

Honolulu, Hawaii

FEB 12 2025

RE: S.B. No. 983
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Economic Development and Tourism, to which was referred S.B. No. 983 entitled:

"A BILL FOR AN ACT RELATING TO SMALL BUSINESS LOANS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Hawaii Start-Up Business Loan Program within the Business Development and Support Division of the Department of Business, Economic Development, and Tourism;
- (2) Establish the Hawaii Start-Up Business Loan Program Special Fund;
- (3) Require the Department of Business, Economic Development, and Tourism to submit annual reports to the Legislature;
- (4) Establish one full-time equivalent business loan officer position; and
- (5) Appropriate funds.

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



Tourism; Holomua Collaborative; Hawaii Food Industry Association; and Chamber of Commerce Hawaii.

Your Committee finds that small, local, and new businesses are critical to the State's economy and generate critical entrepreneurial and career opportunities for Hawaii residents. Your Committee recognizes the gap in resource assistance for initial business start-up costs. Providing a dedicated source of funding for local small start-up businesses will enable the State to achieve its mandate. Accordingly, this measure will promote the economic diversification and resilience of the State's local communities by establishing the Hawaii Start-Up Business Loan Program.

Your Committee has amended this measure by:

- (1) Changing the appropriation amounts to unspecified amounts;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

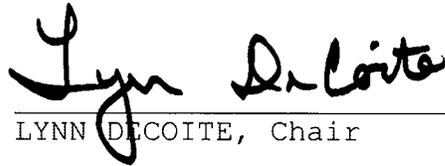
Your Committee notes that this measure, as amended, contains unspecified appropriation amounts. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee respectfully requests that it consider inserting the following appropriation amounts:

- (1) \$500,000 to be deposited into and out of the Hawaii Start-Up Business Loan Program Special Fund to implement the Loan Program and provide loans;
- (2) \$95,000 to fund one full-time equivalent (1.0 FTE) Business Loan Officer position; and
- (3) \$500,000 for the Business Development and Support Division of the Department of Business, Economic Development, and Tourism to upgrade its loan processing systems.



As affirmed by the record of votes of the members of your Committee on Economic Development and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 983, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 983, 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 and Tourism,


LYNN DECOITE, Chair



