HOUSE OF REPRESENTATIVES
TWENTY-FOURTH LEGISLATURE, 2008
STATE OF HAWAII

H.B. NO. 2931

A BILL FOR AN ACT

RELATING TO A TECHNOLOGY MASTER PLAN.

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

SECTION 1. In 1983, the legislature created the high technology development corporation as a means to facilitate growth in the high technology industry. Since then, various measures promoting the continuation of the high technology industry have been enacted.

In 1990, the legislature established the Hawaii strategic development corporation to encourage development and diversification by stimulating the investment of private capital in the State. Act 221, Session Laws of Hawaii 2001, supported the establishment of high technology companies in Hawaii by expanding the application of the high technology business investment tax credit. Further, Act 215, Session Laws of Hawaii 2004, complemented Act 221, by creating the state private investment fund, which fills the current funding gap for later-stage Hawaii companies by creating a diversified investment fund secured by the State.

Positive growth in high technology companies and continued growth in the State's economy indicate that efforts to stimulate

the high technology industry by providing venture capital have been worthwhile. Hawaii has experienced an influx of high technology companies over the past five years, and many of these companies are beginning to enter the profitability stage of their growth. A rising demand for increased incentives and further support from the State mandates the establishment of concrete plans and a unified vision for the future of Hawaii's high technology sector.

The legislature finds that a task force focusing on defining the direction of Hawaii's high technology industry is the necessary next step in the process of continued growth. The purpose of this Act is to establish the high technology industry task force for the State. The primary responsibility of the task force will be to develop a state master plan for high technology.

SECTION 2. (a) The high technology industry task force is established within the high technology development corporation. The high technology development corporation and, if necessary, the department of business, economic development, and tourism shall provide all necessary administrative and staff support for the task force.

(b) The governor shall encourage members of the community to nominate persons for the task force. All members shall serve at the pleasure of the governor, who shall select the chairperson from among the members. The task force shall consist of eighteen members to be appointed by the governor and shall include:

(1) Three members to be nominated by the president of the senate;

(2) Three members to be nominated by the speaker of the house of representatives;

(3) The president of the University of Hawaii or designee;

(4) The chairperson of the board of education or designee;

(5) Senior-level private sector business leaders, representing Hawaii's traditional primary industries, such as visitor, construction, defense, and property development;

(6) Senior-level business leaders from Hawaii's emerging innovation sectors, such as biotechnology and healthcare, dual-use, ocean and earth sciences, astronomy and optics, agriculture, and film and creative media;

(7) Members representing professional services sectors, such as finance, venture capital, accounting, and marketing; and

(8) Cultural and natural resources leaders representing the diversity of ethnic heritages and cultural understandings within Hawaii.

(c) Members of the task force shall serve without pay, but may be reimbursed for necessary expenses, including travel expenses incurred in the performance of official duties if funds are available.

(d) The task force shall meet at least quarterly or more frequently at the discretion of the chairperson.

(e) The primary tasks of the task force shall include:

(1) Evaluating the effectiveness of past and current high technology legislation, including Act 215, Session Laws of Hawaii 2004;

(2) Developing a master plan for the direction of high technology in Hawaii, which shall include:

(A) A list of goals established for the high technology sector in the State;

(B) A plan to reach the established goals; and

(C) A timeline for implementation and completion;

(3) Assisting the legislature in maintaining an overall framework to guide the development of high technology in the State by creating guidelines for future high technology legislation; and

(4) Submitting recommendations for high technology legislation to meet the goals established in the high technology master plan.

(f) The task force shall submit the master plan and a report, including necessary proposed legislation, to the legislature and the governor no later than twenty days prior to the convening of regular session of 2010 and shall issue an updated report every two years thereafter that reassesses the master plan.

(g) After the regular session of 2010, the terms of the task force members shall end and the governor shall appoint eight members and the president of the senate and the speaker of the house of representatives shall each nominate eight members to be appointed by the governor.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of $ or so much thereof as may be necessary for fiscal year 2008-2009 for the task force to carry out the purposes of this Act.

H.B. NO. 2931

1 The sum shall be expended by the high technology
2 development corporation for the purposes of this Act.
3 SECTION 4. This Act shall take effect on July 1, 2008.
4

INTRODUCED BY: _____

JAN 22 2008

H.B. NO. 2931

Report Title:
State Master Plan for High Technology; Task Force

Description:
Creates a high technology industry task force, attached to the high technology development corporation, to develop a state master plan for high technology prior to the convening of the 2010 regular session and updated every 2 years thereafter. Changes composition of task force after 2010 regular session.