

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 757

S.D. 2

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 757, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to assist Hawaii's small business concerns by:

- (1) Reestablishing the Hawaii capital loan revolving fund, with principal and interest payments made on any outstanding loans to be directed into the fund to lower or eliminate the need for future general fund appropriations;
- (2) Authorizing the Department of Business, Economic Development, and Tourism to contract with any financial institution for services including servicing or administering loans; and
- (3) Appropriating moneys to the Hawaii capital loan revolving fund for operations of the Hawaii Capital Loan Program.

Your Committee received testimony in support of this measure from the Chamber of Commerce of Hawaii. Your Committee received comments on this measure from Richard C. Lim, Interim Director, Department of Business, Economic Development, and Tourism.



Your Committee finds that small businesses in Hawaii account for a majority of all new jobs and embody the spirit of innovation, entrepreneurship, and individual initiative. The Hawaii Capital Loan Program was established in 1963 to provide loans to small businesses for plant construction or expansion and the purchase of buildings, land, equipment, machinery, supplies, materials, and working capital.

Your Committee also finds that the Hawaii Capital Loan Program serves an important public purpose by helping small business to grow with the necessary financing that would otherwise not be available. Reestablishing the Hawaii capital loan revolving fund, and requiring that principal and interest payments on outstanding loans be paid into the fund, will help to lower the need for future general fund appropriations to the Hawaii Capital Loan Program.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 757, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 757, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
\_\_\_\_\_  
DAVID Y. IGE, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:	Committee Referral:	Date:		
SB 757 SD1	EDT, WAM	3-1-11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.				/
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert				/
KOUCHI, Ronald D.				/
RYAN, Pohai		/		
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam		/		
<b>TOTAL</b>	<b>9</b>	<b>2</b>	<b>0</b>	<b>3</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
<b>Distribution:</b>	Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy

\*Only one measure per Record of Votes