### 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 The legislature finds that there is a need to 2 bolster business innovation and economic development in the 3 State by partnering with the private sector. The legislature 4 also finds that the chambers of commerce in Hawaii, with their 5 vast membership of small businesses, are in an excellent 6 position to develop and cultivate greater entrepreneurship. 7 The purpose of this Act is to require the department of 8 business, economic development, and tourism to establish a 9 chamber of commerce grant program for entrepreneurs. 10 SECTION 2. Chapter 201, Hawaii Revised Statutes, is 11 amended by adding a new section to be appropriately designated 12 and to read as follows: "§201- Chambers of commerce; grant program. (a) The
- 13 "<u>§201-</u> Chambers of commerce; grant program. (a) The

  14 department shall establish and administer a chamber of commerce

  15 grant program to provide funding to qualifying chambers of
- 16 commerce.

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1	(b)	Requests for grants shall be submitted to the
2	departmen	t in accordance with administrative rules adopted by
3	the depar	tment to administer the grant program. Each request
4	shall, at	a minimum, state:
5	(1)	The name of the chamber of commerce requesting grant
6		funds; and
7	(2)	Measurable outcomes from the use of the grant to
8		include entrepreneur mentoring, workshops conducted,
9		new businesses created, and specific skills developed.
10	<u>(c)</u>	Each applicant for a grant shall provide proof to the
11	departmen	t that the applicant:
12	(1)	Serves at least three hundred businesses;
13	(2)	Complies with all other federal, state, or county
14		statutes, rules, or ordinances necessary to conduct
15		the activities or provide the services for which a
16		<pre>grant is awarded;</pre>
17	(3)	Complies with all applicable federal and state laws
18		prohibiting discrimination against a person on the
19		basis of race, color, national origin, religion,
20		creed, sex, age, sexual orientation, or disability;

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1	(4)	Satisfies any other standards that may be required by	
2		the source of funding; and	
3	<u>(5)</u>	Meets all other standards prescribed in rules adopted	
4		by the department to implement the grants awarded	
5		under this section.	
6	(d)	Every request for grant funds shall be submitted to	
7	the department on an application form provided by the department		
8	and shall at a minimum contain the information required by		
9	subsection (c). The department shall review each request to		
10	determine whether the applicant is eligible to receive grants		
11	funds and shall make a final decision on each request. Upon		
12	approval of the request, the department shall award an applicant		
13	a grant o	f up to \$100,000. The department shall inform each	
14	grant applicant of the disposition of the applicant's request.		
15	The department shall adopt rules to establish an appeals process		
16	for any denial of a request.		
17	(e)	Each chamber of commerce applicant who, after meeting	
18	the requi	rements of subsection (c), receives grant funds from	
19	the department shall use the funds for developing and		
20	cultivati	ng entrepreneurs, with a focus on mentoring, workshops	
21	and skill	development. Funds shall also be used for critical	

- 1 needs, including additional staffing, technical assistance,
- 2 essential software, or technology upgrades. A chamber of
- 3 commerce who receives grant funds pursuant to this section shall
- 4 submit to the department an annual report detailing the use of
- 5 funds.
- 6 (f) The department shall adopt rules without regard to
- 7 chapter 91 to administer the grant program."
- 8 SECTION 3. New statutory material is underscored.
- 9 SECTION 4. This Act shall take effect on July 1, 2025.

10

INTRODUCED BY:

IAN 2 3 2025

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### Report Title:

Department of Business, Economic Development, and Tourism; Chambers of Commerce; Grant Program

#### Description:

Requires the Department of Business, Economic Development, and Tourism to establish a Chamber of Commerce Grant Program.

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