

A Bill for an Act Relating to the Transfer of Funds Among Business Loan Revolving Funds.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The purpose of this Act is to authorize the department of business, economic development, and tourism to transfer moneys among the business loan revolving funds for the large fishing vessel loan program, small fishing vessel loan program, capital loan program, and the innovation development loan program as the need arises. The flexibility to transfer funds will permit more efficient use of available funds by allowing the department to transfer funds according to need and would keep intact the intent of each loan program.

SECTION 2. Section 189-23, Hawaii Revised Statutes, is amended to read as follows:

**“§189-23 Hawaii large fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund.** There is established the Hawaii large fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund into which shall be deposited all moneys received as repayment of loans and interest payments as provided for in this part. The department may transfer moneys from the revolving fund established by this section either to the Hawaii small fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund established by section 189-43, the Hawaii capital loan revolving fund established by section 210-3, or the Hawaii innovation development revolving fund established by section 211E-2, and moneys from these three funds shall be disbursed by the department pursuant to chapters 189, 210, and 211E, respectively, and further, the department may transfer moneys from the revolving funds enumerated in this section to the Hawaii large fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund for disbursement pursuant to this chapter; provided that:

- (1) The amount of moneys transferred into any revolving fund shall not exceed \$1,000,000 for each revolving fund within the calendar year; and
- (2) The department shall report any transfer under this section to the legislature within ten days of the transfer.”

SECTION 3. Section 189-43, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

**“(b)** There is established the Hawaii small fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund into which shall be paid all moneys received as repayment of loans and interest payments as provided in this part. The department may transfer moneys from the revolving fund established by this section either to the Hawaii large fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund established by section 189-23, the Hawaii capital loan revolving fund established by section 210-3, or the Hawaii innovation development loan revolving fund established by section 211E-2, and moneys from these three funds shall be disbursed by the department pursuant to chapters 189, 210, and 211E, respectively, and further, the department may transfer moneys from the revolving funds enumerated in this

section to the Hawaii small fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund for disbursement pursuant to this chapter; provided that:

- (1) The amount of moneys transferred into any revolving fund shall not exceed \$1,000,000 for each revolving fund within the calendar year; and
- (2) The department shall report any transfer under this section to the legislature within ten days of the transfer.”

SECTION 4. Section 210-3, Hawaii Revised Statutes, is amended to read as follows:

**“§210-3 Hawaii capital loan revolving fund.** There is established the Hawaii capital loan revolving fund into which shall be deposited all moneys received as repayment of loans and interest payments as provided in this chapter. The department may transfer moneys from the loan revolving fund established by this section either to the Hawaii large fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund established by section 189-23, the Hawaii small fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund established by section 189-43, or the Hawaii innovation development loan revolving fund established by section 211E-2, and moneys from these three funds shall be disbursed by the department pursuant to chapters 189 and 211E, respectively, and further, the department may transfer moneys from the revolving funds enumerated in this section to the Hawaii capital loan revolving fund for disbursement pursuant to this chapter; provided that:

- (1) The amount of moneys transferred into any revolving fund shall not exceed \$1,000,000 for each revolving fund within the calendar year; and
- (2) The department shall report any transfer under this section to the legislature within ten days of the transfer.”

SECTION 5. Section 211E-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) There is established a revolving fund to be known as the Hawaii innovation development fund to be administered by the department of business, economic development, and tourism for the purpose of promoting the development of new products or inventions that have direct economic benefits for Hawaii. The department shall provide low interest loans pursuant to subsection (b) to inventors for the development of their new product or invention. All moneys received as repayment of loans and interest payment shall be deposited in the fund. The department may transfer moneys from the loan revolving fund established by this section to the Hawaii large fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund established by section 189-23, the Hawaii small fishing vessel purchase, construction, renovation, maintenance, and repair loan revolving fund established by section 189-43, or the Hawaii capital loan revolving fund established by section 210-3, and moneys from these three funds shall be disbursed by the department pursuant to chapters 189 and 210, respectively, and further, the department may transfer moneys from the revolving funds enumerated in this section to the Hawaii innovation development loan revolving fund for disbursement pursuant to this chapter; provided that:

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- (1) The amount of moneys transferred into any revolving fund shall not exceed \$1,000,000 for each revolving fund within the calendar year;  
and
- (2) The department shall report any transfer under this section to the legislature within ten days of the transfer.”

SECTION 6. Statutory material to be repealed is bracketed. New statutory material is underscored.<sup>1</sup>

SECTION 7. This Act shall take effect upon its approval.

(Approved April 24, 1991.)

**Note**

1. No bracketed material.