
SENATE 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
17

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
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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
15

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,
23

24 BE IT RESOLVED by the Senate of the Twenty-Third
25 Legislature of the State of Hawaii, Regular Session of 2006,
26 that the Director of Business, Economic Development, and Tourism
27 and the Chief Executive Officer of NELHA are requested to
28 continue their efforts to seek authorization from the United
29 States Foreign-Trade Zones Board to establish, operate, and
30 maintain a Foreign-Trade Zone at NELHA's 870-acre science and
31 ocean technology park; and
32

33 BE IT FURTHER RESOLVED that the United States Foreign-Trade
34 Zones Board is requested to act favorably upon such application;
35 and
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37 BE IT FURTHER RESOLVED that certified copies of this
38 Resolution be transmitted to the Governor, the Director of
39 Business, Economic Development, and Tourism, the Chief Executive
40 Officer of the Natural Energy Laboratory of



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

