same sum or so much thereof as may be necessary for fiscal
14 year 2024-2025 to fund entrepreneurship grants awarded pursuant
15 to section 201- , Hawaii Revised Statutes.

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

19 SECTION 4. New statutory material is underscored.



H.B. NO. 512

1 SECTION 5. This Act shall take effect on July 1, 2023.

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INTRODUCED BY:



JAN 20 2023



H.B. NO. 5/2

Report Title:

DBEDT; Grants; Entrepreneurs; Appropriations

Description:

Establishes an entrepreneurship grant program within the Department of Business, Economic Development, and Tourism to assist entrepreneurs with new businesses.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

