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Statement of
MIKE MCCARTNEY
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

Wednesday, March 17, 2021
10:30 AM
State Capitol, Conference Room 312

In consideration of
SB1053, SD2
**RELATING TO THE HAWAII COMMUNITY-BASED ECONOMIC DEVELOPMENT
TECHNICAL AND FINANCIAL ASSISTANCE PROGRAM.**

Chair Quinlan, Vice Chair Holt and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) strongly supports SB1053, SD2, that expands the eligibility of organizations that can receive Community-based Economic Development (CBED) technical assistance from not just community-based organizations (non-profits), but also includes businesses, particularly those that currently have CBED loans or may apply for a CBED loan in the future.

Technical assistance is an important component of community-based revolving loan funds. CBED technical assistance should support not only community-based organizations (non-profits) to be successful in their missions, but also businesses (for profits) including recipients of CBED microloans. Expanding those organizations eligible for CBED technical assistance will allow the Department of Business, Economic Development, and Tourism to better assist in the success and viability of these organizations.

Thank you for the opportunity to testify.



**Testimony to the House Committee on Economic Development
Wednesday, March 17, 2021; 10:30 a.m.
State Capitol, Conference Room 312
Via Videoconference**

RE: SENATE BILL NO. 1053, SENATE DRAFT 2, RELATING TO THE HAWAII COMMUNITY-BASED ECONOMIC DEVELOPMENT TECHNICAL AND FINANCIAL ASSISTANCE PROGRAM.

Chair Quinlan, Vice Chair Holt, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** Senate Bill No. 1053, Senate Draft 2, RELATING TO THE HAWAII COMMUNITY-BASED ECONOMIC DEVELOPMENT TECHNICAL AND FINANCIAL ASSISTANCE PROGRAM.

The bill, as received by your Committee, is a measure proposed by the Administration that would expand the eligibility of organizations that can receive community-based economic development technical assistance from not just community-based organizations, but also include businesses that currently have community-based economic development loans or may apply for such loans in the future.

This bill would take effect on July 1, 2050, to facilitate continued discussion.

By way of background, the HPCA represents Hawaii Federally-Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

The COVID-19 pandemic has severely threatened the health and welfare of our citizens, especially Hawaii's underprivileged and rural communities. With so many people unemployed, entire families are struggling to put food on the table on a consistent basis. All one needs to do is visit one of our member FQHC's food distribution events and see the line of cars stretch for miles and people wait for hours to receive some surplus food.

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The only way for us to protect ourselves from the next global pandemic is for Hawaii to diversify its economic base and become more self-sufficient. And for us to do that, we need to support entrepreneurial efforts in underprivileged communities.

This bill will expand the technical assistance that the Department of Business, Economic Development, and Tourism may provide for community-based economic development initiatives. Because of this, we urge your favorable consideration of this bill.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.