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# A BILL FOR AN ACT

RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY.

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

1           SECTION 1. Chapter 227D, Hawaii Revised Statutes, is  
2 amended by adding two new sections to be appropriately  
3 designated and to read as follows:

4           "§227D- Inter-agency agreements. (a) The authority and  
5 the department of business, economic development, and tourism  
6 may develop, enter into, and implement inter-agency agreements  
7 to coordinate resources, eliminate unnecessary duplication, and  
8 effectuate the purposes of this chapter and chapter 201, without  
9 entering into a memorandum of agreement or memorandum of  
10 understanding.

11           (b) In addition to any other terms or conditions required  
12 by law, any inter-agency agreement between the authority and any  
13 state agency, office, department, or other administrative  
14 subdivision shall contain the following:

15           (1) A termination date;

16           (2) A statement of intent and purpose;



1       (3) Terms specifying the extent of the inter-agency  
2       agreement's applicability; and

3       (4) Terms under which the inter-agency agreement may be  
4       modified or extended.

5       §227D- Enterprise zone incentives. (a) Notwithstanding  
6       the requirements to qualify as an eligible business activity as  
7       that term is defined in section 209E-2, a qualified person whose  
8       business activity:

9       (1) Is located on or within real property under the  
10       control of the authority; and

11       (2) Includes the research, development, and  
12       commercialization of renewable energy technology;

13       shall be entitled to the same incentives under sections 209E-10,  
14       209E-11, and 209E-12 as a qualified person operating business in  
15       the same enterprise zone.

16       (b) The incentives provided pursuant to this section shall  
17       apply only to a renewable energy technology business activity  
18       located within the enterprise zone controlled by the authority  
19       and established on land leased from the authority after July 1,  
20       2015. No other tax credit may be claimed under chapter 235 for



1 renewable energy technology for which a credit is claimed under  
2 this section for the taxable year.

3 (c) For purposes of this section:

4 "Renewable energy" means energy produced by solar, ocean  
5 thermal energy conversion, or hydrogen.

6 "Renewable energy technology" means technology that uses  
7 renewable energy to provide light, heat, cooling, mechanical, or  
8 electrical energy for use in facilities or other activities.

9 "Renewable energy technology" includes hydrogen research and  
10 development and the use of integrated whole-building designs  
11 that rely upon renewable energy resources, including passive  
12 solar design and daylighting."

13 SECTION 2. This Act does not affect rights and duties that  
14 matured, penalties that were incurred, and proceedings that were  
15 begun before its effective date.

16 SECTION 3. New statutory material is underscored.

17 SECTION 4. This Act shall take effect on February 19,  
18 2025.



**Report Title:**

Natural Energy Laboratory of Hawaii Authority; Inter-agency Agreements; Department of Business, Economic Development, and Tourism; Enterprise Zone Incentives; Renewable Energy Technology

**Description:**

Allows the natural energy laboratory of Hawaii authority to enter into inter-agency agreements with the department of business, economic development, and tourism without a memorandum of agreement or memorandum of understanding. Specifies required terms for inter-agency agreements. Provides enterprise zone incentives for qualified renewable energy technology business activity within the enterprise zone. (SB1295 HD1)

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