
A BILL FOR AN ACT

RELATING TO HIGH TECHNOLOGY.

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

1 SECTION 1. The legislature finds that dual use technology
2 companies in Hawaii are vital to a diversified economy in
3 Hawaii. Dual use refers to technologies that can be used for
4 both peaceful and military aims. Dual use small businesses in
5 Hawaii seek to advance innovative concepts and new approaches to
6 technology while fully leveraging existing facilities and
7 military funding. Poised at the earliest stages of product
8 development, small business dual use companies need public
9 financial support to move their concepts to the next level on
10 the road to commercial success. Supplemental funding from the
11 State would accelerate vital technology development and
12 commercialization, sustain company infrastructure development,
13 and foster additional employment opportunities for talented
14 scientists and engineers in Hawaii while reducing the risk of
15 failure or the need to move these promising companies to the
16 mainland.

17 The purpose of this Act is to provide State financial
18 support to dual use small business companies in Hawaii by



1 establishing a dual use technology supplemental grant fund to be
2 administered by the high technology development corporation.

3 SECTION 2. Chapter 206M, Hawaii Revised Statutes, is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§206M- Dual use technology supplemental grant fund;
7 established; rules; report. (a) There is established the dual
8 use technology supplemental grant fund within the high
9 technology development corporation. Moneys in the fund shall be
10 used to award grants to dual use technology companies doing
11 business in the State. The purposes of the grants are to:

12 (1) Provide accelerated economic development in the fields
13 of science and engineering of defense-related dual use
14 technology by providing supplemental funding to
15 successful research and development projects by dual
16 use technology companies;

17 (2) Provide capital to sustain high-growth new venture
18 company infrastructure development to assist the dual
19 use technology company toward commercial success;

20 (3) Promote high quality, high-income job opportunities
21 for Hawaii's residents and graduates of Hawaii's
22 educational institutions;



1 (4) Reverse the brain drain of Hawaii's students and
2 workers by allowing talented scientists and engineers
3 to remain or return to Hawaii; and

4 (5) Keep high technology companies in Hawaii by limiting
5 the need to seek out-of-state venture capital that
6 dilutes local ownership.

7 (b) The board of the high technology development
8 corporation shall adopt rules in accordance with chapter 91 to
9 implement procedures, including eligibility, application,
10 monitoring, and evaluation for the grant awards under subsection
11 (a).

12 (c) The corporation shall include in its annual reports to
13 the legislature pursuant to section 206M-3.5, a written report
14 on the deposits, expenditures, annual beginning and ending
15 balances, and any other data that the corporation believes are
16 relevant."

17 SECTION 3. There is appropriated out of the general
18 revenues of the State of Hawaii the sum of \$10,000,000 for
19 fiscal year 2007-2008, for deposit into the dual use technology
20 supplemental grant fund under section 206M- , Hawaii Revised
21 Statutes.



1 SECTION 4. There is appropriated out of the dual use
 2 technology supplemental grant fund the sum of \$10,000,000, or so
 3 much thereof as may be necessary for fiscal year 2007-2008, for
 4 the award of grants under section 206M- , Hawaii Revised
 5 Statutes.

6 The sum appropriated shall be expended by the high
 7 technology development corporation for the purposes of this Act.

8 SECTION 5. New statutory material is underscored.

9 SECTION 6. This Act shall take effect upon its approval,
 10 except that sections 3 and 4 shall take effect on July 1, 2007.

11

INTRODUCED BY: *John Wai*

JAN 24 2007



Report Title:

HTDC; Dual Use Technology Supplemental Grant Fund; Appropriation

Description:

Creates dual use technology supplemental grant fund under high technology development corporation. Appropriates \$10,000,000 into the fund. Appropriates \$10,000,000 from the fund for the award of grants by the high technology development corporation.

