
A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

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

1 PART I

2 SECTION 1. The purpose of this part is to amend the uses
3 of the Hawaii community-based economic development revolving
4 fund to include operational funding and a funding mechanism for
5 the enterprise zone program.

6 SECTION 2. Section 210D-4, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "**§210D-4 Hawaii community-based economic development**
9 **revolving fund; established.** (a) There is established a
10 revolving fund to be known as the Hawaii community-based
11 economic development revolving fund [~~from which moneys shall be~~
12 ~~loaned or granted by the department under this chapter~~]. All
13 moneys appropriated to the fund by the legislature, received as
14 repayments of loans, payments of interest or fees, and all other
15 moneys received by the fund from any other source shall be
16 deposited into the revolving fund and used for the purposes of
17 this chapter[-] and chapter 209E.



1 (b) The department [~~may~~] shall use all appropriations and
2 other moneys in the revolving fund not appropriated for a
3 designated purpose to [~~make grants or loans.~~]:

- 4 (1) Fund the operations of the community-based economic
5 development technical and financial assistance program
6 and the enterprise zone program established under
7 chapter 209E, and the personnel costs of the
8 respective programs for staff positions existing on
9 November 1, 2009; provided that the use of moneys from
10 the fund for current and future personnel costs shall
11 be limited to those employees performing specialized
12 duties and assigned solely to the respective programs;
- 13 (2) Fund the operating costs of the council; and
- 14 (3) Make grants and loans in accordance with this
15 chapter."

16 SECTION 3. Section 210D-13, Hawaii Revised Statutes, is
17 amended to read as follows:

18 **"§210D-13 Exemption from chapter 42F and chapter 103D.**

19 The provisions of chapter 42F and chapter 103D shall not apply
20 to the grants made pursuant to this chapter, but all grants made
21 under this chapter shall be made only in accordance with the
22 standards and conditions specified in section 210D-11."



1 SECTION 4. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so
3 much thereof as may be necessary for fiscal year 2011-2012 and
4 the same sum or so much thereof as may be necessary for fiscal
5 year 2012-2013 for deposit in the Hawaii community-based
6 economic development revolving fund under section 210D-4, Hawaii
7 Revised Statutes.

8 SECTION 5. There is appropriated out of the Hawaii
9 community-based economic development revolving fund the sum of
10 \$ or so much thereof as may be necessary for fiscal
11 year 2011-2012 and the same sum or so much thereof as may be
12 necessary for fiscal year 2012-2013 for the operations of the
13 community-based economic development technical and financial
14 assistance program established under chapter 210D, Hawaii
15 Revised Statutes, and the enterprise zone program established
16 under chapter 209E, Hawaii Revised Statutes.

17 The sums appropriated shall be expended by the department
18 of business, economic development, and tourism for the purposes
19 of this part.

20



1 PART II

2 SECTION 6. The purpose of this part is to clarify that
3 moneys in the hydrogen investment capital special fund shall be
4 expended by the Hawaii strategic development corporation.

5 SECTION 7. Section 211F-5.7, Hawaii Revised Statutes, is
6 amended by amending subsection (b) to read as follows:

7 "(b) Moneys in the fund shall be [~~used~~] expended by the
8 corporation to:

- 9 (1) Provide seed capital for and venture capital
10 investments in private sector and federal projects for
11 research, development, testing, and implementation of
12 the Hawaii renewable hydrogen program, as set forth in
13 section 196-10; and
- 14 (2) For any other purpose deemed necessary to carry out
15 the purposes of section 196-10."

16 PART III

17 SECTION 8. The legislature finds that the department of
18 business, economic development, and tourism provides services
19 and programs that promote economic development. Thus, the
20 legislature finds that the continued operation of the department
21 is imperative for the recovery of the economy of the State.



1 The legislature also finds that fees for business- and
 2 commerce-related permits and authorizations have a nexus with
 3 the business climate and economic performance of the State. The
 4 legislature believes that the success of the department of
 5 business, economic development, and tourism in promoting the
 6 economy should result in increased business activities for most
 7 fee payers. Consequently, the legislature finds that imposing a
 8 surcharge upon certain business- and commerce-related permit
 9 fees to fund the department of business, economic development,
 10 and tourism is appropriate.

11 The purpose of this part is to:

- 12 (1) Establish a new special fund for the operation of the
- 13 department of business, economic development, and
- 14 tourism; and
- 15 (2) Impose a surcharge on certain business- and commerce-
- 16 related fees and require the surcharge revenues to be
- 17 deposited into the special fund.

18 SECTION 9. Chapter 92, Hawaii Revised Statutes, is amended
 19 by adding a new section to be appropriately designated and to
 20 read as follows:

21 **"§92- Surcharge upon fees for certain business- and**
 22 **commerce-related services by certain departments. (a)**



1 Beginning July 1, 2011, and ending on June 30, 2015, there shall
2 be added a surcharge of \$20 upon every fee charged by:

3 (1) The department of commerce and consumer affairs for
4 the:

5 (A) Application, issuance, renewal, or reissuance of
6 a license, permit, or other authorization for a
7 profession, business, or occupation;

8 (B) Examination or audit of a person engaged in a
9 profession, business, or occupation;

10 (C) Filing, registration, or renewal of a corporate
11 or other business document;

12 (D) Application for or registration of a trade name,
13 trademark, or service mark; or

14 (E) Tax on insurance premiums;

15 (2) The public utilities commission pertaining to the
16 regulation of a public utility or the filing of any
17 document; provided that this paragraph shall not apply
18 to a telecommunications carrier that is the carrier of
19 last resort;

20 (3) The department of labor and industrial relations
21 pertaining to the regulation of a hoisting machine
22 operator, blaster or pyrotechnics operator, safety and



1 health professional, boiler installer or installation,
2 and elevator mechanic or installation; and

3 (4) The department of taxation for the application,
4 issuance, renewal, or reissuance of a license, permit,
5 certificate, or other authorization required under the
6 following taxes:

7 (A) General excise;

8 (B) Transient accommodations;

9 (C) Rental motor vehicle and tour vehicle;

10 (D) Liquor;

11 (E) Cigarette and tobacco;

12 (F) Liquid fuel;

13 (G) Public service company; and

14 (H) Bank and financial corporation.

15 For purposes of this section, "fee" means a monetary amount
16 charged by a department for a service specified in this
17 subsection, no matter the nomenclature used to describe the
18 amount charged.

19 (b) Each department or agency subject to subsection (a)
20 shall impose and collect the appropriate surcharge and transmit
21 the surcharge revenues to the director of finance for deposit



1 into the department of business, economic development, and
2 tourism operation special fund established under section
3 201- . The director of finance shall establish the deadlines
4 by which the departments shall transmit the surcharge revenues
5 to the director.

6 (c) No surcharge shall be added to the following:

7 (1) Any service for which no fee is charged;

8 (2) Any fine for a violation of a state law;

9 (3) Any fee for the dissemination or copying of a public
10 record; or

11 (4) Any fee charged to a state, county, or federal
12 agency."

13 SECTION 10. Chapter 201, Hawaii Revised Statutes, is
14 amended by adding a new section to part I to be appropriately
15 designated and to read as follows:

16 "§201- Department of business, economic development,
17 and tourism operation special fund. (a) Beginning July 1,
18 2011, and ending on June 30, 2015, there is established, within
19 the treasury of the State, the department of business, economic
20 development, and tourism operation special fund.



Report Title:

Community-Based Economic Development; Enterprise Zone Program; Department of Business, Economic Development, and Tourism Operation Special Fund; Temporary Surcharge

Description:

Amends the uses of the Hawaii Community-based Economic Development Revolving Fund to include operational and certain personnel funding for the community-based economic development program and its advisory council and the enterprise zone program. Appropriates funds. Clarifies that moneys in the Hydrogen Investment Capital Special Fund are to be expended by the Hawaii Strategic Development Corporation. Establishes the Department of Business, Economic Development, and Tourism Operation Special Fund (DBEDT Fund). Imposes a temporary surcharge on certain fees charged by certain departments for deposit into DBEDT Fund. Effective July 1, 2112. (SB752 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

