

JAN 23 2014

A BILL FOR AN ACT

RELATING TO STATE ENTERPRISE ZONES.

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

1 SECTION 1. The legislature finds that sustainable business
2 corporations engaged in the development or production of
3 renewable energy will stimulate business, agricultural, and
4 industrial growth in areas that will result in neighborhood
5 revitalization. The addition of other forms of renewable
6 resources to the state enterprise zone program is consistent
7 with the current approved business activities, which presently
8 include wind energy production. State enterprise zone tax
9 incentives and regulatory flexibility will help attract
10 renewable energy businesses and further the State's renewable
11 energy goals.

12 The purpose of this Act is to expand eligible business
13 activity in the state enterprise zones to include the
14 development or production of various types of renewable energy
15 by sustainable business corporations.

16 SECTION 2. Section 209E-2, Hawaii Revised Statutes, is
17 amended by amending the definition of "eligible business
18 activity" to read as follows:



- 1 "Eligible business activity" means the:
- 2 (1) Manufacture of tangible personal property, the
- 3 wholesale sale of tangible personal property as
- 4 described in section 237-4, or a service business as
- 5 defined in this section;
- 6 (2) Production of agricultural products where the business
- 7 is a producer as defined in section 237-5, or the
- 8 processing of agricultural products, all or some of
- 9 which were grown within an enterprise zone;
- 10 (3) Research, development, sale, or production of all
- 11 types of genetically-engineered medical, agricultural,
- 12 or maritime biotechnology products; [~~or~~]
- 13 (4) Production of electric power from wind energy for sale
- 14 primarily to a public utility company for resale to
- 15 the public[~~-~~]; or
- 16 (5) Development, production, or energy storage by a
- 17 sustainable business corporation, as defined in
- 18 section 420D-2, of fuels, thermal energy, or
- 19 electrical energy from renewable resources, including:
- 20 (A) Wind;
- 21 (B) The sun;
- 22 (C) Falling water;



- 1 (D) Biogas, including landfill and sewage-based
- 2 digester gas;
- 3 (E) Geothermal;
- 4 (F) Ocean water, currents, and waves, including ocean
- 5 thermal energy conversion;
- 6 (G) Biomass, including biomass crops, agriculture and
- 7 animal residues and wastes, and solid waste;
- 8 (H) Biofuels; and
- 9 (I) Hydrogen produced from renewable energy sources."

10 SECTION 3. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

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S.B. NO. 2764

Report Title:

State Enterprise Zones; Renewable Energy; Sustainable Business Corporations

Description:

Expands eligible business activity in the state enterprise zones to include the development of various types of renewable energy by sustainable business corporations, as defined in section 420D-2, Hawaii Revised Statutes.

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