THE SENATE THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII

S.B. NO. 1489

JAN 25 2023

### 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. Section 227D-2, Hawaii Revised Statutes, is 2 amended by amending subsections (a) and (b) to read as follows: 3 "(a) There is established the natural energy laboratory of 4 Hawaii authority, which shall be a body corporate and politic 5 and an instrumentality and agency of the State. The authority 6 shall be placed within the department of business, economic 7 development, and tourism for administrative purposes, pursuant 8 to section 26-35. The purpose of the natural energy laboratory 9 of Hawaii authority shall be to facilitate research  $[\tau]$ ; 10 development  $[\tau]$ ; and environmentally responsible and culturally 11 sensitive and appropriate commercialization of natural energy 12 resources and ocean-related research, technology, and industry 13 in Hawaii and to engage in environmentally responsible and 14 culturally sensitive and appropriate retail, commercial, or 15 tourism activities that will financially support that research, 16 development, and commercialization at a research and technology 17 park in Hawaii. Its duties shall include:

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1	(1)	Establishing, managing, and operating facilities <u>, in</u>
2		compliance with all county, state, and federal laws,
3		rules, regulations, and licensing and permitting
4		requirements, that provide sites for:
5		(A) Research and development;
6		(B) Commercial projects and businesses utilizing
7		natural resources, such as ocean water or
8		geothermal energy;
9		(C) Compatible businesses engaged in scientific and
10		technological investigations, or retail,
11		commercial, and tourism activities; and
12		(D) Businesses or educational facilities that support
13		the primary projects and activities;
14	(2)	Providing support, utilities, and other services to
15		facility tenants and government agencies;
16	(3)	Maintaining the physical structure of the facilities;
17	(4)	Promoting and marketing these facilities;
18	(5)	Promoting and marketing the reasonable utilization of
19		available natural resources[+] in a culturally
20	,	appropriate and environmentally sensitive manner that



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1		is consistent with the State's commitment to malama
2		Hawaii;
3	(6)	Supporting ocean research and technology development
4		projects that support national and state interests,
5		use facilities and infrastructure in Hawaii, and
6		foster potential commercial development; [and]
7	(7)	Engaging in retail, commercial, and tourism activities
8		that are not related to facilitating research,
9		development, and commercialization of natural energy
10		resources in Hawaii; provided that all income derived
11		from these activities shall be deposited in the
12	,	natural energy laboratory of Hawaii authority special
13		fund[+] <u>;</u>
14	(8)	Give back to the community by engaging and supporting
15		community outreach and education as it relates to
16		activities within the park to promote and cultivate a
17		more diverse Hawaii-grown workforce in science,
18		technology, engineering, and math industries through
19		free programs for local educators, students,
20		educational institutions within Hawaii, and state and
21		county-sponsored community groups; and



1	(9)	Provide a space and opportunities for culturally
2		appropriate gatherings, education, and community
3		engagement to preserve the history of Keahole Point
4		and the ahupuaa of Ooma and Kalaoa.
5	(b)	The governing body of the authority shall consist of a
6	board of d	lirectors having [ <del>twelve</del> ] <u>thirteen</u> voting members.
7	Three memb	pers from the general public shall be appointed by the
8	governor i	for staggered terms pursuant to section 26-34, except
9	that one o	of these members shall be a resident of the county of
10	Hawaii[ <del>.</del> ]	and at least one member shall be a cultural
11	practition	ner representing the ahupuaa of Ooma or Kalaoa. The
12	members sh	hall be selected on the basis of their knowledge,
13	interest,	and proven expertise in, but not limited to, one or
14	more of th	ne following fields: finance, commerce and trade,
15	corporate	management, marketing, economics, engineering, energy
16	management	, real estate development, property management,
17	aquacultu	re, [ <del>and</del> ] ocean science[+] <u>, native Hawaiian cultural</u>
18	practices	and traditions, conservation, and animal welfare. The
19	chairperso	on and secretary of the research advisory committee
20	shall serv	ve on the board. The director of business, economic
21	developmen	nt, and tourism, the chairperson of the board of land

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1 and natural resources, the president of the University of 2 Hawaii, the mayor of the county of Hawaii, a member of the 3 university of Hawaii's institutional animal care and use 4 committee, and an appointed member from the board of the Hawaii 5 technology development corporation, or their designated 6 representatives, shall serve as ex officio, voting members of 7 the board. The tenants of the authority shall elect two members 8 to the board from among the tenants of the authority, of which 9 one member shall serve a two-year term, and one member shall 10 serve a four-year term. In electing the tenant members, each 11 tenant shall be entitled to cast one vote for each member 12 position. The tenant members shall be recused from voting on 13 setting lease rents, water rates, or utility rates, but may 14 participate in discussions. The director of business, economic 15 development, and tourism shall serve as the chairperson until 16 such time as a chairperson is elected by the board from the 17 membership. The board shall elect other officers as it deems 18 necessary."

19 SECTION 2. Statutory material to be repealed is bracketed20 and stricken. New statutory material is underscored.

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SECTION 3. This Act shall take effect upon its approval;
provided that the existing members of the natural energy
laboratory of Hawaii authority shall continue to serve until the
expiration of their respective terms.

INTRODUCED BY:



Report Title:

NELHA; Duties; Board of Directors; Membership

#### Description:

Amends the statutory duties of the Natural Energy Laboratory of Hawaii Authority. Requires the Authority to conduct certain activities in a culturally sensitive and environmentally appropriate manner and to engage in community outreach and education. Amends the membership of the Natural Energy Laboratory of Hawaii Authority board of directors by requiring 1 board member to represent the University of Hawaii Institutional Animal Care and Use Committee and 1 member to be a cultural practitioner from the ahupuaa of Ooma or Kalaoa.

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

