# A BILL FOR AN ACT

RELATING TO GOVERNMENT.

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

1		PART I
2	SECT	ION 1. The purpose of this Act is to:
3	(1)	Promote economic development for local food and energy
4		businesses by establishing necessary funding,
5		guidance, and infrastructure;
6	(2)	Ensure Hawaii is energy and food self-sufficient and
7		sustainable to the maximum extent feasible; and
8	(3)	Plan for and implement measures to help Hawaii's
9		natural resources and humankind adapt and be resilient
10		to the inevitable challenges brought on by climate
11		change caused by carbon dioxide and other greenhouse
12		gas emissions from burning fossil fuels.
13	Hawa	aii is at a crossroads. As the most geographically
14	isolated	state in the country, we are dangerously dependent on
15	imports f	for basic food and energy needs. We import about
16	eighty-fi	eve per cent of our food and ninety-five per cent of our
17	energy.	It has been estimated that Hawaii exported
18	\$8,600,00	00,000 for food and oil in 2008, and every dollar
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- 1 exported is a lost opportunity to support and invest in local
- 2 business. Our dependence on imports also exposes residents and
- 3 businesses to volatile food and energy costs as oil prices
- 4 fluctuate.
- 5 In addition, the mass consumption of fossil fuels, driven
- 6 by our dependence on food and energy imports, contributes to
- 7 climate change and the deterioration of the environment, and
- 8 anticipated conditions such as more severe storm events, overall
- 9 less rainfall, warmer temperatures that may favor invasive
- 10 species, sea level rise, and ocean acidification that hampers
- 11 coral growth. These climate changes will likely impose major
- 12 but not fully understood costs and other impacts on Hawaii's
- 13 people and the natural capital we depend upon to support our
- 14 lives in the middle of the Pacific. Nowhere is it more obvious
- 15 than in remote islands like Hawaii that our lives and economy
- 16 are intertwined with the health and function of the natural
- 17 world around us.
- 18 Although Hawaii is home to renewable energy resources like
- 19 solar, wind, ocean, and geothermal, we as a community have not
- 20 taken advantage of alternative energy and energy efficiency
- 21 solutions to make our State more energy independent. As an

- 1 example, despite year-round sunshine, only thirty per cent of
- 2 Hawaii's residents have solar water heaters.
- 3 Similarly, many acres of highly productive agricultural
- 4 lands are not being farmed. Currently, Hawaii has a fresh
- 5 supply of produce for no more than ten days. Ninety per cent of
- 6 the beef, sixty-seven per cent of fresh vegetables, sixty-five
- 7 per cent of fresh fruits, and seventy per cent of milk consumed
- 8 in this state are imported. While Hawaii may never produce one
- 9 hundred per cent of its food, the risks and costs to society by
- 10 this dependence on imported food cannot be ignored.
- 11 Like energy, producing local food would reduce Hawaii's
- 12 demand for fossil fuels, keep money in our community, and
- 13 decrease the vulnerability to food supply disruptions caused by
- 14 natural disasters or worldwide economic events.
- Now is the time for bold action to squarely address
- 16 Hawaii's energy and food requirements and plan for and address
- 17 the inevitable effects of climate change. It will require
- 18 long-term commitment, dedication, and investment by government,
- 19 the private sector, and Hawaii's people to dramatically shift
- 20 our present course of importing food and energy toward a more
- 21 energy independent and agriculturally sustainable society. As a
- 22 State and as a people, we must decide whether we will continue



- 1 to be dependent on external sources for our basic needs, or
- 2 whether we will build, invest in, and develop the capacity to
- 3 become food and energy independent.
- 4 The legislature finds that it is in the best interests of
- 5 Hawaii's people to build the capacity we need to become energy
- 6 and food self-sufficient, and protect the health and function of
- 7 our environment. As discussed in the Hawaii 2050 Sustainability
- 8 Plan and Hawaii Clean Energy Initiative, Hawaii has all the
- 9 necessary assets to significantly improve sustainability and
- 10 independence over the next twenty years if appropriate personnel
- 11 resources and sustainable funding are used wisely. To succeed,
- 12 the State must ensure that our long-term strategy is well-
- 13 resourced, coordinated, and focused.
- 14 This Act creates a Hawaii economic development task force
- 15 to accelerate and support public and private efforts to make
- 16 Hawaii energy and food self-sufficient, consistent with the
- 17 Hawaii 2050 Sustainability Plan, the Hawaii Clean Energy
- 18 Initiative, and other government and community planning efforts.
- 19 The Hawaii economic development task force shall recommend
- 20 priorities for government agencies within the executive branch
- 21 and the legislature in determining how funds may be allocated,
- 22 reviewing an existing or developing an overall road map to



- 1 implement and achieve the purpose of this Act, and identifying
- 2 the economic development, workforce, and consumer education
- 3 issues relating to the production of food and energy.
- 4 The legislature intends that the Hawaii economic
- 5 development task force take an interdisciplinary approach to
- 6 seek the most efficient and effective pathways for interagency
- 7 coordination. The Hawaii economic development task force shall
- 8 work collaboratively with all levels of government and the
- 9 private and nonprofit sectors to address water, land,
- 10 regulatory, and natural resource issues intertwined with food
- 11 and fuel production. Such an approach ensures that energy and
- 12 food policy development is integrated within the overall
- 13 economic, social, environmental, and cultural aspects of
- 14 society. With an understanding of these overlapping goals and
- 15 resources, our State can maximize the opportunities to ensure
- 16 food and energy security for generations to come.
- 17 The Act also establishes a clean energy initiative to
- 18 manage the State's transition to a clean energy economy, an
- 19 agricultural development and food security special fund to fund
- 20 activities intended to increase agricultural production or
- 21 processing that may lead to reduced importation of food, fodder,
- 22 or feed from outside the state, and establishes a renewable

- 1 energy branch in the department of business, economic
- 2 development, and tourism, to coordinate and promote renewable
- 3 energy initiatives.
- 4 The legislature finds that undertaking this important task
- 5 of energy and food security requires substantial financial
- 6 resources. An investment and long-term commitment by the State
- 7 must be made. To that end, this Act also increases the per-
- 8 barrel tax on petroleum products under the environmental
- 9 response, energy, and food security tax, formerly known as the
- 10 environmental response tax, and appropriates funds from that tax
- 11 for the energy and food security initiatives established by this
- 12 Act.
- 13 PART II
- 14 ENVIRONMENTAL RESPONSE, ENERGY, AND FOOD SECURITY TAX
- 15 SECTION 2. Section 128D-2, Hawaii Revised Statutes, is
- 16 amended to read as follows:
- 17 "§128D-2 Environmental response revolving fund; uses. (a)
- 18 There is created within the state treasury an environmental
- 19 response revolving fund, which shall consist of moneys
- 20 appropriated to the fund by the legislature, moneys paid to the
- 21 fund as a result of departmental compliance proceedings, moneys
- 22 paid to the fund pursuant to court-ordered awards or judgments,

moneys paid to the fund in court-approved or out-of-court 1 settlements, all interest attributable to investment of money 2 deposited in the fund, moneys [generated by] deposited in the 3 fund from the environmental response, energy, and food security 4 tax [established in] pursuant to section 243-3.5, and moneys 5 allotted to the fund from other sources[; provided that when the 6 total balance of the fund exceeds \$20,000,000, the department of 7 health shall notify the department of taxation of this fact in 8 writing within ten days. The department of taxation then shall 9 notify all distributors liable for collecting the tax imposed by 10 section 243 3.5 of this fact in writing, and the imposition of 11 the tax shall be discontinued beginning the first day of the 12 second month following the month in which notice is given to the 13 department of taxation. If the total balance of the fund 14 thereafter declines to less than \$3,000,000, the department of 15 health shall notify the department of taxation which then shall 16 notify all distributors liable for collecting the tax imposed by 17 section 243-3.5 of this fact in writing, and the imposition of 18 the tax shall be reinstated beginning the first day of the 19 second month following the month in which notice is given to the 20 department of taxation]. 21

1	(b) Moneys from the fund shall be expended by the
2	department for response actions and preparedness, including
3	removal and remedial actions, consistent with this chapter;
4	provided that the revenues generated by the ["environmental
5	response tax" and environmental response, energy, and food
6	security tax deposited into the environmental response revolving
7	fund:
8	(1) Shall [ <del>also</del> ] be used:
9	(A) For oil spill planning, prevention, preparedness,
10	education, research, training, removal, and
11	remediation; and
12	(B) For direct support for county used oil recycling
13	programs;
14	and
15	[ <del>(C)</del> For deposit into the energy security special
16	fund, established under section 201 12.8, as may
17	be appropriated by the legislature; and]
18	(2) May also be used to support environmental protection
19	and natural resource protection programs, including
20	[but not limited to] energy conservation and
21	alternative energy development, and to address
22	concerns related to air quality, global warming, clean

1	water, polluted runoff, solid and hazardous waste,
2	drinking water, and underground storage tanks,
3	including support for the underground storage tank
4	program of the department and funding for the
5	acquisition by the State of a soil remediation site
6	and facility."
7	SECTION 3. Section 201-12.8, Hawaii Revised Statutes, is
8	amended to read as follows:
9	"[+] §201-12.8[+] Energy security special fund; uses. (a)
10	There is created within the state treasury an energy security
11	special fund, which shall consist of:
12	(1) The portion of the environmental response, energy, and
13	food security tax specified under section 243-3.5;
14	$\left[\frac{1}{1}\right]$ (2) Moneys appropriated to the fund by the
15	legislature;
16	$\left[\frac{(2)}{(3)}\right]$ All interest attributable to investment of money
17	deposited in the fund; and
18	$\left[\frac{(3)}{(4)}\right]$ Moneys allotted to the fund from other sources.
19	(b) [Moneys] Subject to legislative appropriation, moneys
20	from the fund $[\frac{\text{shall}}{\text{shall}}]$ may be expended by the department of
21	business, economic development, and tourism for the following

1	purposes	and [ <del>shall be</del> ] used for no other purposes except for
2	those set	forth in this section:
3	(1)	To support [its] the Hawaii clean energy initiative
4		program, including its energy division and projects
5		that ensure dependable, efficient, and economical
6		energy, promote energy self-sufficiency, and provide
7		greater energy security for the State; [and]
8	(2)	To fund the renewable energy facilitator pursuant to
9		section 201-12.5 and any other positions necessary for
10		the purposes of paragraph (1) as determined by the
11		legislature[-]; and
12	(3)	To fund, to the extent possible, the greenhouse gas
13		emissions reduction task force, climate change task
14		force, grants-in-aid to the economic development
15		boards of each county, and grants-in-aid to economic
16		development agencies of each county to meet the stated
17		objectives of the Hawaii clean energy initiative
18		program.
19	(c)	The department of business, economic development, and
20	tourism s	hall submit a report to the legislature no later than
21	twenty da	ys prior to the convening of each regular session, on
22	the statu	s and progress of existing programs and activities, and

1	the status of new programs and activities funded by the energy
2	security special fund. The report shall also include the
3	spending plan of the energy security special fund, all
4	expenditures of energy security special fund moneys, the
5	targeted markets including why those markets were selected and
6	who will be served and why, the specific objectives of the
7	expenditures, and measurable outcomes."
8	SECTION 4. Section 243-3.5, Hawaii Revised Statutes, is
9	amended as follows:
10	1. By amending its title and subsection (a) to read:
11	"§243-3.5 Environmental response, energy, and food
12	security tax; uses. (a) In addition to any other taxes
13	provided by law, subject to the exemptions set forth in section
14	243-7, there is hereby imposed [at times provided in section
15	128D-2] a state environmental response, energy, and food
16	security tax of [5 cents] \$1.05 (one dollar and five cents) on
17	each barrel or fractional part of a barrel of petroleum product
18	sold by a distributor to any retail dealer or end user, other
19	than a refiner, of petroleum product; provided that:
20	(1) 5 cents of the tax on each barrel shall be [used]
21	pursuant to section 128D-2 to address concerns

relating to drinking water.] deposited into the

22

1		environmental response revolving fund established
2		under section 128D-2;
3	(2)	55 cents of the tax on each barrel shall be deposited
4		into the energy security special fund established
5		under section 201-12.8;
6	(3)	10 cents of the tax on each barrel shall be deposited
7		into the energy systems development special fund
8		established under section 304A-2169; and
9	(4)	35 cents of the tax on each barrel shall be deposited
10		into the agricultural development and food security
11		special fund established under section 141
12	The tax i	mposed by this subsection shall be paid by the
13	distribut	or of the petroleum product."
14	2.	By amending subsection (c) to read:
15	"(C)	Notwithstanding section 248-8 to the contrary, the
16	environme	ental response, energy, and food security tax collected
17	under thi	s section shall be paid over to the director of finance
18	for depos	sit [into the environmental response revolving fund
19	establish	ned by section 128D 2.] as provided in subsection (a)."
20	SECT	CION 5. Section 304A-2169, Hawaii Revised Statutes, is
21	amended b	by amending subsection (b) to read as follows:
22	" (b)	The special fund shall be funded by:

1	(1)	Appropriations from the legislature; [and]
2	(2)	The portion of the environmental response, energy, and
3		food security tax specified under section 243-3.5; and
4	[ <del>(2)</del> ]	(3) Investment earnings, gifts, donations, or other
5		income received by the [+] Hawaii natural energy[+]
6		institute."
7		PART III
8		HAWAII ECONOMIC DEVELOPMENT TASK FORCE
9	SECT	ION 6. (a) There is established the Hawaii economic
10	developme	nt task force within the department of business,
11	economic	development, and tourism for administrative purposes.
12	The purpo	se of the Hawaii economic development task force shall
13	be to fac	ilitate the accelerated adoption and completion of
14	renewable	energy projects, energy efficiency programs,
15	agricultu	ral infrastructure and development, and other measures
16	to meet t	he purposes of this Act. The Hawaii economic
17	developme	ent task force shall develop and maintain a broad
18	overview	of energy and food security issues that apply an
19	interdisc	eiplinary approach to ensure that Hawaii's energy and
20	food poli	cy and program development is integrated within the
21	overall e	economic, social, environmental, and cultural aspects of
22	society.	The Hawaii economic development task force shall, with
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1	the assis	stance c	of the	department	of	business,	economic
2	developme	ent, and	l tour	ism:			

- 3 (1) Identify and review each state and county agency's
  4 policy objectives, mandates, organizational structure,
  5 and resources to address energy and food security
  6 issues;
- 7 (2) Identify all federal and private funds available to 8 the State and counties to address energy and food 9 security issues;
- 10 (3) Identify effective measures for interagency
  11 cooperation, coordinate efforts with the counties, and
  12 bolster public and private sector partnerships to
  13 achieve the objective of energy and food security;
- 14 (4) Identify existing programs and agreements addressing
  15 energy and food security that may be enhanced through
  16 legislation;
- 17 (5) Investigate alternative institutional mechanisms to

  18 promote the efficient execution and implementation of

  19 a multi-year strategy to achieve energy and food

  20 security;

1	(6)	Investigate the streamlining of administrative
2		processes to accelerate and achieve energy and food
3		security;
4	(7)	Provide an appropriate forum for all affected or
5		interested parties to address energy and food security
6		issues;
7	(8)	Recommend appropriate legislation resulting from its
8		findings to improve, accelerate, and achieve the
9		objective of energy and food security;
10	(9)	Review whether:
11		(A) The apportionment of the environmental response,
12		energy, and food security tax among the funds
13		listed under section 243-3.5, Hawaii Revised
14		Statutes, is appropriate;
15		(B) The apportionment should be changed; and
16		(C) Any additional special, trust, or revolving fund
17		should receive a share of the tax;
18		and
19	(10)	Perform any other function necessary to effectuate the
20		purposes of this part.
21	(b)	The Hawaii economic development task force shall
22		f the fellowing members.

1	(1)	The director of business, economic development, and
2		tourism or the director's designee, who shall chair
3		the Hawaii economic development task force;
4	(2)	The chairperson of the board of agriculture or the
5		chairperson's designee;
6	(3)	The director of the office of planning or the
7		director's designee;
8	(4)	The chairperson of the board of land and natural
9		resources or the chairperson's designee;
10	(5)	The dean of the University of Hawaii college of
11		tropical agriculture and human resources or the dean's
12		designee;
13	(6)	The speaker of the house of representatives or the
14		speaker's designee;
15	(7)	The president of the senate or the president's
16		designee; and
17	(8)	A representative from each private county economic
18		development board.
19	(c)	The Hawaii economic development task force's members
20	shall ser	ve without compensation but shall be reimbursed for
21	expenses,	including travel expenses, necessary for the

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performance of their duties.

- 1 (d) In the performance of its duties, the Hawaii economic
- 2 development task force shall consult with appropriate private,
- 3 nonprofit, community, and government stakeholders.
- 4 (e) The department of business, economic development, and
- 5 tourism may contract with the University of Hawaii for any
- 6 services to support the work of the Hawaii economic development
- 7 task force.
- 8 (f) The Hawaii economic development task force shall
- 9 submit a report of its findings and recommendations, including
- 10 any proposed legislation, to the legislature no later than
- 11 twenty days prior to the convening of the regular session of
- **12** 2010.
- The task force also shall submit a follow-up report to the
- 14 legislature no later than twenty days prior to the convening of
- 15 the regular session of 2011. The report shall include a
- 16 description of the activities funded by the environmental
- 17 response, energy, and food security tax, progress made toward
- 18 energy and food self-sufficiency, and additional action
- 19 necessary to achieve energy and food self-sufficiency.
- 20 (q) The Hawaii economic development task force shall cease
- 21 to exist on June 30, 2011.

1	SECTION 7. Notwithstanding section 201-12.8(b), there is
2	appropriated out of the energy security special fund the sum of
3	\$250,000 or so much thereof as may be necessary for fiscal year
4	2009-2010 for the purpose of supporting the work of the Hawaii
5	economic development task force. The appropriation shall be
6	made from the portion of the environmental response, energy, and
7	food security tax that is deposited into the energy security
8	special fund.
9	The sums appropriated shall be expended by the department
10	of business, economic development, and tourism for the purposes
11	of this part.
12	PART IV
12 13	PART IV  AGRICULTURAL DEVELOPMENT AND FOOD SECURITY
13	AGRICULTURAL DEVELOPMENT AND FOOD SECURITY
13 14	AGRICULTURAL DEVELOPMENT AND FOOD SECURITY  SECTION 8. Chapter 141, Hawaii Revised Statutes, is
13 14 15	AGRICULTURAL DEVELOPMENT AND FOOD SECURITY  SECTION 8. Chapter 141, Hawaii Revised Statutes, is  amended by adding a new section to be appropriately designated
13 14 15 16	AGRICULTURAL DEVELOPMENT AND FOOD SECURITY  SECTION 8. Chapter 141, Hawaii Revised Statutes, is  amended by adding a new section to be appropriately designated and to read as follows:
13 14 15 16 17	AGRICULTURAL DEVELOPMENT AND FOOD SECURITY  SECTION 8. Chapter 141, Hawaii Revised Statutes, is  amended by adding a new section to be appropriately designated  and to read as follows:  "S141- Agricultural development and food security
13 14 15 16 17 18	AGRICULTURAL DEVELOPMENT AND FOOD SECURITY  SECTION 8. Chapter 141, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:  "S141- Agricultural development and food security  special fund; establishment. (a) There is established within
13 14 15 16 17 18	AGRICULTURAL DEVELOPMENT AND FOOD SECURITY  SECTION 8. Chapter 141, Hawaii Revised Statutes, is  amended by adding a new section to be appropriately designated  and to read as follows:  "§141- Agricultural development and food security  special fund; establishment. (a) There is established within  the state treasury the agricultural development and food

1	(1)	The portion of the environmental response, energy, and
2		food security tax specified under section 243-3.5;
3	(2)	Any appropriation by the legislature into the special
4		fund;
5	(3)	Any grant or donation made to the special fund; and
6	(4)	Any interest earned on the balance of the special
7		fund.
8	(c)	Subject to legislative appropriation, moneys in the
9	special f	und may be expended for the following purposes:
10	(1)	The awarding of grants to farmers for agricultural
11		production or processing activity;
12	(2)	The acquisition of real property for agricultural
13		production or processing activity;
14	(3)	The improvement of real property, irrigation systems,
15		and transportation networks necessary to promote
16		agricultural production or processing activity;
17	(4)	The purchase of equipment necessary for agricultural
18		production or processing activity;
19	(5)	The conduct of research on and testing of agricultural
20		products and markets;
21	(6)	The promotion and marketing of agricultural products
22		grown or raised in the state; and

1	(7)	Any other activity intended to increase agricultural
2		production or processing that may lead to reduced
3		importation of food, fodder, or feed from outside the
4		state.
5	(d)	The department of agriculture shall submit a report to
6	the legis	lature no later than twenty days prior to the convening
7	of each r	egular session, on the status and progress of existing
8	programs	and activities, and the status of new programs and
9	activitie	s funded under the agricultural development and food
10	security	special fund. The report shall also include the
11	spending	plan of the agricultural development and food security
12	special f	und, all expenditures of agricultural development and
13	food secu	rity special fund moneys, the targeted markets
14	including	why those markets were selected and who will be served
15	and why,	the specific objectives of the expenditures, and
16	measurabl	e outcomes."
17	SECT	TION 9. There is appropriated out of the agricultural
18	developme	ent and food security special fund the sum of
19	\$10,500,0	000 or so much thereof as may be necessary for fiscal
20	year 2009	9-2010 for the purpose of supporting the following
21	projects:	

1	(1)	\$1,000,000 for varroa mite control and eradication
2		efforts;
3	(2)	\$2,000,000 for the operation of pest inspection,
4		quarantine, eradication, biosecurity, and monitoring
5		programs, related facilities, and the execution of
6		emergency remedial measures when pests are detected in
7		the course of inspection and quarantine activities by
8		the department of agriculture;
9	(3)	\$1,200,000 for the expansion of the food safety and
10		security program administered by the department of
11		agriculture;
12	(4)	\$2,600,000 for the livestock revitalization and food
13		security program under chapter 155D;
14	(5)	\$900,000 for improvements to the Lower Hamakua Ditch
15		in Hawaii County;
16	(6)	\$1,100,000 for the construction of an agricultural
17		water main distribution pipeline in the Upcountry Maui
18		Watershed;
19	(7)	\$1,500,000 for the construction of the Kealahou
20		pipeline in the Upcountry Maui Watershed; and
21	(8)	\$200,000 for the planning phase of the state
22		agricultural water use and development plan.

1	The sums appropriated shall be expended by the Hawaii
2	department of agriculture for the purpose of this section. Any
3	of the sums appropriated in this section may be used to match
4	federal funds.
5	PART V
6	HAWAII CLEAN ENERGY INITIATIVE
7	SECTION 10. Chapter 196, Hawaii Revised Statutes, is
8	amended by adding a new section to be appropriately designated
9	and to read as follows:
10	" <u>§196-</u> <u>Hawaii clean energy initiative program.</u> (a)
11	There is established, within the department of business,
12	economic development, and tourism, a Hawaii clean energy
13	initiative program to manage the State's transition to a clean
14	energy economy. The clean energy program shall design,
15	implement, and administer activities that include:
16	(1) Strategic partnerships for the research, development,
17	testing, deployment, and permitting of clean and
18	renewable technologies;
19	(2) Engineering and economic evaluations of Hawaii's
20	potential for near-term project opportunities for the
21	State's renewable energy resources;

1	(3)	Electric grid reliability and security projects that
2		will enable the integration of a substantial increase
3		of electricity from renewable energy resources;
4	(4)	A statewide clean energy public education and outreach
5		plan to be developed in coordination with Hawaii's
6		public education institutions;
7	(5)	Promotion of Hawaii's clean and renewable resources to
8		potential partners and investors;
9	(6)	A plan, for implementation during the years 2010 to
10		2030, to transition the State to a clean energy
11		economy; and
12	(7)	A plan to assist each county for the implementation
13		during the years 2010 to 2030, to transition each
14		county to a clean energy economy.
15	(b)	Prior to the initiation of any activities authorized
16	under sub	section (a), the department of business, economic
17	developme	nt, and tourism shall develop a plan of action with the
18	intent of	promoting effective prioritization and focusing of
19	efforts c	onsistent with the State's energy programs and
20	objective	s.
21	<u>The</u>	department of business, economic development, and
22	tourism s	hall submit a report to the legislature no later than
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1	twenty days prior to the convening of each regular session, on
2	the status and progress of existing clean energy initiatives,
3	and the status of new initiatives. The report shall also
4	include the spending plan of the Hawaii clean energy initiative
5	program, all expenditures of energy security special fund
6	moneys, the targeted markets including why those markets were
7	selected and who will be served and why, and the specific
8	objectives of the program and program expenditures, and
9	measurable outcomes."
10	SECTION 11. There is appropriated out of the energy
11	security special fund the sum of \$393,518 or so much thereof as
12	may be necessary for fiscal year 2009-2010 and the same sum or
13	so much thereof as may be necessary for fiscal year 2010-2011 to
14	provide seven positions for and otherwise support the Hawaii
15	clean energy initiative of the department of business, economic
16	development, and tourism.
17	The sums appropriated shall be expended by the department
18	of business, economic development, and tourism for the purposes
19	of this section.
20	PART VI

RENEWABLE ENERGY

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1	SECT	ION 12. The purpose of this part is to support the
2	renewable	energy industry in Hawaii by:
3	(1)	Establishing a renewable energy branch in the
4		department of business, economic development, and
5		tourism to coordinate and promote renewable energy
6		initiatives;
7	(2)	Strengthening laws supporting energy diversification,
8		long-term provision of dependable energy services, and
9		use of diverse energy technologies; and
10	(3)	Providing adequate resources to support the renewable
11		energy industry, and renewable energy planning and
12		programs in the department of business, economic
13		development, and tourism.
14	SECT	ION 13. Chapter 201, Hawaii Revised Statutes, is
15	amended b	y adding a new section to be appropriately designated
16	and to re	ad as follows:
17	" <u>§20</u>	1- Renewable energy branch; establishment. (a)
18	There is	established a renewable energy branch within the
19	departmen	ut.
20	(b)	Branch functions shall include:
21	(1)	Renewable energy resource assessments, technical
22		analyses, and resource development functions,

1		including design, management, and completion of
2		systematic analysis of existing and proposed energy
3		resource programs;
4	(2)	Evaluation of analyses conducted by government
5		agencies and other organizations;
6	(3)	Development and management of programs to encourage
7		public and private exploration, research, and
8		commercial development of renewable energy resources;
9	(4)	Project facilitation functions, including the
10		development and implementation of programs to
11		facilitate the efficient permitting of renewable
12		energy projects;
13	(5)	Renewable energy partnership and outreach functions,
14		including participation in renewable and sustainable
15		energy evaluation and demonstration projects,
16		outreach, and other activities to promote technically,
17		economically, and environmentally feasible
18		technologies and projects;
19	(6)	Renewable energy resource, technology, and project
20		viability consultant functions, including serving as a
21		consultant to the governor, public agencies, and

1	private industry on matters related to the use of
2	Hawaii's renewable energy resources; and
3	(7) Research, reporting, implementation, and support of
4	renewable and transportation energy related laws."
5	SECTION 14. Section 201-12.5, Hawaii Revised Statutes, is
6	amended by amending subsection (a) to read as follows:
7	"(a) There is established within the department of
8	business, economic development, and tourism the position of
9	renewable energy facilitator, which shall be a full-time,
10	[temporary] permanent position exempt from chapters 76 and 89.
11	The renewable energy facilitator shall possess a requisite level
12	of knowledge and expertise in the areas of renewable energy,
13	state and county permitting processes, and management necessary
14	to carry out the duties of the position."
15	SECTION 15. There is established within the department of
16	business, economic development, and tourism, the position of
17	energy program administrator. The position shall be a full-time
18	position exempt from chapters 76, Hawaii Revised Statutes.
19	SECTION 16. There are established within the department of
20	business, economic development, and tourism seven full-time
21	temporary positions to support the planning and renewable energy
22	provisions of chapters 196, 201, and 226, Hawaii Revised

- 1 Statutes. The positions shall be exempt from chapter 76, Hawaii
- 2 Revised Statutes.
- 3 SECTION 17. Subject to the availability of federal funding
- 4 for energy programs provided by grants, and subject to the
- 5 constraints, oversight, and reporting requirements of those
- 6 federal programs, the governor is hereby authorized to establish
- 7 positions necessary to accomplish the management of those energy
- 8 projects funded by federal grants; provided that the positions
- 9 shall be exempt from chapter 76, Hawaii Revised Statutes; and
- 10 provided further that the governor shall submit a report to the
- 11 legislature on all positions established as of December 31 and
- 12 June 30 of each fiscal year that the positions exist and are
- 13 occupied.
- 14 SECTION 18. There is appropriated out of the energy
- 15 security special fund the sum of \$119,280 or so much thereof as
- 16 may be necessary for fiscal year 2009-2010 for the department of
- 17 business, economic development, and tourism to fill the
- 18 permanent, full-time equivalent (1.00 FTE) renewable energy
- 19 facilitator position established in section 201-12.5, Hawaii
- 20 Revised Statutes.

- 1 The sum appropriated shall be expended by the department of
- 2 business, economic development, and tourism for the purposes of
- 3 this part.
- 4 SECTION 19. There is appropriated out of the energy
- 5 security special fund the sum of \$130,000 or so much thereof as
- $\boldsymbol{6}$  may be necessary for fiscal year 2009-2010 for the department of
- 7 business, economic development, and tourism to fill the
- 8 permanent, full-time equivalent (1.00 FTE) energy program
- 9 administrator position established in section 15.
- 10 The sum appropriated shall be expended by the department of
- 11 business, economic development, and tourism for the purposes of
- 12 this part.
- 13 SECTION 20. There is appropriated out of the energy
- 14 security special fund established pursuant to section 201-12.8
- 15 the sum of \$393,518 or so much thereof as may be necessary for
- 16 fiscal year 2009-2010 and the same sum or so much thereof as may
- 17 be necessary for fiscal year 2010-2011 for the seven full-time,
- 18 temporary positions, established under section 16.
- 19 The sums appropriated shall be expended by the department
- 20 of business, economic development, and tourism for the purposes
- 21 of this part.

# H.B. NO.

1	PART VII
2	GREENHOUSE GAS EMISSIONS REDUCTION TASK FORCE
3	SECTION 21. There is appropriated out of the energy
4	security special fund, established pursuant to section 201-12.8,
5	the sum of \$200,000 or so much thereof as may be necessary for
6	fiscal year 2009-2010 for the greenhouse gas emissions reduction
7	task force established pursuant to Act 234, Session Laws of
8	Hawaii 2007.
9	The sum appropriated shall be expended by the department of
10	business, economic development, and tourism for the purposes of
11	this part.
12	PART VIII
13	SECTION 22. This Act does not affect rights and duties
14	that matured, penalties that were incurred, and proceedings that
15	were begun, before its effective date.
16	SECTION 23. Statutory material to be repealed is bracketed
17	and stricken. New statutory material is underscored.
18	SECTION 24. This Act shall take effect on July 1, 2009.

#### Report Title:

Food and Energy Security

#### Description:

Makes various amendments, establishes various initiatives, and appropriates funds to promote economic development for local food and energy businesses, ensure Hawaii is energy and food self-sufficient and sustainable to the maximum extent feasible, and help Hawaii's natural resources and humankind adapt and be resilient to the inevitable challenges brought on by climate change. (HB1271 CD1)