

JAN 20 2023

A BILL FOR AN ACT

RELATING TO ENERGY.

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

1 SECTION 1. The legislature finds that Act 159, Session
2 Laws of Hawaii 2015 (Act 159), authorized the high technology
3 development corporation to provide fifty per cent matching
4 grants of up to \$500,000 to Hawaii businesses that were awarded
5 alternative energy research grants by the Department of Defense
6 Office of Naval Research between 2015 and 2017. The Hawaii
7 office of naval research grant program was established to
8 implement Act 159.

9 In the program's final year, the legislature passed Act 69,
10 Session Laws of Hawaii 2017 (Act 69), which, in part, changed
11 the name of the high technology development corporation to the
12 Hawaii technology development corporation. In its 2017 annual
13 report, the Hawaii technology development corporation noted that
14 it had awarded a total of \$950,000 to three local companies,
15 which were then matched with a total of \$10,200,000 in federal
16 funds. The legislature finds that re-establishing this program
17 would align with the State's goal to achieve one hundred per



1 cent clean energy by the year 2045, while encouraging economic
2 growth and diversification.

3 Accordingly, the purpose of this Act is to re-establish the
4 two-year Hawaii office of naval research grant program.

5 SECTION 2. (a) There is established within the department
6 of business, economic development, and tourism, a two-year
7 Hawaii office of naval research grant program to provide grants
8 to qualified businesses conducting research and development in
9 alternative energy. The purpose of the program shall be to
10 promote the research and development of alternative energy in
11 Hawaii by authorizing the Hawaii technology development
12 corporation to provide matching grants to businesses that meet
13 criteria established in subsection (b).

14 (b) Subject to the availability of funds, the Hawaii
15 technology development corporation may provide a grant to any
16 business that:

17 (1) Has been awarded a competitive contract from the
18 Department of Defense Office of Naval Research that is
19 related to research on alternative energy and energy
20 efficiency technologies in the fields of geothermal,
21 solar, wind, ocean power, hydrodynamics, bioenergy,



- 1 biomass, solid waste, smart grids, transportation, or
2 demand response;
- 3 (2) Is sixty per cent or more resident-owned; provided
4 that for purposes of this paragraph, "resident" shall
5 have the same meaning as defined in section 235-1,
6 Hawaii Revised Statutes;
- 7 (3) Is a for-profit entity organized under the laws of the
8 State;
- 9 (4) Has been doing business in the State for not less than
10 one year;
- 11 (5) Agrees to expend all grant funds awarded pursuant to
12 this Act in the State; and
- 13 (6) Conducts research in alternative energy that has a
14 high technology readiness level or high potential for
15 implementation as evidenced by a contract, funded by
16 moneys designated by the United States Congress as
17 funding for alternative energy and a national defense
18 budget funding directive, with the Department of
19 Defense Office of Naval Research that is existing and
20 active or was granted within three years prior to the
21 effective date of this Act;



1 provided that the amount of any grant awarded pursuant to this
2 Act shall not exceed fifty per cent of the amount of the grant
3 awarded to the business by the Department of Defense Office of
4 Naval Research; provided further that the business shall not be
5 eligible for a grant pursuant to this section if the business
6 has obtained any other state grant for the same research, other
7 than the grant awarded to the business by the Department of
8 Defense Office of Naval Research, at the time of or during the
9 duration of the grant from the Hawaii office of naval research
10 grant program.

11 (c) The Hawaii office of naval research grant program
12 shall cease to exist on June 30, 2025.

13 (d) The department of business, economic development, and
14 tourism shall adopt rules, pursuant to chapter 91, Hawaii
15 Revised Statutes, necessary for the purposes of implementing the
16 Hawaii office of naval research grant program.

17 SECTION 3. There is established the alternative energy
18 research and development revolving fund for the purpose of
19 promoting alternative energy research and development in Hawaii.



1 The alternative energy research and development revolving
2 fund shall be abolished on June 30, 2025, and all unencumbered
3 balances shall lapse to the credit of the general fund.

4 SECTION 4. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$ or so
6 much thereof as may be necessary for fiscal year 2023-2024 and
7 the same sum or so much thereof as may be necessary for fiscal
8 year 2024-2025 to be deposited into the alternative energy
9 research and development revolving fund.

10 SECTION 5. There is appropriated out of the alternative
11 energy research and development revolving fund the sum of
12 \$ or so much thereof as may be necessary for fiscal
13 year 2023-2024 and the same sum or so much thereof as may be
14 necessary for fiscal year 2024-2025 for the purpose of the
15 Hawaii office of naval research grant program; provided that the
16 moneys appropriated by this Act shall not lapse at the end of
17 the 2024-2025 fiscal year; provided further that any moneys that
18 remain unencumbered on June 30, 2025, shall lapse on that date.

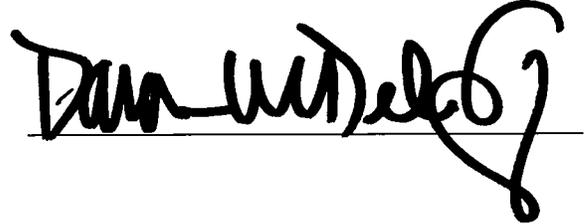
19 The sums appropriated shall be expended by the Hawaii
20 technology development corporation for the purposes of this Act.



1 SECTION 6. This Act shall take effect on July 1, 2023.

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INTRODUCED BY:

A handwritten signature in black ink, appearing to read "Dan Medina", is written over a horizontal line. The signature is stylized and cursive.



S.B. NO. 819

Report Title:

Hawaii Technology Development Corporation; Alternative Energy Research; Matching Grants; Office of Naval Research; Appropriations

Description:

Authorizes the Hawaii Technology Development Corporation to temporarily re-establish the Hawaii Office of Naval Research Grant Program to provide fifty per cent matching grants to Hawaii awardees of alternative energy research grants from the Department of Defense Office of Naval Research. Establishes the Alternative Energy Research and Development Revolving Fund. Appropriates moneys into and out of the revolving fund.

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

