S.B. NO. 2764

JAN 2 3 2014

### A BILL FOR AN ACT

RELATING TO STATE ENTERPRISE ZONES.

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

SECTION 1. The legislature finds that sustainable business 1 corporations engaged in the development or production of 2 renewable energy will stimulate business, agricultural, and 3 industrial growth in areas that will result in neighborhood 4 revitalization. The addition of other forms of renewable 5 resources to the state enterprise zone program is consistent 6 with the current approved business activities, which presently 7 include wind energy production. State enterprise zone tax 8 9 incentives and regulatory flexibility will help attract 10 renewable energy businesses and further the State's renewable 11 energy goals.

12 The purpose of this Act is to expand eligible business 13 activity in the state enterprise zones to include the 14 development or production of various types of renewable energy 15 by sustainable business corporations.

16 SECTION 2. Section 209E-2, Hawaii Revised Statutes, is
17 amended by amending the definition of "eligible business
18 activity" to read as follows:



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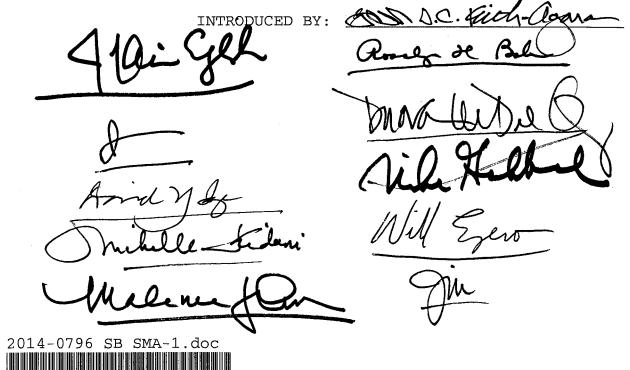
1	""El.	""Eligible business activity" means the:	
2	(1)	Manufacture of tangible personal property, the	
3		wholesale sale of tangible personal property as	
4		described in section 237-4, or a service business as	
5		defined in this section;	
6	(2)	Production of agricultural products where the business	
7		is a producer as defined in section 237-5, or the	
8		processing of agricultural products, all or some of	
9		which were grown within an enterprise zone;	
10	(3)	Research, development, sale, or production of all	
11		types of genetically-engineered medical, agricultural,	
12		or maritime biotechnology products; [ <del>or</del> ]	
13	(4)	Production of electric power from wind energy for sale	
14		primarily to a public utility company for resale to	
15		the public[-]; or	
16	(5)	Development, production, or energy storage by a	
17		sustainable business corporation, as defined in	
18		section 420D-2, of fuels, thermal energy, or	
19		electrical energy from renewable resources, including:	
20		(A) Wind;	
21		(B) The sun;	
22	·	(C) Falling water;	

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1	<u>(D)</u>	Biogas, including landfill and sewage-based		
2		digester gas;		
3	<u>(E)</u>	Geothermal;		
4	<u>(F)</u>	Ocean water, currents, and waves, including ocean		
5		thermal energy conversion;		
6	<u>(G)</u>	Biomass, including biomass crops, agriculture and		
7		animal residues and wastes, and solid waste;		
8	<u>(H)</u>	Biofuels; and		
9	<u>(I)</u>	Hydrogen produced from renewable energy sources."		
10	SECTION 3	. Statutory material to be repealed is bracketed		
11	and stricken. New statutory material is underscored.			
12	SECTION 4	. This Act shall take effect upon its approval.		
13				



## S.B. NO. 2764

#### Report Title:

State Enterprise Zones; Renewable Energy; Sustainable Business Corporations

### Description:

Expands eligible business activity in the state enterprise zones to include the development of various types of renewable energy by sustainable business corporations, as defined in section 420D-2, Hawaii Revised Statutes.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

