

STAND. COM. REP. NO. **3510**

Honolulu, Hawaii

APR 08 2016

RE: H.B. No. 2219
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2219, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INNOVATION BUSINESS INTERACTION,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a commercialization loan program to support Hawaii-based small businesses operating in technology-related fields.

Specifically, this measure:

- (1) Establishes the HI-impact loan program to provide capital to support small businesses operating in technology-related fields;
- (2) Authorizes the Board of Directors of the High Technology Development Corporation to hire an administrator for the HI-impact loan program;
- (3) Requires the High Technology Development Corporation to model the HI-impact loan program after the Maryland Technology Development Corporation technology commercialization fund;
- (4) Establishes requirements for Hawaii-based businesses to receive a loan under the HI-impact loan program;



- (5) Establishes the HI-impact special fund to fund loans issued by the HI-impact loan program; and
- (6) Appropriates funds to be deposited into the HI-impact special fund.

Your Committee received written comments in support of this measure from the High Technology Development Corporation and Chamber of Commerce Hawaii.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that many technology businesses experience difficulty in acquiring the capital necessary to advance products to market and achieve profitability. A loan program for these small businesses will help to fill this critical void, which in turn will help to grow Hawaii's technology industry, create high paying technology jobs, and keep local expertise in the State.

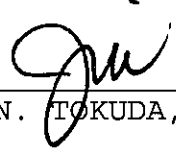
Your Committee has amended this measure by:

- (1) Authorizing, rather than requiring, the High Technology Development Corporation to model the HI-impact loan program after the Maryland Technology Development Corporation technology commercialization fund;
- (2) Clarifying that a Hawaii-based business submit the technical budgeted plan of work to the HI-impact administrator, to receive funding under the HI-impact loan program; and
- (3) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2219, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2219, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



JILL N. TOKUDA, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB 2219, HD1, SD1	Committee Referral: EET, WAM	Date: 3/29/16		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani				/
GALUTERIA, Brickwood				/
HARIMOTO, Breene	/			
INOUE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam			/	
TOTAL	8		1	2
Recommendation: <div style="display: flex; justify-content: space-around; align-items: center;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature:				
Distribution: <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes