

JAN 22 2007

A BILL FOR AN ACT

RELATING TO COMMUNITY ECONOMIC DEVELOPMENT.

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

1 SECTION 1. The legislature finds that the business
2 community, nonprofit organizations, and other entrepreneurs,
3 residing on the leeward (Waianae) coast of Oahu, are in urgent
4 need of a functional, service-oriented agency that is readily
5 accessible to provide business counseling, financial backing,
6 and general support to foster real community-based economic
7 development of the various products and services demonstrating
8 and embracing Hawaii's diversified economy.

9 The Hawaii community-based economic development technical
10 and financial assistance program of the department of business,
11 economic development, and tourism was established for this very
12 purpose. The legislature has authorized the Hawaii community-
13 based economic development technical and financial assistance
14 program to provide needed financial assistance to community-
15 based, nonprofit organizations and cooperatives through low
16 interest loans and grants to qualifying applicants.

17 The purpose of this Act is to appropriate funds for the
18 Hawaii community-based economic development technical and

1 financial assistance program to financially assist qualifying
2 community-based organizations on Oahu's leeward (Waianae) coast.

3 SECTION 2. Section 210D-12, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§210D-12 **Priorities and preferences.** In selecting
6 applicants for funding, the department shall make every effort
7 to ensure that community-based economic development activities
8 and community-based enterprises are distributed throughout the
9 State[-] or legislatively mandated regions."

10 SECTION 3. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$500,000 for fiscal
12 year 2007-2008, to be paid into the Hawaii community-based
13 economic development revolving fund created in section 210D-4
14 Hawaii Revised Statutes, for low-interest loans and grants to
15 qualifying leeward (Waianae) coast community-based organizations
16 involved in the implementation of comprehensive leeward
17 (Waianae) coast economic development activities under the Hawaii
18 community-based economic development technical and financial
19 assistance program. For the purposes of this Act, the
20 geographic region of the "leeward coast" consists of the
21 geographic area encompassed in the city and county of Honolulu's
22 Waianae Sustainable Community Plan.

S.B. NO. 1360

1 The sum appropriated shall be expended by the department of
2 business, economic development, and tourism solely for the
3 purposes of the community-based economic development revolving
4 fund and for the purposes of this Act.

5 SECTION 4. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 5. This Act shall take effect upon its approval;
8 provided that section 3 shall take effect on July 1, 2007.

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INTRODUCED BY:

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BY REQUEST

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and
Tourism

TITLE: A BILL FOR AN ACT RELATING TO COMMUNITY
ECONOMIC DEVELOPMENT.

PURPOSE: Appropriates general funds for grants
and loans to community-based
organizations on the leeward (Waianae)
coast of Oahu for community economic
development.

MEANS: Amend section 210D-12, Hawaii Revised
Statutes.

JUSTIFICATION: The entire leeward (Waianae) coast has
levels of poverty in excess of twenty
percent in each of the census tracts
comprising the Waianae community. This
condition has existed for over forty
years despite the efforts of federal,
state, and city and county programs to
alleviate the suffering or reduce the
numbers of individuals and families
impacted.

This measure seeks to provide financial
assistance to foster community-based
economic development on the leeward
coast.

Impact on the public: Provide training
and capacity-building opportunities,
and invest, through grants and low-
interest loans, in community economic
development projects that result in
measurable economic impact.

Impact on the department and other
agencies: N/A.

GENERAL FUND: \$500,000 for grants & loans.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: BED-100.

OTHER AFFECTED
AGENCIES: Department of Budget & Finance.

EFFECTIVE DATE: Upon approval; section 3 on July 1,
2007.