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## A BILL FOR AN ACT

RELATING TO NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY.

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

1           SECTION 1. Section 103D-102, Hawaii Revised Statutes, is  
2 amended by amending subsection (c) to read as follows:

3           "(c) Notwithstanding subsection (a), this chapter shall  
4 not apply to contracts made by any regional system board of the  
5 Hawaii health systems corporation[-] or to the natural energy  
6 laboratory of Hawaii authority."

7           SECTION 2. Section 227D-2, Hawaii Revised Statutes, is  
8 amended by amending subsection (a) to read as follows:

9           "(a) There is established the natural energy laboratory of  
10 Hawaii authority, which shall be a body corporate and politic  
11 and an instrumentality and agency of the State. The authority  
12 shall be placed within the department of business, economic  
13 development, and tourism for administrative purposes, pursuant  
14 to section 26-35[-]; provided that the authority shall have  
15 exclusive jurisdiction over its internal structure, management,  
16 and operation. The purpose of the natural energy laboratory of  
17 Hawaii authority shall be to facilitate research, development,



1 and commercialization of natural energy resources and ocean-  
2 related research, technology, and industry in Hawaii and to  
3 engage in retail, commercial, or tourism activities that will  
4 financially support that research, development, and  
5 commercialization at a research and technology park in Hawaii.

6 Its duties shall include:

7 (1) Establishing, managing, and operating facilities that  
8 provide sites for:

9 (A) Research and development;

10 (B) Commercial projects and businesses utilizing  
11 natural resources, such as ocean water or  
12 geothermal energy;

13 (C) Compatible businesses engaged in scientific and  
14 technological investigations, or retail,  
15 commercial, and tourism activities; and

16 (D) Businesses or educational facilities that support  
17 the primary projects and activities;

18 (2) Providing support, utilities, and other services to  
19 facility tenants and government agencies;

20 (3) Maintaining the physical structure of the facilities;

21 (4) Promoting and marketing these facilities;



1 (5) Promoting and marketing the reasonable utilization of  
2 available natural resources;

3 (6) Supporting ocean research and technology development  
4 projects that support national and state interests,  
5 use facilities and infrastructure in Hawaii, and  
6 foster potential commercial development; and

7 (7) Engaging in retail, commercial, and tourism activities  
8 that are not related to facilitating research,  
9 development, and commercialization of natural energy  
10 resources in Hawaii; provided that all income derived  
11 from these activities shall be deposited in the  
12 natural energy laboratory of Hawaii authority special  
13 fund."

14 SECTION 3. Section 227D-7, Hawaii Revised Statutes, is  
15 amended by amending subsection (b) to read as follows:

16 "(b) The authority shall not be subject to the  
17 requirements of chapter 103D for the procurement of goods or  
18 services or chapter 103 for project agreements, construction  
19 contracts, retail concession or tour-related contracts, or other  
20 contracts unless a project agreement with respect to a project  
21 or research and technology park shall require otherwise."



1 SECTION 4. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

*J. L.*  
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**Report Title:**

Natural Energy Laboratory of Hawaii; Autonomy: Procurement Exemption

**Description:**

Specifies that the natural energy laboratory of Hawaii authority (NELHA) have exclusive jurisdiction over its internal structure, management, and operation. Exempts NELHA from procurement code.

