
A BILL FOR AN ACT

RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY.

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

1 SECTION 1. Section 227D-2, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) There is established the natural energy laboratory of
4 Hawaii authority, which shall be a body corporate and politic
5 and an instrumentality and agency of the State. The authority
6 shall be placed within the department of business, economic
7 development, and tourism for administrative purposes, pursuant
8 to section 26-35. The purpose of the natural energy laboratory
9 of Hawaii authority shall be to facilitate research,
10 development, and commercialization of natural energy resources
11 and ocean-related research, technology, and industry in Hawaii
12 and to engage in retail, commercial, or tourism activities that
13 will financially support that research, development, and
14 commercialization at a research and technology park in Hawaii.
15 Its duties shall include:

16 (1) Establishing, managing, and operating facilities that
17 provide sites for:

18 (A) Research and development;



- 1 (B) Commercial projects and businesses utilizing
2 natural resources, such as ocean water or
3 geothermal energy;
- 4 (C) Compatible businesses engaged in scientific and
5 technological investigations, or retail,
6 commercial, and tourism activities; and
- 7 (D) Businesses ~~[or]~~, educational facilities, and
8 institutions that support the ~~[primary projects~~
9 ~~and activities,]~~ training and education of
10 persons in the: skills, arts, and sciences of
11 natural and renewable energy; and research,
12 study, development, and commercialization of
13 ocean-related resources;
- 14 (2) Providing support, utilities, and other services to
15 facility tenants and government agencies;
- 16 (3) Maintaining the physical structure of the facilities;
- 17 (4) Promoting and marketing these facilities;
- 18 (5) Promoting and marketing the reasonable utilization of
19 available natural resources;
- 20 (6) Supporting ocean research and technology development
21 projects that support national and state interests,



1 use facilities and infrastructure in Hawaii, and
2 foster potential commercial development; and
3 (7) Engaging in retail, commercial, and tourism activities
4 that are not related to facilitating research,
5 development, and commercialization of natural energy
6 resources in Hawaii; provided that all income derived
7 from these activities shall be deposited in the
8 natural energy laboratory of Hawaii authority special
9 fund."

10 SECTION 2. Section 227D-3, Hawaii Revised Statutes, is
11 amended to read as follows:

- 12 "§227D-3 Powers of the authority. The authority may:
- 13 (1) Sue and be sued;
 - 14 (2) Have a seal and alter the same at its pleasure;
 - 15 (3) Promote the use of the geothermal energy and natural
16 resources sites for the purposes provided by law;
 - 17 (4) Through its executive director appoint officers,
18 agents and employees without regard to chapter 76 and
19 to establish the salaries therefor;
 - 20 (5) Adopt rules under chapter 91 necessary to effectuate
21 this chapter in connection with its operation,
22 facilities, parks, properties, and projects;



1 (6) Make, execute, enter into, amend, supplement, and
2 carry out contracts and all other instruments,
3 including concessions for cell towers, necessary or
4 convenient for the exercise of its powers and
5 functions under this chapter with any private person,
6 firm, partnership, association, company, or
7 corporation only as it may be necessary in the conduct
8 of its business and on such terms as it may deem
9 appropriate; provided that the authority shall not
10 obligate any funds of the State except as have been
11 appropriated to it. Notwithstanding the foregoing,
12 the authority may enter into and perform such
13 contracts, leases, cooperative agreements, or other
14 transactions with any agency or instrumentality of the
15 United States, a foreign nation, a state, a territory,
16 or a possession, or with any political subdivision
17 thereof;

18 (7) Accept, hold, or expend gifts or grants in any form
19 from any public agency or private source, or from any
20 other source;

21 (8) Apply for, take out, receive by purchase or gift,
22 hold, administer, and dispose of: copyrights,



1 trademarks, servicemarks, patent rights, licenses,
2 assignments of inventions, discoveries, processes, and
3 other property, including the rights, interests, and
4 income, whether absolutely or subject to conditions or
5 trusts that may be attached or imposed; and obligate
6 the authority to perform and execute any and all such
7 conditions or trusts;

8 (9) Conduct research, studies, experiments,
9 investigations, and tests deemed appropriate by the
10 board to develop and commercialize natural energy
11 sources and ocean-related technology and industry in
12 the State;

13 (10) Establish, enter into, and maintain agreements or
14 contracts with other corporations, organizations,
15 institutions, or persons for the acquisition and
16 dissemination of knowledge and the payment of related
17 expenses;

18 (11) Prepare, print, publish, or create any manuscript,
19 research article, report, study, discussion,
20 reference, collection, pictorial, or schematic
21 representation of a collection created by the
22 authority, its employees, or any independent



1 contractors of the authority. Printing, publishing,
2 or creation may be contracted out to an individual or
3 business as determined by the board;

4 [~~8~~] (12) Impose and collect fees pertaining to the use of
5 properties and facilities of the authority;

6 [~~9~~] (13) Formulate budgets to provide for the operation
7 of the facilities of the authority;

8 [~~10~~] (14) Submit an annual report to the governor and the
9 legislature at least twenty days prior to the
10 convening of each regular session;

11 [~~11~~] (15) Acquire, own, lease, hold, clear, improve, and
12 rehabilitate real, personal, or mixed property and
13 assign, exchange, transfer, convey, lease, sublease,
14 or encumber any project including by way of easements;

15 [~~12~~] (16) Construct, reconstruct, rehabilitate, improve,
16 alter, or repair, or provide for the construction,
17 reconstruction, rehabilitation, improvement,
18 alteration, or repair of any project and designate a
19 qualified person as its agent for this purpose, and
20 own, hold, assign, transfer, convey, exchange, lease,
21 sublease, or encumber any project;



1 [~~(13)~~] (17) Arrange or initiate appropriate action for the
2 planning, replanning, opening, grading, or closing of
3 streets, roads, roadways, alleys, easements, or other
4 places, the furnishings or improvements, the
5 acquisition of property or property rights, or the
6 furnishing of property or services in connection with
7 a research and technology park;

8 [~~(14)~~] (18) Prepare or cause to be prepared plans,
9 specifications, designs, and estimates of cost for the
10 construction, reconstruction, rehabilitation,
11 improvement, alteration, or repair of any project or
12 research and technology park, and from time to time,
13 modify these plans, specifications, designs, or
14 estimates;

15 [~~(15)~~] (19) Engage the services of consultants on a
16 contractual basis for rendering professional and
17 technical assistance and advice;

18 [~~(16)~~] (20) Procure insurance against any loss in connection
19 with its properties and other assets and operations in
20 amounts and from insurers as it deems desirable;

21 [~~(17)~~] (21) Issue bonds pursuant to this chapter in
22 principal amounts as may be authorized from time to



1 time by law to finance the cost of a project,
2 including the repair or addition to its parks and
3 facilities as authorized by law and to provide for the
4 security thereof as permitted by this chapter;

5 [~~(18)~~] (22) Lend or otherwise apply the proceeds of the
6 bonds issued for a project or a research and
7 technology park either directly or through a trustee
8 or a qualified person for use and application in the
9 acquisition, construction, installation, or
10 modification of a project or research and technology
11 park, or agree with the qualified person whereby any
12 of these activities shall be undertaken or supervised
13 by that qualified person or by a person designated by
14 the qualified person;

15 [~~(19)~~] (23) With or without terminating a project agreement,
16 exercise any and all rights provided by law for entry
17 and re-entry upon or to take possession of a project
18 at any time or from time to time upon breach or
19 default by a qualified person under a project
20 agreement;



- 1 [~~(20)~~] (24) Create an environment that supports appropriate
- 2 natural resource utilization and results in economic
- 3 development, including:
- 4 (A) Supporting research projects and facilitating the
- 5 transition from research and development to pilot
- 6 scale and then to full commercial operation of
- 7 companies using the natural resources available
- 8 at the research and technology parks;
- 9 (B) Developing educational and conservation programs;
- 10 (C) Supporting commercialization of the natural
- 11 resources available at the research and
- 12 technology parks, if the commercialization is
- 13 compatible with the research, development, and
- 14 other retail, commercial, and tourism activities
- 15 of the research and technology parks;
- 16 (D) Identifying issues and impediments to the
- 17 development of natural resource utilization; and
- 18 (E) Providing policy analysis and information
- 19 important to the development of natural resource
- 20 utilization in Hawaii;



- 1 [~~(21)~~] (25) Develop programs that support projects and
2 companies which locate at the research and technology
3 parks;
- 4 [~~(22)~~] (26) Attract appropriate new uses of the natural
5 resources in Hawaii, including retail, commercial, and
6 tourism activities;
- 7 [~~(23)~~] (27) Acquire, hold, and sell qualified securities;
8 provided that the authority shall not acquire
9 qualified securities using authority funds or capital
10 or moneys of the natural energy laboratory of Hawaii
11 authority special fund; provided further that the
12 authority shall not acquire, hold, or sell qualified
13 securities of its tenants without first obtaining the
14 approval of the board by a simple majority vote in
15 each case considered. The acquisition and sale of
16 qualified securities shall be detailed in the annual
17 report of the natural energy laboratory of Hawaii
18 authority;
- 19 [~~(24)~~] (28) Accept donations, grants, bequests, and devises
20 of money, property, services, or other things of value
21 that may be received from the United States or any
22 agency thereof, any governmental agency, or any public



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1 or private institution, person, firm, or corporation,
 2 to be held, used, or applied for any or all of the
 3 purposes specified in this chapter. Receipt of each
 4 donation, grant, bequest, or devise shall be detailed
 5 in the annual report of the natural energy laboratory
 6 of Hawaii authority. The report shall include the
 7 identity of the donor or grantor, the nature of the
 8 transaction, and any conditions attaching thereto; and
 9 [~~(25)~~] (29) Do any or all other acts reasonably necessary to
 10 carry out the purposes of the authority."

11 SECTION 2. Statutory material to be repealed is bracketed
 12 and stricken. New statutory material is underscored.

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

14

INTRODUCED BY: *Cindy Evans*

JAN 21 2011



Report Title:

Natural Energy Laboratory of Hawaii Authority; Powers

Description:

Broadens the powers and duties of the natural energy laboratory of Hawaii authority.

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