
A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

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

1 SECTION 1. This Act shall be known as The Hawaii
2 Innovations Fund Act.

3 SECTION 2. Chapter 304, Hawaii Revised Statutes, is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§304- The Hawaii innovations fund. (a) There shall
7 be established in the state treasury a fund to be known as the
8 Hawaii innovations fund that shall be administratively attached
9 to the university.

10 (b) The objective of the Hawaii innovations fund shall be
11 to:

12 (1) Stimulate economic development in life sciences and
13 advanced technology using the resources of the
14 University of Hawaii, including the John A. Burns
15 School of Medicine in Kakaako;

16 (2) Create high-quality, high-income job opportunities in
17 the life sciences and advanced technology fields,



1 including jobs for graduates of post-college programs;

2 and

3 (3) Provide incentives for residents to stay and work in

4 Hawaii and encourage former residents to return to

5 Hawaii.

6 To accomplish these objectives, which are deemed to be
7 public purposes, moneys in the Hawaii innovations fund shall be
8 used to fund grants to individuals or businesses that conduct
9 research or product development in the life sciences or advanced
10 technology fields.

11 (c) From July 1, 2006, through June 30, 2007, the Hawaii
12 innovations fund shall be funded by appropriations from the
13 legislature. After June 30, 2007, one-half of one per cent of
14 general fund revenues collected shall be deposited into the
15 Hawaii innovations fund on a monthly basis; provided that after
16 June 30, 2011, no funding shall be provided to the Hawaii
17 innovations fund.

18 (d) The Hawaii innovations fund shall be administered by
19 the Hawaii innovations fund community board consisting of eleven
20 voting members as follows:

21 (1) Four ex officio members as follows:



- 1 (1) Establish procedures and policies for grant
- 2 applications;
- 3 (2) Develop standards and criteria to determine grant
- 4 awardees, with priority assigned to grant applicants
- 5 that:
- 6 (A) Provide matching funding;
- 7 (B) Reside or are based in Hawaii;
- 8 (C) Provide high-paying jobs for residents or former
- 9 residents of Hawaii;
- 10 (D) Provide significant return on investment from
- 11 grant awards; or
- 12 (E) Use grant awards as seed money to obtain
- 13 additional research funding for projects in the
- 14 life sciences or advanced technology fields based
- 15 in Hawaii;
- 16 (3) Select grant awardees;
- 17 (4) Set criteria and standards for evaluation of projects
- 18 receiving grants; and
- 19 (5) Provide technical support services to grant awardees
- 20 that foster marketing and development of the product
- 21 or service produced through the grant.
- 22 (f) For the purpose of this section:



1 "Advanced technology" means digital media,
2 telecommunications, and related fields.

3 "Life sciences" means biology, cancer research, community
4 healthcare, ocean sciences, agriculture, pharmacology,
5 biotechnology, medical technology, biological renewable energy,
6 or related fields."

7 SECTION 3. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$100,000,000 or so
9 much thereof as may be necessary for fiscal year 2006-2007 to be
10 deposited into the Hawaii innovations fund.

11 The sum appropriated shall be expended by the department of
12 budget and finance for the purposes of this Act.

13 SECTION 4. There is appropriated out of the Hawaii
14 innovations fund the sum of \$100,000,000 or so much thereof as
15 may be necessary for fiscal year 2006-2007 to be used for the
16 purposes of this Act.

17 The sum appropriated shall be expended by the University of
18 Hawaii for the purposes of this Act.

19 SECTION 5. There is appropriated out of the general fund
20 revenues of the State of Hawaii the sum of \$50,000 or so much
21 thereof as may be necessary for fiscal year 2006-2007 as a



1 grant-in-aid to the Life Sciences Council to provide
2 administrative support for the Hawaii innovations fund.

3 The sum appropriated shall be expended by the University of
4 Hawaii for the purposes of this Act.

5 SECTION 6. New statutory material is underscored.

6 SECTION 7. This Act shall take effect upon its approval;
7 provided that:

8 (1) Sections 3, 4, and 5 shall take effect on July 1,
9 2006; and

10 (2) This Act shall be repealed on June 30, 2012, and all
11 unencumbered and unexpended balances remaining in the
12 Hawaii innovations fund shall be transferred to the
13 credit of the general fund.
14

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Report Title:

Hawaii Innovations Fund

Description:

Establishes the Hawaii Innovations Fund to provide grants to individuals or businesses that conduct research or product development in the life sciences or advanced technology fields.

