

STAND. COM. REP. NO.

1158

Honolulu, Hawaii

MAR 24 2017

RE: H.B. No. 1449
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Economic Development, Tourism, and
Technology, to which was referred H.B. No. 1449, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INNOVATION BUSINESS
INTERACTION,"

begs leave to report as follows:

The purpose and intent of this measure is to build on the
successes of Hawaii's science and technology industries and
establish a commercialization loan program, to be known as the
impact loan fund for Hawaii or HI-impact loan program.

Your Committee received testimony in support of this measure
from the High Technology Development Corporation and Oceanit
Laboratories, Inc. Your Committee received comments on this
measure from the Department of Budget and Finance and Hawaii
Strategic Development Corporation.

Your Committee finds that to be successful in the twenty-
first century global economy, Hawaii must position itself as a
leader in technology development, transfer, and commercialization.
Your Committee finds that the impact loan fund for Hawaii will
fill a critical void of capital required for many technologies to
advance to market and achieve profitability. Your Committee
further finds that the program financing structure will provide



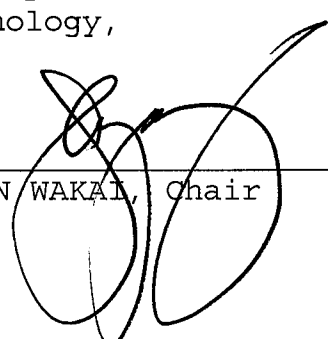
loans to companies suited to economically grow and remain in Hawaii.

Your Committee has amended this measure by:

- (1) Establishing the impact loan fund for Hawaii within the Hawaii Strategic Development Corporation rather than within the High Technology Development Corporation;
- (2) Requiring businesses to provide sufficient proof of a \$1 private match for every \$2 of the loan amount to be received, as a condition for receiving a loan under the program; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1449, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1449, H.D. 1, 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, Tourism, and
Technology,



GLENN WAKAI, Chair



