
A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

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

1 SECTION 1. Chapter 206M, Hawaii Revised Statutes, is
2 amended by adding a new part to be appropriately designated and
3 to read as follows:

4 **"PART . STATE VENTURE CAPITAL PROGRAM**

5 **§206M- Definitions.** As used in this part, unless the
6 context clearly requires otherwise:

7 "Early stage small business" means a business that is
8 established but with insignificant revenues and no profits that
9 is headquartered in the State.

10 **§206M- State venture capital program; established.** (a)

11 There is established in the Hawaii technology development
12 corporation a state venture capital program that shall provide
13 venture capital investments in early stage small businesses in
14 the State.



- 1 (b) The Hawaii technology development corporation shall:
- 2 (1) Determine the qualifications and types of businesses
- 3 that shall be eligible to receive venture capital
- 4 investments;
- 5 (2) Develop the application process to participate in the
- 6 state venture capital program;
- 7 (3) Establish conditions for venture capital investments
- 8 made pursuant to this section, including but not
- 9 limited to:
- 10 (A) Developing goals for direct financial returns and
- 11 indirect economic development returns; and
- 12 (B) Return on investment expectations; and
- 13 (4) Adopt rules necessary for the purposes of this part.
- 14 (c) The state venture capital program shall provide no
- 15 more than \$ to any early stage small business in one
- 16 calendar year.
- 17 (d) Any direct financial returns to the State as a result
- 18 of the state venture capital program shall be deposited to the
- 19 credit of the general fund.



1 **§206M- State venture capital program special fund. (a)**

2 There is established the state venture capital program special
3 fund, into which shall be deposited:

- 4 (1) Appropriations made by the legislature;
- 5 (2) All interest earned on or accrued to moneys deposited
6 in the special fund; and
- 7 (3) Any other moneys made available to the special fund
8 from other sources.

9 (b) Moneys in the fund shall be expended by the
10 development corporation:

- 11 (1) To provide venture capital investments in early state
12 small businesses in the State; and
- 13 (2) For any other purpose deemed necessary to carry out
14 the purposes of this part."

15 SECTION 2. This Act shall take effect on July 1, 2050.



Report Title:

State Venture Capital Program; Economic Development; Early Stage
Small Businesses

Description:

Establishes the state venture capital program that provides
venture capital investments in early stage small businesses in
the State. Effective 7/1/2050. (HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is
not legislation or evidence of legislative intent.*

