
A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,
AND TOURISM.

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

1 SECTION 1. The legislature finds that there is a need to
2 bolster business innovation and economic development in the
3 State by partnering with the private sector. The legislature
4 also finds that the chambers of commerce in Hawaii, with their
5 vast membership of small businesses, are in an excellent
6 position to develop and cultivate greater entrepreneurship and
7 serve a public purpose of bolstering the local economy and
8 workforce and helping businesses and the workforce prepare for
9 and transition to shifts in markets, take advantage of new
10 opportunities, and ultimately support thriving commerce
11 throughout the State.

12 The purpose of this Act is to require the department of
13 business, economic development, and tourism to establish a
14 chamber of commerce competitive grant program for entrepreneurs.



SECTION 2. Chapter 201, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§201- Chambers of commerce; competitive grant program.

(a) The department shall establish and administer a chamber of commerce competitive grant program to provide funding to qualifying chambers of commerce.

(b) The qualifying standards and conditions related to the receipt of funds under chapter 42F shall not apply to funds received by qualifying chambers of commerce who are awarded grants under the chamber of commerce competitive grant program.

(c) Requests for grants shall be submitted to the department in accordance with administrative rules adopted by the department to administer the grant program. Each request shall, at a minimum, include:

(1) The name of the chamber of commerce requesting grant funds; and

(2) Measurable outcomes from the use of the grant to include entrepreneur mentoring, workshops conducted, new businesses created, and specific skills developed.



1 (d) Each applicant for a grant shall provide proof to the
2 department that the applicant:

3 (1) Serves at least three hundred businesses;

4 (2) Has raised at least one-fifth of the grant amount
5 requested, to be used for the same purposes as a grant
6 awarded through the chamber of commerce competitive
7 grant program;

8 (3) Complies with all other federal, state, or county
9 statutes, rules, or ordinances necessary to conduct
10 the activities or provide the services for which a
11 grant is awarded;

12 (4) Complies with all applicable federal and state laws
13 prohibiting discrimination against a person on the
14 basis of race, color, national origin, religion,
15 creed, sex, age, sexual orientation, or disability;

16 (5) Satisfies any other standards that may be required by
17 the source of funding; and

18 (6) Meets all other standards prescribed in rules adopted
19 by the department to implement the grants awarded
20 under this section.



1 (e) Every request for grant funds shall be submitted to
2 the department on an application form provided by the department
3 and shall at a minimum contain the information required by
4 subsections (c) and (d). The department shall review each
5 request to determine whether the applicant is eligible to
6 receive grants funds and shall make a final decision on each
7 request. Upon approval of the request, the department shall
8 award an applicant a grant of up to \$100,000. The department
9 shall inform each grant applicant of the disposition of the
10 applicant's request.

11 (f) Each chamber of commerce applicant who, after meeting
12 the requirements of subsection (d), receives grant funds from
13 the department shall provide a \$1 match for every \$5 of grant
14 funds received and shall use the funds for developing and
15 cultivating entrepreneurs, with a focus on mentoring, workshops,
16 and skill development. Funds may also be used for critical
17 needs, including additional staffing, technical assistance,
18 essential software, or technology upgrades. A chamber of
19 commerce who receives grant funds pursuant to this section shall
20 submit to the department an annual report detailing the use of
21 funds.



1 (g) The department shall adopt rules without regard to
2 chapter 91 to administer the grant program, including but not
3 limited to rules to establish an appeals process for any denial
4 of a grant request."

5 SECTION 3. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$ or so
7 much thereof as may be necessary for fiscal year 2025-2026 and
8 the same sum or so much thereof as may be necessary for fiscal
9 year 2026-2027 for the chamber of commerce competitive grant
10 program.

11 The sums appropriated shall be expended by the department
12 of business, economic development, and tourism for the purposes
13 of this Act.

14 SECTION 4. New statutory material is underscored.

15 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title:

Department of Business, Economic Development, and Tourism;
Chambers of Commerce; Grant Program; Appropriation

Description:

Requires the Department of Business, Economic Development, and Tourism to establish a Chamber of Commerce Competitive Grant Program. Appropriates funds. Effective 7/1/3000. (HD1)

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