### A BILL FOR AN ACT

RELATING TO SCIENCE AND TECHNOLOGY.

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

1	SECTION 1. In 1983, the legislature created the high		
2	technology development corporation as a means to facilitate		
3	growth in the high technology industry. Since then, various		
4	measures promoting the continuation of the high technology		
5	industry have been enacted.		
6	In 1990, the legislature established the Hawaii strategic		
7	development corporation to encourage development and		
8	diversification by stimulating the investment of private capital		
9	in the State. Act 221, Session Laws of Hawaii 2001, supported		
10	the establishment of high technology companies in Hawaii by		
11	expanding the application of the high technology business		
12	investment tax credit. Further, Act 215, Session Laws of Hawaii		
13	2004, complemented Act 221, by creating the state private		

14 investment fund, which fills the current funding gap for later-

stage Hawaii companies by creating a diversified investment fund

16 secured by the State.

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Positive growth in science and technology companies and continued growth in the State's economy indicate that efforts to 2008-1916 HB3360 SD1 SMA.doc

- 1 stimulate the science and technology industry by providing
- 2 venture capital have been worthwhile. Hawaii has experienced an
- 3 influx of science and technology companies over the past five
- 4 years, and many of these companies are beginning to enter the
- 5 profitability stage of their growth. A rising demand for
- 6 increased incentives and further support from the State mandates
- 7 the establishment of concrete plans and a unified vision for the
- 8 future of Hawaii's science and technology sector.
- 9 In addition, the legislature finds that the University of
- 10 Hawaii will be competing for \$15,000,000 over five years under
- 11 the National Science Foundation's Experimental Program to
- 12 Stimulate Competitive Research (EPSCoR). EPSCoR is a program
- 13 designed to fulfill the NSF's mandate to promote scientific
- 14 progress nationwide. An essential part of EPSCoR's goal of
- 15 enhancing the competitive position of a jurisdiction's research
- 16 and research-based education in science and engineering is a
- 17 well-designed statewide science and technology initiative or
- 18 plan. This science and technology initiative or plan
- 19 establishes statewide goals and objectives, and provides a
- 20 framework that guides the jurisdiction's utilization of
- 21 resources from EPSCoR and other stakeholders to achieve them.

# H.B. NO. H.D. 1

- The legislature finds that a task force focusing on
  defining the direction of Hawaii's science and technology
- 3 industry is the necessary next step in the process of continued
- 4 growth. The purpose of this Act is to establish a science and
- 5 technology task force for the State. The primary responsibility
- 6 of the task force will be to develop a state master plan for
- 7 science and technology.
- 8 SECTION 2. (a) The science and technology task force is
- 9 established within the University of Hawaii, which shall provide
- 10 necessary administrative and staff support for the task force.
- 11 (b) The governor shall encourage members of the community
- 12 to nominate persons for the task force. All members shall serve
- 13 at the pleasure of the governor, who shall select the
- 14 chairperson from among the members. The task force shall
- 15 consist of eighteen members to be appointed by the governor and
- 16 shall include:
- 17 (1) Eight members to be nominated by the president of the
- 18 senate;
- 19 (2) Eight members to be nominated by the speaker of the
- 20 house of representatives;
- 21 (3) The president of the University of Hawaii or designee;
- 22 and



- 1 (4) The chairperson of the board of education or designee;
- 2 provided that the members nominated by the president of the
- 3 senate and the speaker of the house of representatives shall
- 4 include senior-level private sector leaders representing
- 5 Hawaii's traditional primary industries, such as visitor,
- 6 construction, defense, and property development; emerging
- 7 innovation sectors, such as biotechnology and healthcare,
- 8 dual-use, ocean and earth sciences, astronomy and optics,
- 9 agriculture, and film and creative media; professional services
- 10 sectors, such as finance, venture capital, accounting, and
- 11 marketing; and cultural and natural resources constituencies
- 12 representing the diversity of ethnic heritages and cultural
- 13 understandings within Hawaii.
- 14 (c) Members of the task force shall serve without pay, but
- 15 may be reimbursed for necessary expenses, including travel
- 16 expenses incurred in the performance of official duties if funds
- 17 are available.
- (d) The task force shall meet at least quarterly or more
- 19 frequently at the discretion of the chairperson.
- (e) The primary tasks of the task force shall include:

# H.B. NO. H.D. 1

1	(1)	Evaluating the effectiveness of past and current	
2		technology related legislation, including Act 215,	
3		Session Laws of Hawaii 2004;	
4	(2)	Developing a master plan for the direction of science	
5		and technology in Hawaii, which shall include:	
6		(A) A list of goals established for the science and	
7		technology sector in the State;	
8		(B) A plan to reach the established goals; and	
9		(C) A timeline for implementation and completion;	
10	(3)	Assisting the legislature in maintaining an overall	
11		framework to guide the development of science and	
12		technology in the State by creating guidelines for	
13		future science and technology legislation; and	
14	(4)	Submitting recommendations for science and technology	
15		legislation to meet the goals established in the	
16		science and technology master plan.	
17	(f)	The task force shall submit a preliminary master plan	
18	and a rep	ort, including necessary proposed legislation, to the	
19	legislatu	re and the governor no later than twenty days prior to	
20	the convening of the regular session of 2009, and shall issue a		
21	updated r	eport every two years thereafter that reassesses the	
22	master plan.		

- 1 SECTION 3. There is appropriated out of the general
- 2 revenues of the State of Hawaii the sum of \$ or so
- 3 much thereof as may be necessary for fiscal year 2008-2009 for
- 4 the task force to carry out the purposes of this Act.
- 5 The sum shall be expended by the University of Hawaii for
- 6 the purposes of this Act.
- 7 SECTION 4. This Act shall take effect on July 1, 2008.

#### Report Title:

State Master Plan for Science and Technology; Task Force; University of Hawaii

### Description:

Creates a science and technology task force, attached to the University of Hawaii, to develop a state master plan for science and technology prior to the convening of the 2009 regular session and updated every two years thereafter. (SD1)