

JAN 19 2007

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. The purpose of this Act is to authorize the
2 natural energy laboratory of Hawaii authority to acquire, hold,
3 and sell qualified securities.

4 SECTION 2. Section 227D-1, Hawaii Revised Statutes, is
5 amended by adding a new definition to be appropriately inserted
6 and to read as follows:

7 "Qualified security" means any note, stock, treasury stock
8 bond, evidence of indebtedness, certificate of interest or
9 participation in any profit-sharing agreement including but not
10 limited to limited liability company agreement, preorganization
11 certificate of subscription, transferable share, investment
12 contract, certificate of deposit for a security, certificate of
13 interest or participation in a patent or patent application, or
14 in royalty, or other investment commonly known as a "security",
15 or any certificate for, receipt for, or option, warrant, or
16 right to subscribe to or purchase any of the foregoing."

17 SECTION 3. Section 227D-3, Hawaii Revised Statutes, is
18 amended to read as follows:



- 1 "**§227D-3 Powers of the authority.** The authority may:
- 2 (1) Sue and be sued;
- 3 (2) Have a seal and alter the same at its pleasure;
- 4 (3) Promote the use of the geothermal energy and natural
5 resources sites for the purposes provided by law;
- 6 (4) Through its executive director appoint officers,
7 agents, and employees without regard to chapter 76 and
8 to establish the salaries therefor;
- 9 (5) Adopt rules under chapter 91 necessary to effectuate
10 this chapter in connection with its operation,
11 facilities, parks, properties, and projects;
- 12 (6) Make, execute, enter into, amend, supplement, and
13 carry out contracts and all other instruments
14 necessary or convenient for the exercise of its powers
15 and functions under this chapter with any private
16 person, firm, partnership, association, company, or
17 corporation only as it may be necessary in the conduct
18 of its business and on such terms as it may deem
19 appropriate; provided that the authority shall not
20 obligate any funds of the State except as have been
21 appropriated to it. Notwithstanding the foregoing,
22 the authority may enter into and perform such



1 contracts, leases, cooperative agreements, or other
2 transactions with any agency or instrumentality of the
3 United States, a foreign nation, a state, a territory,
4 or a possession, or with any political subdivision
5 thereof;

6 (7) Accept, hold, or expend gifts or grants in any form
7 from any public agency or private source, or from any
8 other source;

9 (8) Impose and collect fees pertaining to the use of
10 properties and facilities of the authority;

11 (9) Formulate budgets to provide for the operation of the
12 facilities of the authority;

13 (10) Submit an annual report to the governor and the
14 legislature at least twenty days prior to the
15 convening of each regular session;

16 (11) Acquire, own, lease, hold, clear, improve, and
17 rehabilitate real, personal, or mixed property and
18 assign, exchange, transfer, convey, lease, sublease,
19 or encumber any project including by way of easements;

20 (12) Construct, reconstruct, rehabilitate, improve, alter,
21 or repair, or provide for the construction,
22 reconstruction, rehabilitation, improvement,



1 alteration, or repair of any project and designate a
2 qualified person as its agent for this purpose, and
3 own, hold, assign, transfer, convey, exchange, lease,
4 sublease, or encumber any project;

5 (13) Arrange or initiate appropriate action for the
6 planning, replanning, opening, grading, or closing of
7 streets, roads, roadways, alleys, easements, or other
8 places, the furnishings or improvements, the
9 acquisition of property or property rights, or the
10 furnishing of property or services in connection with
11 a research and technology park;

12 (14) Prepare or cause to be prepared plans, specifications,
13 designs, and estimates of cost for the construction,
14 reconstruction, rehabilitation, improvement,
15 alteration, or repair of any project or research and
16 technology park, and from time to time, modify these
17 plans, specifications, designs, or estimates;

18 (15) Engage the services of consultants on a contractual
19 basis for rendering professional and technical
20 assistance and advice;



- 1 (16) Procure insurance against any loss in connection with
2 its properties and other assets and operations in
3 amounts and from insurers as it deems desirable;
- 4 (17) Issue bonds pursuant to this chapter in principal
5 amounts as may be authorized from time to time by law
6 to finance the cost of a project, including the repair
7 or addition to its parks and facilities as authorized
8 by law and to provide for the security thereof as
9 permitted by this chapter;
- 10 (18) Lend or otherwise apply the proceeds of the bonds
11 issued for a project or a research and technology park
12 either directly or through a trustee or a qualified
13 person for use and application in the acquisition,
14 construction, installation, or modification of a
15 project or research and technology park, or agree with
16 the qualified person whereby any of these activities
17 shall be undertaken or supervised by that qualified
18 person or by a person designated by the qualified
19 person;
- 20 (19) With or without terminating a project agreement,
21 exercise any and all rights provided by law for entry
22 and re-entry upon or to take possession of a project



1 at any time or from time to time upon breach or
2 default by a qualified person under a project
3 agreement;

4 (20) Create an environment that supports appropriate
5 natural resource utilization and results in economic
6 development, including: supporting research projects
7 and facilitating the transition from research and
8 development to pilot scale and then to full commercial
9 operation of companies utilizing the natural resources
10 available at the research and technology parks;
11 developing educational and conservation programs;
12 supporting commercialization of the natural resources
13 available at the research and technology parks[7] if
14 the commercialization is compatible with the research,
15 development, and other retail, commercial, and tourism
16 activities of the research and technology parks;
17 identifying issues and impediments to the development
18 of natural resource utilization; and providing policy
19 analysis and information important to the development
20 of natural resource utilization in Hawaii;



1 (21) Develop programs that support projects and companies
2 ~~[which]~~ that locate at the research and technology
3 parks;

4 (22) Acquire, hold, and sell qualified securities;

5 ~~[(22)]~~ (23) Attract appropriate new uses of the natural
6 resources in Hawaii, including retail, commercial, and
7 tourism activities; and

8 ~~[(23)]~~ (24) Do any or all other acts reasonably necessary to
9 carry out the purposes of the authority."

10 SECTION 4. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY *Maunaloa R. Aoyama*
S.S.T.L.

Carol Julia Wong
Bill Murray
Niko Hubbard
Yvonne J.



Report Title:

Natural Energy Laboratory of Hawaii Authority

Description:

Authorizes natural energy laboratory of Hawaii authority to acquire, hold, and sell qualified securities.

