STAND. COM. REP. NO.



Honolulu, Hawaii

MAR 2 4 2017

RE: H.B. No. 1449 H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Economic Development, Tourism, and Technology, to which was referred H.B. No. 1449, H.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 build on the successes of Hawaii's science and technology industries and establish a commercialization loan program, to be known as the impact loan fund for Hawaii or HI-impact loan program.

Your Committee received testimony in support of this measure from the High Technology Development Corporation and Oceanit Laboratories, Inc. Your Committee received comments on this measure from the Department of Budget and Finance and Hawaii Strategic Development Corporation.

Your Committee finds that to be successful in the twentyfirst century global economy, Hawaii must position itself as a leader in technology development, transfer, and commercialization. Your Committee finds that the impact loan fund for Hawaii will fill a critical void of capital required for many technologies to advance to market and achieve profitability. Your Committee further finds that the program financing structure will provide



loans to companies suited to economically grow and remain in Hawaii.

Your Committee has amended this measure by:

- Establishing the impact loan fund for Hawaii within the Hawaii Strategic Development Corporation rather than within the High Technology Development Corporation;
- (2) Requiring businesses to provide sufficient proof of a \$1 private match for every \$2 of the loan amount to be received, as a condition for receiving a loan under the program; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1449, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1449, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Economic Development, Tourism, and Technology,

hair GLENN WAKA



The Senate Twenty-Ninth Legislature State of Hawai'i

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Record of Votes Committee on Economic Development, Tourism, and Technology ETT

Bill / Resolution No.:*	Committee F	Referral:	Da		
HB1449 HD1 ETT, W		NAM	-	3/13/17	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye 🦯	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)		$\overline{}$			
TANIGUCHI, Brian T. (VC)					
BAKER, Rosalyn H.					
GALUTERIA, Brickwood			nan Alian ang ang ang ang ang ang ang ang ang a		
THIELEN, Laura H.		\checkmark			
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TOTAL		5	0	۵	\mathcal{O}
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Original File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes