

ACT 7

A Bill for an Act Relating to Foreign-Trade Zones.

Be it Enacted by the Legislature of the State of Hawaii:

SECTION 1. Purpose. The purpose of this Act is to enable public corporation in the State to make application to the Foreign-Trade Zones Board of the United States for the purpose of establishing, operating and maintaining foreign-trade zones in the State as part of a proposed international trade complex to encourage economic development in the State, and to authorize the public corporation whose application is granted to establish, operate and maintain a foreign-trade zone.

SECTION 2. "Act of Congress" defined. As used in this Act, "Act of Congress" means the Act of Congress approved June 18, 1934, entitled, "An act to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes," and the amendments thereto.

SECTION 3. "Public corporation" defined. As used in this Act, "Public corporation" means the State of Hawaii, any political subdivision thereof, and municipality therein, or any public agency of the State.

SECTION 4. Designation and approval of governor for application. Any public corporation which has been duly designated and approved by the governor may make application to the Foreign-Trade Zones Board of the United States for the purpose of establishing, operating and maintaining a foreign-trade zone in accordance with the Act of Congress in any port of entry in the State.

SECTION 5. Grant of authority to governor; rules and regulations. The governor is authorized to do all things necessary and proper to carry into effect the establishing, maintaining, and operating of foreign-trade zones, and to make such rules and regulations concerning the operation, maintenance, and policing of the zone as may be necessary to comply with the Act of Congress. All rules and regulations established under this Act shall be adopted and promulgated pursuant to the Hawaii administrative procedure act, chapter 6C, Revised Laws of Hawaii 1955, as amended.

SECTION 6. Setting aside public lands; lease, license and permits. Notwithstanding any law to the contrary, the governor may set aside public lands to a public corporation for the purpose of this Act and

such corporation may, by negotiation and without recourse to public auction, lease, rent or let such lands or any part thereof or any interest therein, including concessions and concession space, by lease, license or permit on such terms and conditions set by the corporation.

SECTION 7. Establishment, operation and maintenance of zone. Any public corporation authorized pursuant to this Act to make such application and whose application is granted pursuant to the terms of the Act of Congress may establish, operate, and maintain the foreign-trade zone:

(a) Subject to the conditions and restrictions of the Act of Congress, and any amendments thereto;

(b) Under such rules and regulations and for the period of time that may be prescribed by the board established by the Act of Congress to carry out the provisions of the Act.

SECTION 8. Powers; indemnity or assurance to the United States and deposits with United States. If authorized to establish, operate and maintain a foreign-trade zone, a public corporation may, in addition to its other powers:

(a) Provide for such indemnity or assurance to the United States or its agencies as they may request;

(b) Deposit such sums of money with the United States as the United States or its agencies may request, providing such money is available therefor by direct appropriation or otherwise.

SECTION 9. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this Act is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Act.

SECTION 10. This Act shall take effect upon its approval.

(Approved April 29, 1963.) **H.B. 17.**
