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# A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

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

1           SECTION 1. This Act shall be known as The Hawaii  
2 Innovations Fund Act.

3           SECTION 2. Chapter 304A, Hawaii Revised Statutes, is  
4 amended by adding a new section to be appropriately designated  
5 and to read as follows:

6           "§304A-     The Hawaii innovations fund. (a) There shall  
7 be established in the state treasury a fund to be known as the  
8 Hawaii innovations fund that shall be administratively attached  
9 to the University of Hawaii.

10           (b) The objective of the Hawaii innovations fund shall be  
11 to:

12           (1) Stimulate economic development in life sciences and  
13 advanced technology using the resources of the  
14 University of Hawaii, including the John A. Burns  
15 School of Medicine;

16           (2) Create high-quality, high-income job opportunities in  
17 the life sciences and advanced technology fields,



1           including jobs for graduates of post-college programs;  
2           and  
3           (3) Provide incentives for residents to stay and work in  
4           Hawaii and encourage former residents to return to  
5           Hawaii.

6           To accomplish these objectives, which are deemed to be  
7           public purposes, moneys in the Hawaii innovations fund shall be  
8           used to fund grants to individuals or businesses that conduct  
9           research or product development in the life sciences or advanced  
10          technology fields.

11          (c) From July 1, 2014, through June 30, 2015, the Hawaii  
12          innovations fund shall be funded by appropriations from the  
13          legislature. After June 30, 2015, one-half of one per cent of  
14          general fund revenues collected shall be deposited into the  
15          Hawaii innovations fund on a monthly basis; provided that after  
16          June 30, 2019, no funding shall be provided to the Hawaii  
17          innovations fund.

18          (d) The Hawaii innovations fund shall be administered by  
19          the Hawaii innovations fund community board consisting of eleven  
20          voting members as follows:

21          (1) Four ex officio members as follows:





- 1        (e) The Hawaii innovations fund community board shall:
- 2        (1) Establish procedures and policies for grant
- 3        applications;
- 4        (2) Develop standards and criteria to determine grant
- 5        awardees, with priority assigned to grant applicants
- 6        that:
- 7        (A) Provide matching funding;
- 8        (B) Reside or are based in Hawaii;
- 9        (C) Provide high-paying jobs for residents or former
- 10       residents of Hawaii;
- 11       (D) Provide significant return on investment from
- 12       grant awards; or
- 13       (E) Use grant awards as seed money to obtain
- 14       additional research funding for projects in the
- 15       life sciences or advanced technology fields based
- 16       in Hawaii;
- 17       (3) Select grant awardees;
- 18       (4) Set criteria and standards for evaluation of projects
- 19       receiving grants; and
- 20       (5) Provide technical support services to grant awardees
- 21       that foster marketing and development of the product
- 22       or service produced through the grant.



1           (f) For the purpose of this section:

2           "Advanced technology" means digital media,  
3 telecommunications, and related fields.

4           "Life sciences" means biology, cancer research, community  
5 healthcare, ocean sciences, agriculture, pharmacology,  
6 biotechnology, medical technology, biological renewable energy,  
7 or related fields."

8           SECTION 3. There is appropriated out of the general  
9 revenues of the State of Hawaii the sum of \$100,000,000 or so  
10 much thereof as may be necessary for fiscal year 2014-2015 to be  
11 deposited into the Hawaii innovations fund.

12           SECTION 4. There is appropriated out of the Hawaii  
13 innovations fund the sum of \$100,000,000 or so much thereof as  
14 may be necessary for fiscal year 2014-2015 to be used for the  
15 purposes of this Act.

16           The sum appropriated shall be expended by the University of  
17 Hawaii for the purposes of this Act.

18           SECTION 5. There is appropriated out of the general fund  
19 revenues of the State of Hawaii the sum of \$50,000 or so much  
20 thereof as may be necessary for fiscal year 2014-2015 as a  
21 grant-in-aid to the Hawaii science and technology council to  
22 provide administrative support for the Hawaii innovations fund.



# H.B. NO. 2470

1 The sum appropriated shall be expended by the University of  
2 Hawaii for the purposes of this Act.

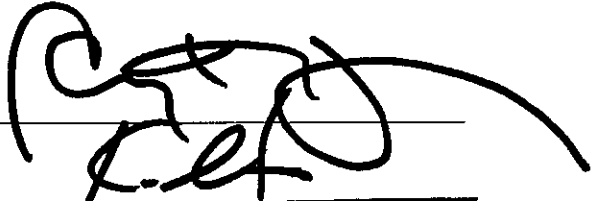
3 SECTION 6. New statutory material is underscored.

4 SECTION 7. This Act shall take effect upon its approval;  
5 provided that:

6 (1) Sections 3, 4, and 5 shall take effect on July 1,  
7 2014; and

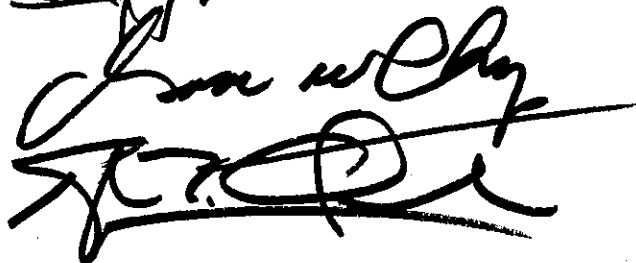
8 (2) This Act shall be repealed on June 30, 2020, and all  
9 unencumbered and unexpended balances remaining in the  
10 Hawaii innovations fund shall be transferred to the  
11 credit of the general fund.  
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INTRODUCED BY: \_\_\_\_\_

  
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Cindy Evans

  
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# H.B. NO. 2470

**Report Title:**

Hawaii Innovations Fund; Establishment; Appropriations

**Description:**

Establishes the Hawaii innovations fund to provide grants to individuals or businesses that conduct research or product development in the life sciences or advanced technology fields; establishes objectives of the fund; establishes the Hawaii innovations fund community board; appropriates funds for the start-up and administration of the fund.

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

