**ACT 341** 

S.B. NO. 2

A Bill for an Act Relating to Enterprise Zones.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to allow the county of Kauai to make an application for the designation of the areas damaged by Hurricane Iniki as an enterprise zone pursuant to Chapter 209E, Hawaii Revised Statutes.

SECTION 2. Section 209E-4, Hawaii Revised Statutes, is amended to read as follows:

"§209E-4 Enterprise zone designation. (a) The governing body of any county may make written application to the department to have an area declared to be an enterprise zone. The application shall include a description of the location of the area or areas in question, and a general statement identifying proposed local incentives to complement the state and any federal incentives.

(b) The governor shall approve, upon the recommendation of the director, the designation of up to six areas in each county as enterprise zones for a period of twenty years. Any such area shall be located in one United States census tract or two or more contiguous United States census tracts in accordance with the 1980 United States Census. Any area designated as an enterprise zone after 1990 United States census data becomes available shall be located in one United States census tract or two or more contiguous United States census tracts in accordance with the 1990 United States Census. The census tract or tracts within which each enterprise zone is located also shall meet at least one of the following criteria:

(1) Twenty-five per cent or more of the population [shall] have incomes below eighty per cent of the median family income of the county[,]; or

(2) [An] The unemployment rate is 1.5 times the state average.

(c) Notwithstanding subsection (b), all census tracts within the county of Kauai shall be eligible for designation as an enterprise zone. Such designation, if made, shall remain in effect until January 1, 1996 unless the Governor earlier determines that the designation is no longer necessary."

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 30, 1993.)