
A BILL FOR AN ACT

RELATING TO TECHNOLOGY.

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

1 SECTION 1. Chapter 201, Hawaii Revised Statutes, is
2 amended by adding a new section to part I to be appropriately
3 designated and to read as follows:

4 "§201- Hawaii 3Ts school technology laboratories fund.

5 (a) There is established the Hawaii 3Ts school technology
6 laboratories fund (hereinafter "fund") as a separate fund of the
7 Economic Development Alliance of Hawaii, Inc., a Hawaii
8 nonprofit organization. Moneys received from the state, county,
9 or federal government, private contributions of cash or other
10 property, and the income and capital gains earned by the fund
11 shall constitute its assets.

12 (b) The Economic Development Alliance of Hawaii, Inc.,
13 shall expend moneys in the form of either grants to
14 organizations or contracts with private vendors from the fund
15 for the establishment and maintenance of technology laboratories
16 in public schools in Hawaii. Expenditures shall be in
17 accordance with this section, and consistent with the criteria



1 and recommendations of the Hawaii 3Ts school technology
2 laboratories board.

3 (c) The fund may receive contributions, grants,
4 endowments, or gifts in cash or otherwise from all sources,
5 including corporations or other businesses, foundations,
6 government, individuals, and other interested parties. The
7 legislature intends that the public and private sectors work
8 together as partners in securing contributions for the fund, and
9 that the Economic Development Alliance of Hawaii, Inc., through
10 its Hawaii 3Ts project, assist the public and private sectors in
11 reviewing and investigating all potential funding sources. The
12 State may appropriate moneys to the fund; provided that any
13 appropriations made by the State are not intended to supplant
14 the funding of any existing public school programs for the
15 establishment and maintenance of school technology laboratories.

16 (d) The Economic Development Alliance of Hawaii, Inc.,
17 shall appoint the members of the Hawaii 3Ts school technology
18 laboratories board, which shall be responsible for:

- 19 (1) Soliciting and otherwise raising moneys for the fund;
- 20 (2) Establishing criteria for proposals to be funded and
21 the expenditure of funds;



1 (3) Reviewing grant proposals utilizing criteria
2 established by the Hawaii 3Ts school technology
3 laboratories board; and

4 (4) Making recommendations for grants and other specific
5 expenditures to the Economic Development Alliance of
6 Hawaii, Inc.

7 Members of the advisory board shall be stakeholders in Hawaii's
8 public education and workforce development entities, including
9 students and parents, teachers and principals, business and
10 community leaders, representatives from the county economic
11 development boards, and representatives from the department,
12 department of education, and the department of accounting and
13 general services.

14 (e) In managing the moneys in the fund, the Economic
15 Development Alliance of Hawaii, Inc., shall exercise ordinary
16 business care and prudence given the facts and circumstances
17 prevailing at the time of action or decision. In doing so, the
18 Economic Development Alliance of Hawaii, Inc., shall consider
19 its long-term and short-term needs in carrying out its purposes,
20 its present and anticipated financial requirements, expected
21 total return on its investments, price trends, and general
22 economic conditions.



1 (f) There may be an endowment component of the fund.

2 (g) The use of any state moneys may be restricted by the
3 legislation appropriating these moneys to the fund.

4 (h) The Economic Development Alliance of Hawaii, Inc., is
5 authorized to expend the principal from the fund for the
6 purposes of the fund.

7 (i) Any organization submitting a proposal to the Economic
8 Development Alliance of Hawaii, Inc., for fund moneys shall meet
9 all of the following standards at the time of application:

10 (1) Be a for-profit organization duly registered under the
11 laws of the State, or be a nonprofit organization
12 determined by the Internal Revenue Service to be
13 exempt from the federal income tax, or be an agency of
14 the State or a county;

15 (2) In the case of a nonprofit organization, have a
16 governing board whose members have no material
17 conflict of interest and serve without compensation;

18 (3) In the case of an applicant that is not a state or
19 county government agency, have bylaws or policies that
20 describe the manner in which business is conducted and
21 policies that relate to the management of potential
22 conflict of interest situations;



1 (4) Have experience with the project or in the program
2 area for which the proposal is being made; and

3 (5) Be licensed and accredited, as applicable, in
4 accordance with the requirements of federal, state,
5 and county governments.

6 (j) All proposals approved by the Hawaii 3Ts school
7 technology laboratories board and for which the Economic
8 Development Alliance of Hawaii, Inc., intends to provide fund
9 moneys, and any contracts awarded by the Economic Development
10 Alliance of Hawaii, Inc., shall be made under as much
11 competition as practical to execute the purposes of the
12 proposals and contracts.

13 (k) Organizations or agencies to which fund moneys are
14 awarded shall agree to comply with the following conditions
15 before receiving the award:

16 (1) Employ or have under contract persons qualified to
17 engage in the activity to be funded;

18 (2) Comply with applicable federal, state, and county
19 laws; and

20 (3) Comply with any other requirements prescribed by the
21 Economic Development Alliance of Hawaii, Inc., to
22 ensure adherence by the recipient of the award with



1 applicable federal, state, and county laws and with
2 the purposes of this section.

3 (1) Chapter 103D shall not apply to organizations or
4 agencies that apply for grants or contracts under this section;
5 provided that the Economic Development Alliance of Hawaii, Inc.,
6 shall be held accountable for the use of the funds under a
7 contract with the department.

8 (m) The fund shall be audited annually by an independent
9 auditor retained by the Economic Development Alliance of Hawaii,
10 Inc. The auditor's report of each annual audit shall be
11 submitted to the department of business, economic development,
12 and tourism not later than thirty days from the date the audit
13 report is received by the Economic Development Alliance of
14 Hawaii, Inc. In addition, the Economic Development Alliance of
15 Hawaii, Inc., shall retain for a period of three years, and
16 permit the department, department of accounting and general
17 services, the department of education, state legislators, and
18 the auditor, or their duly authorized representatives, to
19 inspect and have access to, any documents, papers, books,
20 records, and other evidence that is pertinent to the fund.

21 (n) The fund shall not be placed in the state treasury,
22 and the State shall not administer the fund, nor shall the State



1 be liable for the operation or solvency of the fund, the
2 Economic Development Alliance of Hawaii, Inc., or Hawaii 3Ts.

3 (o) For every dollar granted to a recipient by the fund, a
4 minimum of 50 cents in value shall be from private, federal,
5 county, or community sources.

6 (p) For purposes of this section, "school technology
7 laboratory" means a multi-platform and multi-disciplinary
8 laboratory that offers students a variety of different types of
9 hardware and software applications.

10 (q) The Economic Development Alliance of Hawaii, Inc.,
11 shall submit an annual report to the director of business,
12 economic development, and tourism on the accomplishments and
13 student outcomes of the Hawaii 3Ts school technology
14 laboratories fund by December 1 of each year. The director of
15 business, economic development, and tourism shall transmit the
16 report along with comments from the department to the
17 legislature no later than twenty days prior to the convening of
18 each regular session."

19 SECTION 2. Section 302A-1314, Hawaii Revised Statutes, is
20 repealed.

21 [~~"[§302A-1314] Hawaii 3Ts school technology laboratories~~
22 ~~fund.~~ (a) There is established the Hawaii 3Ts school



1 ~~technology laboratories fund (hereinafter, "fund") as a separate~~
2 ~~fund of the Economic Development Alliance of Hawaii Inc., a~~
3 ~~Hawaii nonprofit organization. Moneys received from the state,~~
4 ~~county, or federal government, private contributions of cash or~~
5 ~~other property, and the income and capital gains earned by the~~
6 ~~fund shall constitute its assets.~~

7 ~~(b) The Economic Development Alliance of Hawaii Inc. shall~~
8 ~~expend moneys in the form of either grants to organizations or~~
9 ~~contracts with private vendors from the fund for the~~
10 ~~establishment and maintenance of technology laboratories in~~
11 ~~public schools in Hawaii. Such expenditures shall be in~~
12 ~~accordance with this section, and consistent with the criteria~~
13 ~~and recommendations of the Hawaii 3Ts school technology~~
14 ~~laboratories board.~~

15 ~~(c) The fund may receive contributions, grants,~~
16 ~~endowments, or gifts in cash or otherwise from all sources,~~
17 ~~including corporations or other businesses, foundations,~~
18 ~~government, individuals, and other interested parties. The~~
19 ~~legislature intends that the public and private sectors work~~
20 ~~together as partners in securing contributions for the fund, and~~
21 ~~that the Economic Development Alliance of Hawaii Inc., through~~
22 ~~its Hawaii 3Ts project, assist the public and private sectors in~~



1 ~~reviewing and investigating all potential funding sources. The~~
2 ~~State may appropriate moneys to the fund; provided that any~~
3 ~~appropriations made by the State are not intended to supplant~~
4 ~~the funding of any existing public school programs for the~~
5 ~~establishment and maintenance of school technology laboratories.~~

6 ~~(d) The Economic Development Alliance of Hawaii Inc. shall~~
7 ~~appoint the members of the Hawaii 3Ts school technology~~
8 ~~laboratories board, which shall be responsible for:~~

9 ~~(1) Soliciting and otherwise raising moneys for the fund;~~

10 ~~(2) Establishing criteria for proposals to be funded and~~
11 ~~the expenditure of funds;~~

12 ~~(3) Reviewing grant proposals utilizing criteria~~
13 ~~established by Hawaii 3Ts school technology~~
14 ~~laboratories board; and~~

15 ~~(4) Making recommendations for grants and other specific~~
16 ~~expenditures to the Economic Development Alliance of~~
17 ~~Hawaii Inc.~~

18 ~~Members of the advisory board shall be stakeholders in Hawaii's~~
19 ~~public education and workforce development entities, including~~
20 ~~students and parents, teachers and principals, business and~~
21 ~~community leaders, representatives from the county economic~~
22 ~~development boards, and representatives from the department of~~



1 ~~education, the department of business, economic development, and~~
2 ~~tourism, and the department of accounting and general services,~~
3 ~~who shall be represented on the advisory board.~~

4 ~~(e) In managing the moneys in the fund, the Economic~~
5 ~~Development Alliance of Hawaii Inc. shall exercise ordinary~~
6 ~~business care and prudence given the facts and circumstances~~
7 ~~prevailing at the time of action or decision. In doing so, the~~
8 ~~Economic Development Alliance of Hawaii Inc. shall consider its~~
9 ~~long term and short term needs in carrying out its purposes, its~~
10 ~~present and anticipated financial requirements, expected total~~
11 ~~return on its investments, price trends, and general economic~~
12 ~~conditions.~~

13 ~~(f) There may be an endowment component of the fund.~~

14 ~~(g) The use of any state moneys may be restricted by the~~
15 ~~legislation appropriating these moneys to the fund.~~

16 ~~(h) The Economic Development Alliance of Hawaii Inc. is~~
17 ~~authorized to expend the principal from the fund for the~~
18 ~~purposes of the fund.~~

19 ~~(i) Any organization submitting a proposal to the Economic~~
20 ~~Development Alliance of Hawaii Inc. for fund moneys shall meet~~
21 ~~all of the following standards at the time of applications:~~



1 ~~(1) Be a for profit organization duly registered under the~~
2 ~~laws of the State, or be a nonprofit organization~~
3 ~~determined by the Internal Revenue Service to be~~
4 ~~exempt from the federal income tax, or be an agency of~~
5 ~~the State or a county;~~

6 ~~(2) In the case of a nonprofit organization, have a~~
7 ~~governing board whose members have no material~~
8 ~~conflict of interest and serve without compensation;~~

9 ~~(3) In the case of an applicant that is not a state or~~
10 ~~county government agency, have bylaws or policies that~~
11 ~~describe the manner in which business is conducted and~~
12 ~~policies that relate to the management of potential~~
13 ~~conflict of interest situations;~~

14 ~~(4) Have experience with the project or in the program~~
15 ~~area for which the proposal is being made; and~~

16 ~~(5) Be licensed and accredited, as applicable, in~~
17 ~~accordance with the requirements of federal, state,~~
18 ~~and county governments.~~

19 ~~(j) All proposals approved by the Hawaii 3Ts school~~
20 ~~technology laboratories board and for which the Economic~~
21 ~~Development Alliance of Hawaii Inc. intends to provide fund~~
22 ~~moneys shall be approved by the director of business, economic~~



1 ~~development, and tourism for consistency in meeting the purposes~~
2 ~~of this section.~~

3 ~~(k) Organizations or agencies to which fund moneys are~~
4 ~~awarded shall agree to comply with the following conditions~~
5 ~~before receiving the award:~~

6 ~~(1) Employ or have under contract persons qualified to~~
7 ~~engage in the activity to be funded;~~

8 ~~(2) Comply with applicable federal, state, and county~~
9 ~~laws; and~~

10 ~~(3) Comply with any other requirements prescribed by the~~
11 ~~Economic Development Alliance of Hawaii Inc. to ensure~~
12 ~~adherence by the recipient of the award with~~
13 ~~applicable federal, state, and county laws and with~~
14 ~~the purposes of this section.~~

15 ~~(1) Chapter 103D shall not apply to organizations or~~
16 ~~agencies that apply for grants or contracts under this section;~~
17 ~~provided that the Economic Development Alliance of Hawaii Inc.~~
18 ~~shall be held accountable for the use of the funds under a~~
19 ~~contract with the department of business, economic development,~~
20 ~~and tourism.~~



1 ~~(m) Any contracts awarded by the Economic Development~~
2 ~~Alliance of Hawaii Inc. shall be made under as much competition~~
3 ~~as practical to execute its purposes.~~

4 ~~(n) The fund shall be audited annually by an independent~~
5 ~~auditor retained by the Economic Development Alliance of Hawaii~~
6 ~~Inc. The auditor's report of each annual audit shall be~~
7 ~~submitted to the department of business, economic development,~~
8 ~~and tourism not later than thirty days from the date the audit~~
9 ~~report is received by the Economic Development Alliance of~~
10 ~~Hawaii Inc. In addition, the Economic Development Alliance of~~
11 ~~Hawaii Inc. shall retain for a period of three years, and permit~~
12 ~~the department of accounting and general services, the~~
13 ~~department of education, the department of business, economic~~
14 ~~development, and tourism, state legislators, and the auditor, or~~
15 ~~their duly authorized representatives, to inspect and have~~
16 ~~access to, any documents, papers, books, records, and other~~
17 ~~evidence that is pertinent to the fund.~~

18 ~~(o) The fund shall not be placed in the state treasury,~~
19 ~~and the State shall not administer the fund, nor shall the State~~
20 ~~be liable for the operation or solvency of the fund, the~~
21 ~~Economic Development Alliance of Hawaii Inc., or Hawaii 3Ts.~~



1 ~~(p) For every dollar granted to a recipient by the fund, a~~
2 ~~minimum of 50 cents in value shall be from private, federal,~~
3 ~~county, or community sources.~~

4 ~~(q) For purposes of this section, "school technology~~
5 ~~laboratory" means a multi station computer laboratory that~~
6 ~~offers students a variety of different types of hardware and~~
7 ~~software applications.~~

8 ~~[(r)] The Economic Development Alliance of Hawaii Inc.~~
9 ~~shall submit an annual report for approval by the director of~~
10 ~~business, economic development, and tourism on the progress of~~
11 ~~the Hawaii 3Ts school technology laboratories fund by December 1~~
12 ~~of each year. The director of business, economic development,~~
13 ~~and tourism shall transmit the report along with comments from~~
14 ~~the department of business, economic development, and tourism to~~
15 ~~the legislature no later than twenty days prior to the convening~~
16 ~~of each regular session."]~~

17 SECTION 3. The University of Hawaii shall extend the
18 current land lease agreement with the high technology
19 development corporation, located at 2800 Woodlawn Drive, Manoa,
20 Honolulu, Hawaii, identified as tax map key 2-9-26: por. 3, 37,
21 and 38, on the same terms and for a period no less than twenty-
22 five years from the expiration date of the existing lease.



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 on July 1, 2012.



Report Title:

Hawaii 3Ts School Technology Laboratories Fund; High Technology Development Corporation; University of Hawaii; Land Lease

Description:

Places the Hawaii 3Ts school technology laboratories fund under the Department of Business, Economic Development, and Tourism. Requires the University of Hawaii to extend its current land lease with the high technology development corporation for no less than twenty-five years from the date of expiration of the existing lease. Effective July 1, 2012. (SB2528 HD3)

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