

JAN 19 2007

A BILL FOR AN ACT

RELATING TO SEAWATER AIR CONDITIONING DISTRICT COOLING SYSTEMS.

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

1 SECTION 1. The legislature finds that seawater air
2 conditioning district cooling systems help to reduce our
3 dependence on fossil fuels and help our economy. The twenty-
4 five thousand ton seawater air conditioning district cooling
5 system under development for downtown Honolulu can potentially
6 reduce Oahu's dependence on imported oil by as much as one
7 hundred seventy-four thousand barrels annually.

8 The downtown Honolulu Seawater Air Conditioning Project
9 will generate millions of dollars in construction project
10 spending. In addition, it will create a significant amount of
11 long-term, gainful employment. Other local economic development
12 benefits will accrue from money that stays in Hawaii and is not
13 exported outside the State to purchase oil.

14 The purpose of this Act is to assist seawater air
15 conditioning district cooling systems by allowing the systems to
16 benefit from the State's enterprise zone program.



S.B. NO. 994

1 SECTION 2. Section 209E-2, Hawaii Revised Statutes, is
2 amended by amending the definition of "qualified business" to
3 read as follows:

4 "Qualified business" means any corporation, partnership,
5 or sole proprietorship authorized to do business in the State
6 that is qualified under section 209E-9, subject to the state
7 corporate or individual income tax under chapter 235, and
8 ~~[+]is[+]~~:

- 9 (1) Engaged in manufacturing, the wholesale sale of
10 tangible personal property as defined in section
11 237-4, or a service business as defined in this
12 chapter;
- 13 (2) Engaged in producing agricultural products where the
14 business is a producer as defined in section 237-5;
- 15 (3) Engaged in research, development, sale, or production
16 of all types of genetically-engineered medical,
17 agricultural, or maritime biotechnology products; ~~[or]~~
- 18 (4) Engaged in producing electric power from wind energy
19 for sale primarily to a public utility company for
20 resale to the public~~[+]~~; or
- 21 (5) Engaged in producing air conditioning from a seawater
22 air conditioning district cooling system."



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1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect upon its approval.
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Report Title:

Enterprise Zones; Seawater Air Conditioning Cooling System

Description:

Allows the sale of cooling from seawater air conditioning district cooling systems to qualify for state enterprise zone benefits.

