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# A BILL FOR AN ACT

RELATING TO A TECHNOLOGY MASTER PLAN.

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

1           SECTION 1. In 1983, the legislature created the high  
2 technology development corporation as a means to facilitate  
3 growth in the high technology industry. Since then, various  
4 measures promoting the continuation of the high technology  
5 industry have been enacted.

6           In 1990, the legislature established the Hawaii strategic  
7 development corporation to encourage development and  
8 diversification by stimulating the investment of private capital  
9 in the State. Act 221, Session Laws of Hawaii 2001, supported  
10 the establishment of high technology companies in Hawaii by  
11 expanding the application of the high technology business  
12 investment tax credit. Further, Act 215, Session Laws of Hawaii  
13 2004, complemented Act 221, by creating the state private  
14 investment fund, which fills the current funding gap for later-  
15 stage Hawaii companies by creating a diversified investment fund  
16 secured by the State.

17           Positive growth in high technology companies and continued  
18 growth in the State's economy indicate that efforts to stimulate



1 the high technology industry by providing venture capital have  
2 been worthwhile. Hawaii has experienced an influx of high  
3 technology companies over the past five years, and many of these  
4 companies are beginning to enter the profitability stage of  
5 their growth. A rising demand for increased incentives and  
6 further support from the State mandates the establishment of  
7 concrete plans and a unified vision for the future of Hawaii's  
8 high technology sector.

9 The legislature finds that a task force focusing on  
10 defining the direction of Hawaii's high technology industry is  
11 the necessary next step in the process of continued growth. The  
12 purpose of this Act is to establish the high technology industry  
13 task force for the State. The primary responsibility of the  
14 task force will be to develop a state master plan for high  
15 technology.

16 SECTION 2. (a) The high technology industry task force is  
17 established within the high technology development corporation.  
18 The high technology development corporation and, if necessary,  
19 the department of business, economic development, and tourism  
20 shall provide all necessary administrative and staff support for  
21 the task force.



1 (b) The governor shall encourage members of the community  
2 to nominate persons for the task force. All members shall serve  
3 at the pleasure of the governor, who shall select the  
4 chairperson from among the members. The task force shall  
5 consist of eighteen members to be appointed by the governor and  
6 shall include:

7 (1) Three members to be nominated by the president of the  
8 senate;

9 (2) Three members to be nominated by the speaker of the  
10 house of representatives;

11 (3) The president of the University of Hawaii or designee;

12 (4) The chairperson of the board of education or designee;

13 (5) Senior-level private sector business leaders,  
14 representing Hawaii's traditional primary industries,  
15 such as visitor, construction, defense, and property  
16 development;

17 (6) Senior-level business leaders from Hawaii's emerging  
18 innovation sectors, such as biotechnology and  
19 healthcare, dual-use, ocean and earth sciences,  
20 astronomy and optics, agriculture, and film and  
21 creative media;



1 (7) Members representing professional services sectors,  
2 such as finance, venture capital, accounting, and  
3 marketing; and

4 (8) Cultural and natural resources leaders representing  
5 the diversity of ethnic heritages and cultural  
6 understandings within Hawaii.

7 (c) Members of the task force shall serve without pay, but  
8 may be reimbursed for necessary expenses, including travel  
9 expenses incurred in the performance of official duties if funds  
10 are available.

11 (d) The task force shall meet at least quarterly or more  
12 frequently at the discretion of the chairperson.

13 (e) The primary tasks of the task force shall include:

14 (1) Evaluating the effectiveness of past and current high  
15 technology legislation, including Act 215, Session  
16 Laws of Hawaii 2004;

17 (2) Developing a master plan for the direction of high  
18 technology in Hawaii, which shall include:

19 (A) A list of goals established for the high  
20 technology sector in the State;

21 (B) A plan to reach the established goals; and

22 (C) A timeline for implementation and completion;



1           (3) Assisting the legislature in maintaining an overall  
2           framework to guide the development of high technology  
3           in the State by creating guidelines for future high  
4           technology legislation; and

5           (4) Submitting recommendations for high technology  
6           legislation to meet the goals established in the high  
7           technology master plan.

8           (f) The task force shall submit the master plan and a  
9           report, including necessary proposed legislation, to the  
10          legislature and the governor no later than twenty days prior to  
11          the convening of regular session of 2010 and shall issue an  
12          updated report every two years thereafter that reassesses the  
13          master plan.

14          (g) After the regular session of 2010, the terms of the  
15          task force members shall end and the governor shall appoint  
16          eight members and the president of the senate and the speaker of  
17          the house of representatives shall each nominate eight members  
18          to be appointed by the governor.

19          SECTION 3. There is appropriated out of the general  
20          revenues of the State of Hawaii the sum of \$            or so much  
21          thereof as may be necessary for fiscal year 2008-2009 for the  
22          task force to carry out the purposes of this Act.



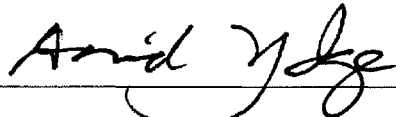

# S.B. NO. 2860

1           The sum shall be expended by the high technology  
2 development corporation for the purposes of this Act.

3           SECTION 4. This Act shall take effect on July 1, 2008.

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INTRODUCED BY:

  
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**Report Title:**

State Master Plan for High Technology; Task Force

**Description:**

Creates a high technology industry task force, attached to the high technology development corporation, to develop a state master plan for high technology prior to the convening of the 2010 regular session and updated every 2 years thereafter. Changes composition of task force after 2010 regular session.

