

STAND. COM. REP. NO.

2124

Honolulu, Hawaii

FEB 07 2008

RE: S.B. No. 2984  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Madam:

Your Committee on Intergovernmental and Military Affairs, to which was referred S.B. No. 2984 entitled:

"A BILL FOR AN ACT RELATING TO DISASTER LOANS,"

begs leave to report as follows:

The purpose of this measure is to clarify the law on disaster relief and rehabilitation to:

- (1) Allow commercial loans and residential loans for remediation and other measures intended to prevent damage to property from subsequent disasters;
- (2) Place a time limit on the period in which applications for loans may be submitted;
- (3) Change the simple interest rate from five per cent a year to one per cent below the then current applicable rate set by the Small Business Administration Disaster Loan Program; and
- (4) Delete reference to the authority of the Director of Business, Economic Development, and Tourism to transfer funds from the state disaster revolving loan fund to either the Hawaii capital loan revolving fund or the Hawaii innovation development fund.



Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and the State Department of Defense.

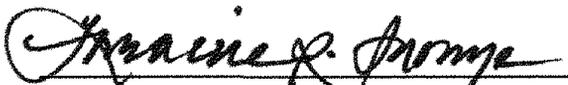
The disaster loan program provides loans for the rehabilitation of businesses and individuals as nearly as possible to pre-disaster level. However, your Committee finds that the State's disaster loan program should also provide loans to remediate damages to real property from future occurrence.

Your Committee has amended this measure on the recommendation of the Department of Business, Economic Development, and Tourism by:

- (1) Authorizing loans for remediation and mitigation;
- (2) Requiring the Director of Business, Economic Development, and Tourism to allow for flexibility in the loan application deadline; and
- (3) Making technical, nonsubstantive amendments.

As affirmed by the record of votes of the members of your Committee on Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2984, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2984, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Intergovernmental  
and Military Affairs,

  
LORRAINE R. INOUÉ, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Intergovernmental and Military Affairs**  
**IGM**

Bill / Resolution No.:* <b>SB 2984</b>	Committee Referral: <b>IGM, WAM</b>	Date: <b>2/04/09</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUYE, Lorraine R. (C)	/			
TSUTSUI, Shan S. (VC)	/			
HEMMINGS, Fred	/			
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:             Original             Yellow             Pink File with Committee Report             Clerk's Office             Drafting Agency				

\*Only one measure per Record of Votes