STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 2 4 2017 RE: H.B. No. 521 H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate ⁷ 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. 521, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO BUSINESS DEVELOPMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to stimulate and diversify Hawaii's economy by establishing and funding the High-Growth Grant Program and Special Fund to provide grants to qualified businesses to expand business operations, improve business productivity, and invest in food safety or quality control programs.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; High Technology Development Corporation; Chamber of Commerce Hawaii; Hawaii Farm Bureau; Maui Gold Pineapple Company; ILWU Local 142; and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that diversifying the State's economy beyond service-related industries is critical to Hawaii's future. The High-Growth Grant Program will provide grants to business that, for example, export products to expand their operations, improve productivity, and invest in food safety or quality control



programs, thereby improving the ability of these local businesses to compete globally.

Your Committee has amended this measure by:

- (1) Reducing the maximum amount of each grant that may be provided through the program to twenty percent, rather than forty percent, of the amount that is privately invested in a business; and
- (2) Making a technical, nonsubstantive amendment 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. 521, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 521, 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,

GLENN nair WAKA



The Senate Twenty-Ninth Legislature State of Hawaiʻi

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

Bill / Resolution No.:* Committe	Committee Referral:		Date:	
HB SA HDI ETT	ETT, WAM		3/15/17	
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)				
TANIGUCHI, Brian T. (VC)				
BAKER, Rosalyn H.	1			\checkmark
GALUTERIA, Brickwood				
THIELEN, Laura H.				·····
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TOTAL	4	0	6	
Recommendation:				
Chair's or Designee's Signature:				
VJJ.J.J.				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes