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# SENATE CONCURRENT RESOLUTION

REQUESTING FAVORABLE ACTION ON HAWAII'S APPLICATION TO ESTABLISH  
A FOREIGN-TRADE ZONE AT THE NATURAL ENERGY LABORATORY OF  
HAWAII SITE AT KAILUA-KONA ON THE ISLAND OF HAWAII.

1 WHEREAS, Foreign-Trade Zones are established in accordance  
2 with federal law under chapter 212, Hawaii Revised Statutes; and  
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4 WHEREAS, Hawaii's Foreign-Trade Zone No. 9, at Honolulu  
5 Harbor, was authorized by the United States Foreign-Trade Zones  
6 Board in February, 1965; and  
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8 WHEREAS, there are currently seven active Foreign-Trade  
9 Zone (FTZ) sites throughout the Hawaiian Islands; and  
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11 WHEREAS, Hawaii's strong economy, a significant rise in  
12 petroleum prices, and increased fueling activity pushed overall  
13 FTZ activity up over eighty percent in the past two years,  
14 resulting in the total value of merchandise received and  
15 forwarded in all activated FTZ sites in Hawaii reaching  
16 \$6,500,000,000 in the past fiscal year; and  
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18 WHEREAS, in 2005, 278 companies used the FTZ program,  
19 handling 188 types of merchandise from 33 countries; and  
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21 WHEREAS, these seven active sites provide direct and  
22 indirect employment for approximately 2,400 persons, and last  
23 year boasted capital improvements exceeding \$31,000,000 and  
24 exports of approximately \$632,000,000; and  
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26 WHEREAS, business activities such as manufacturing,  
27 assembly, storage, distribution, exhibiting, testing, sampling,  
28 and modifying of goods or products may be undertaken in a FTZ  
29 without deposit of government fees; and  
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31 WHEREAS, a FTZ is an attractive and effective incentive for  
32 economic development and the creation of job opportunities; and



1 WHEREAS, it is the mission of Hawaii's FTZ program to make  
2 the benefits of the FTZ program available to as many qualifying  
3 companies as possible; and  
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5 WHEREAS, the County of Hawaii is actively pursuing  
6 strategies to expand and diversify its economic base and  
7 currently has sufficient natural and infrastructural resources  
8 to facilitate a substantial increase in business activity; and  
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10 WHEREAS, the Natural Energy Laboratory of Hawaii Authority  
11 (NELHA) is one of Hawaii's most successful economic development  
12 projects and NELHA's tenants have had success in dramatically  
13 increasing Hawaii's exports, primarily due to the growth of deep  
14 seawater bottling companies and aquaculture firms; and  
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16 WHEREAS, the Hawaii FTZ program has been working closely  
17 with officials from NELHA and the County of Hawaii Department of  
18 Research and Development to help Hawaii businesses compete in  
19 external markets and have identified businesses at NELHA's  
20 870-acre science and ocean technology park in Kailua-Kona on the  
21 Island of Hawaii as potential new users for the program; now,  
22 therefore,  
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24 BE IT RESOLVED by the Senate of the Twenty-Third  
25 Legislature of the State of Hawaii, Regular Session of 2006, the  
26 House of Representatives concurring, that the Director of  
27 Business, Economic Development, and Tourism and the Chief  
28 Executive Officer of NELHA are requested to continue their  
29 efforts to seek authorization from the United States Foreign-  
30 Trade Zones Board to establish, operate, and maintain a Foreign-  
31 Trade Zone at NELHA's 870-acre science and ocean technology  
32 park; and  
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34 BE IT FURTHER RESOLVED that the United States Foreign-Trade  
35 Zones Board is requested to act favorably upon such application;  
36 and  
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38 BE IT FURTHER RESOLVED that certified copies of this  
39 Concurrent Resolution be transmitted to the Governor, the  
40 Director of Business, Economic Development, and Tourism, the  
41 Chief Executive Officer of the Natural Energy Laboratory of



1 Hawaii Authority, and the Executive Secretary of the United  
3 States Foreign-Trade Zones Board.

