
A BILL FOR AN ACT

RELATING TO BUSINESS DEVELOPMENT.

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

1 SECTION 1. The legislature finds that diversifying the
2 economy is critical to the future of Hawaii. The governor has
3 recommended that Hawaii become the innovation center of the
4 Pacific. The legislature recognizes that it is important to
5 continue the momentum of current efforts to fully develop the
6 State's innovation ecosystem through programs such as the HI
7 growth initiative, which supports local entrepreneurial
8 development.

9 The purpose of this Act is to provide general funds for the
10 Hawaii strategic development corporation revolving fund and
11 appropriate those funds for the HI growth initiative.

12 The general funds are provided from portions of the
13 appropriation for the department of business, economic
14 development, and tourism for fiscal year 2016-2017 that could
15 not be expended because of a technicality and are expected to
16 lapse on June 30, 2017. The legislature finds that the
17 appropriation should be re-used for the HI growth initiative



1 instead of lapsing into the general fund for expenditure on
2 other programs.

3 The legislature emphasizes its intent that the
4 appropriations contained in sections 3 and 4 of this Act take
5 effect only if the requisite general fund appropriation is
6 lapsed pursuant to section 2 of this Act. The legislature also
7 intends that under this Act, the base budget for the Hawaii
8 strategic development corporation shall not be reduced by the
9 amounts lapsed under section 2 of this Act.

10 The legislature notes that the appropriation referred to in
11 section 2 of this Act are from sequence 100-001 for Hawaii
12 strategic development corporation (BED145) of the executive
13 budget worksheets of the regular session of 2016.

14 SECTION 2. Act 119, Session Laws of Hawaii 2015, as
15 amended by Act 124, Session Laws of Hawaii 2016, is amended by
16 adding a new section to part III, economic development, to be
17 appropriately designated and to read as follows:

18 "SECTION . Provided that of the general fund
19 appropriation for Hawaii strategic development corporation
20 (BED145) for fiscal year 2016-2017, \$1,000,000 appropriated for



1 the HI growth initiative shall not be expended during that
2 fiscal year and shall lapse on June 30, 2017."

3 SECTION 3. Except as otherwise provided under section 5 of
4 this Act, there is appropriated out of the general revenues of
5 the State of Hawaii the sum of \$1,000,000 or so much thereof as
6 may be necessary for fiscal year 2017-2018 for deposit into the
7 Hawaii strategic development corporation revolving fund
8 established pursuant to section 211F-5, Hawaii Revised Statutes.

9 SECTION 4. Except as otherwise provided under section 5 of
10 this Act, there is appropriated out of the Hawaii strategic
11 development corporation revolving fund established pursuant to
12 section 211F-5, Hawaii Revised Statutes, the sum of \$1,000,000
13 or so much thereof as may be necessary for fiscal year 2017-2018
14 for the HI growth initiative.

15 The sum appropriated shall be expended by the Hawaii
16 strategic development corporation for the purposes of this Act.

17 SECTION 5. Sections 3 and 4 of this Act shall not take
18 effect unless at least \$1,000,000 of the general fund
19 appropriation for fiscal year 2016-2017 is lapsed in accordance
20 with amendments made to Act 119, Session Laws of Hawaii 2015, as



1 amended by Act 124, Session Laws of Hawaii 2016, in section 2 of
2 this Act.

3 SECTION 6. New statutory material is underscored.

4 SECTION 7. This Act shall take effect on July 1, 2017;

5 provided that section 2 shall take effect on June 29, 2017.



Report Title:

HI Growth Initiative; Appropriation; Lapse

Description:

Forces the lapse of a fiscal year 2016-2017 appropriation for the HI growth initiative that is not expected to be expended. Re-appropriates the lapsed appropriation for the HI growth initiative. (SD2)

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