# A BILL FOR AN ACT

RELATING TO GOVERNMENT.

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

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

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         Similarly, many acres of highly productive agricultural
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    lands are not being farmed. Currently, Hawaii has a fresh
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    supply of produce for no more than ten days. Ninety per cent of
 4
    the beef, sixty-seven per cent of fresh vegetables, sixty-five
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    per cent of fresh fruits, and seventy per cent of all milk
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    consumed in the State are imported. While Hawaii may never
7
    produce one hundred per cent of its food, the risks and costs to
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    society for dependence on imported food cannot be ignored.
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         Like energy, producing local food would reduce Hawaii's
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    demand for fossil fuels, keep money in our community, and
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    decrease the State's vulnerability to food supply disruptions
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    caused by natural disasters or worldwide economic events.
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         Now is the time for bold action to squarely address
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    Hawaii's energy and food requirements and plan for and address
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    the inevitable effects of climate change. It will require
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    long-term commitment, dedication, and the investment of capital
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    and human resources by government, the private sector, and
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    Hawaii's people to dramatically shift our present course of
19
    importing food and energy toward a more energy independent and
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    agriculturally sustainable society. As a State and as a people,
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    we must decide whether we will continue to be dependent on
22
    external sources for our basic needs, or whether we will build,
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1 invest in, and develop the capacity to become food and energy 2 independent. The legislature finds that it is in the best interests of 3 4 Hawaii's people to build the capacity we need to become energy 5 and food self-sufficient and protect the health and function of 6 our environment. As discussed in the Hawaii 2050 Sustainability 7 Plan and Hawaii Clean Energy Initiative, Hawaii has all the 8 necessary assets to significantly improve the State's energy and 9 food sustainability and independence over the next twenty years 10 if appropriate personnel resources and funding are used wisely. 11 To succeed, the State must ensure that our long-term strategy is well-resourced, coordinated, and focused. 12 This Act creates a Hawaii economic development task force 13 14 to accelerate and support public and private efforts to make 15 Hawaii energy and food self-sufficient, consistent with the 16 Hawaii 2050 Sustainability Plan, the Hawaii Clean Energy Initiative, and other government and community planning 17 18 efforts. The Hawaii economic development task force shall:

Recommend priorities for government agencies and the

legislature to consider in determining how funds may

be allocated;

(1)

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1	(2) Develop new, or modifying existing, strategies to
2	implement and achieve the purposes of this Act; and
3	(3) Identify the economic development, workforce, and
4	consumer education issues relating to the production
5	of food and energy.
6	The legislature intends for the Hawaii economic development
7	task force to take an interdisciplinary approach to seeking the
8	most efficient and effective pathways for interagency
9	coordination. The Hawaii economic development task force shall
10	work collaboratively with all levels of government and private
11	and nonprofit sectors to address water, land, regulatory, and
12	natural resource issues intertwined with food and fuel
13	production. This approach ensures that energy and food policy
14	development will be integrated within the overall economic,
15	social, environmental, and cultural aspects of society. With a
16	understanding of these overlapping goals and resources, the
17	State can maximize the opportunities to ensure food and energy
18	security for generations to come.
19	The Act also establishes a clean energy initiative to
20	manage the State's transition to a clean energy economy; an
21	agricultural development and food security special fund to fund
22	activities intended to increase agricultural production or

- 1 processing that may lead to reduced importation of food, fodder,
- 2 or feed from outside the State; and a renewable energy branch in
- 3 the department of business, economic development, and tourism to
- 4 coordinate and promote renewable energy initiatives.
- 5 The legislature finds that undertaking this important task
- 6 of energy and food security requires a long-term commitment and
- 7 the investment of substantial financial resources. To that end,
- 8 this Act also increases the per-barrel tax on petroleum products
- 9 under the environmental response, energy, and food security tax,
- 10 formerly known as the environmental response tax, and it
- 11 appropriates funds from that tax for the energy and food
- 12 security initiatives established by this 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.
- 18 (a) 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 2 settlements, all interest attributable to investment of money 3 deposited in the fund, moneys [generated by] deposited in the fund from the environmental response, energy, and food security 4 tax [established in] pursuant to section 243-3.5, and moneys 5 6 allotted to the fund from other sources[; provided that when the 7 total balance of the fund exceeds \$20,000,000, the department of 8 health shall notify the department of taxation of this fact in 9 writing within ten days. The department of taxation then shall 10 notify-all distributors liable for collecting the tax imposed by 11 section 243 3.5 of this fact in writing, and the imposition of 12 the tax shall be discontinued beginning the first day of the 13 second month following the month in which notice is given to the department of taxation. If the total balance of the fund 14 15 thereafter declines to less than \$3,000,000, the department of 16 health shall notify the department of taxation which then shall 17 notify all distributors liable for collecting the tax imposed by 18 section 243-3.5 of this fact in writing, and the imposition of 19 the tax shall be reinstated beginning the first day of the 20 second month following the month in which notice is given to the 21 department of taxation].

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; and
14	[(C) For deposit into the energy security special
15	fund, established under section 201-12.8, as may
16	be appropriated by the legislature; and
17	(2) May also be used to support environmental protection
18	and natural resource protection programs, including
19	[but not limited to] energy conservation and
20	alternative energy development, and to address
21	concerns related to air quality, global warming, clear
22	water, polluted runoff, solid and hazardous waste,

1	drinking water, and underground storage tanks,
2	including support for the underground storage tank
3	program of the department and funding for the
4	acquisition by the State of a soil remediation site
5	and facility."
6	SECTION 3. Section 201-12.8, Hawaii Revised Statutes, is
7	amended to read as follows:
8	"[+] §201-12.8[+] Energy security special fund; uses. (a)
9	There is created within the state treasury an energy security
10	special fund, which shall consist of:
11	(1) The portion of the environmental response, energy, and
12	food security tax specified under section 243-3.5;
13	$[\frac{(1)}{(2)}]$ Moneys appropriated to the fund by the
14	legislature;
15	$[\frac{(2)}{(3)}]$ All interest attributable to investment of money
16	deposited in the fund; and
17	$[\frac{(3)}{(4)}]$ Moneys allotted to the fund from other sources.
18	(b) [Moneys] Subject to legislative appropriation, moneys
19	from the fund [shall] may be expended by the department of
20	business, economic development, and tourism for the following
21	purposes and [shall be] used for no other purposes except for
22	those set forth in this section:
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1	( - )	to suppore [103] cite nawati etean energy interactive
2		program, including its energy division and projects
3		that ensure dependable, efficient, and economical
4		energy, promote energy self-sufficiency, and provide
5		greater energy security for the State; [and]
6	(2)	To fund the renewable energy facilitator pursuant to
7		section 201-12.5 and any other positions necessary for
8		the purposes of paragraph (1) as determined by the
9	•	legislature[-]; and
10	(3)	To fund, to the extent possible, the greenhouse gas
11		emissions reduction task force, climate change task
12		force, grants-in-aid to the economic development
13		boards of each county, and grants-in-aid to economic
14		development agencies of each county to meet the stated
15		objectives of the Hawaii clean energy initiative
16		program.
17	<u>(c)</u>	The department of business, economic development, and
18	tourism s	hall submit a report to the legislature, no later than
19	twenty day	ys prior to the convening of each regular session, on
20	the statu	s and progress of existing programs and activities and
21	the statu	s of new programs and activities funded by the energy
22	security	special fund. The report shall also include:

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1	(1)	The spending plan of the energy security special fund;
2	(2)	All expenditures of energy security special fund
3		moneys; and
4	(3)	The targeted markets of the expenditures, including
5		the reason for selecting those markets, the persons to
6.		be served, and the specific objectives of the
7		expenditures, including measurable outcomes."
8	SECT	ION 4. Section 243-3.5, Hawaii Revised Statutes, is
9	amended a	s follows:
10	1.	By amending its title and subsection (a) to read:
11	"§24	3-3.5 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, the	ere is hereby imposed [at times provided in section
15	<del>128D 2</del> ] a	state environmental response, energy, and food
16	security	tax [ <del>of 5 cents</del> ] on each barrel or fractional part of a
17	barrel of	petroleum product sold by a distributor to any retail
18	dealer or	end user[ $_{7}$ ] of petroleum product, other than a
19 <sub>.</sub>	refiner[-	of petroleum product; ] . The tax shall be imposed at
20	the follow	wing rates: 5 cents on each barrel or fractional part
21	of a barre	el of petroleum product that is aviation fuel; and
22	\$1.05 on	each barrel or fractional part of a barrel of petroleum

1	product th	hat is not aviation fuel; provided that of the tax
2	collected	pursuant to this subsection:
3	(1)	5 cents of the tax on each barrel, including all tax
4		revenues received under this section for the sale of
5		aviation fuel shall be [used pursuant to section
6		128D-2-to-address concerns relating to drinking
7		water.] deposited into the environmental response
8		revolving fund established under section 128D-2;
9	(2)	55 cents of the tax on each barrel shall be deposited
10		into the energy security special fund established
11		under section 201-12.8;
12	(3)	10 cents of the tax on each barrel shall be deposited
13		into the energy systems development special fund
14		established under section 304A-2169; and
15	(4)	35 cents of the tax on each barrel shall be deposited
16		into the agricultural development and food security
17		special fund established under section 141
18	The t	cax imposed by this subsection shall be paid by the
19	distributo	or of the petroleum product."
20	2. I	By amending subsection (c) to read:
21	"(C)	Notwithstanding section 248-8 to the contrary, the
22	environmer	ntal response, energy, and food security tax collected
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- 1 under this section shall be paid over to the director of finance
- 2 for deposit [into the environmental response revolving fund
- 3 established by section 128D 2. as provided in subsection (a).
- 4 SECTION 5. Section 243-7, Hawaii Revised Statutes, is
- 5 amended to read as follows:
- 6 "§243-7 Tax not applicable, when. (a) This chapter
- 7 requiring the payment of license fees shall not be held or
- 8 construed to apply to fuel imported into the State'in interstate
- 9 or foreign commerce while and so long as such fuel is beyond the
- 10 taxing power of the State, nor to any such fuel exported or sold
- 11 to the government of the United States or any department thereof
- 12 for official use of the government, nor to any fuel exported or
- 13 sold to another licensed distributor; but every distributor
- 14 shall be required to report such imports, exports, and sales as
- 15 provided by this chapter and in such detail as the department of
- 16 taxation shall require.
- 17 (b) This chapter shall not apply to the sale of liquid
- 18 fuel sold or used in the State for ultimate use by an intra-
- 19 county ferry service that serves a county with a population of
- 20 less than five hundred thousand residents and that includes at
- 21 least three islands inhabited by permanent residents.

1	(c) This chapter shall not apply to the sale of a		
2	petroleum product that is used by a provider of commercial air		
3	transportation to transport persons or property."		
4	SECTION 6. Section 304A-2169, Hawaii Revised Statutes, is		
5	amended by amending subsection (b) to read as follows:		
6	"(b) The special fund shall be funded by:		
7	(1) Appropriations from the legislature; [and]		
8	(2) The portion of the environmental response, energy, and		
9	food security tax specified under section 243-3.5; and		
10	$\left[\frac{(2)}{(3)}\right]$ Investment earnings, gifts, donations, or other		
11	income received by the [4] Hawaii natural energy[4]		
12	institute."		
13	PART III		
14	HAWAII ECONOMIC DEVELOPMENT TASK FORCE		
14 15	HAWAII ECONOMIC DEVELOPMENT TASK FORCE  SECTION 7. (a) There is established the Hawaii economic		
15	SECTION 7. (a) There is established the Hawaii economic		
15 16	SECTION 7. (a) There is established the Hawaii economic development task force within the department of business,		
15 16 17	SECTION 7. (a) There is established the Hawaii economic development task force within the department of business, economic development, and tourism for administrative purposes.		
15 16 17 18	SECTION 7. (a) There is established the Hawaii economic development task force within the department of business, economic development, and tourism for administrative purposes.  The purpose of the Hawaii economic development task force shall		
15 16 17 18 19	SECTION 7. (a) There is established the Hawaii economic development task force within the department of business, economic development, and tourism for administrative purposes.  The purpose of the Hawaii economic development task force shall be to facilitate the accelerated adoption and completion of		
15 16 17 18 19 20	SECTION 7. (a) There is established the Hawaii economic development task force within the department of business, economic development, and tourism for administrative purposes.  The purpose of the Hawaii economic development task force shall be to facilitate the accelerated adoption and completion of renewable energy projects, energy efficiency programs,		

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1	developme	nt task force shall develop and maintain a broad
2	overview	of energy and food security issues that apply an
3	interdisc	iplinary approach to ensure that Hawaii's energy and
4	food poli	cy and program development is integrated within the
5	overall e	conomic, social, environmental, and cultural aspects of
6	society.	The Hawaii economic development task force, with the
7	assistanc	e of the department of business, economic development,
8	and touri	sm, shall:
9	(1)	Identify and review each state and county agency's
10		policy objectives, mandates, organizational structure,
11		and resources to address energy and food security
12		issues;
13	(2)	Identify all federal and private funds available to
14		the State and counties to address energy and food
15		security issues;
16	(3)	Identify effective measures for interagency
17		cooperation, coordinate efforts with the counties, and
18		promote public and private sector partnerships to
19		achieve the objective of energy and food security;
20	(4)	Identify existing programs and agreements addressing
21		energy and food security that may be enhanced through
22		legislation;

T	(5)	investigate alternative institutional mechanisms to
2		promote the efficient execution and implementation of
3		a multi-year strategy to achieve energy and food
4		security;
5	(6)	Investigate the streamlining of administrative
6		processes to accelerate and achieve energy and food
7		security;
8	(7)	Provide an appropriate forum for all affected or
9		interested parties to address energy and food security
10		issues;
11	(8)	Recommend appropriate legislation resulting from its
12		findings to improve, accelerate, and achieve the
13		objective of energy and food security;
14	(9)	Review whether:
15		(A) The apportionment of the environmental response,
16		energy, and food security tax among the funds
17		listed under section 243-3.5, Hawaii Revised
18		Statutes, is appropriate;
19		(B) The apportionment should be changed; and
20		(C) Any additional special, trust, or revolving fund
21		should receive a share of the tax;
22	•	and

1	(10)	Periorin any other function necessary to effectuate the
2		purposes of this part.
3	(b)	The Hawaii economic development task force shall
4	consist o	f the following members:
5	(1)	The director of business, economic development, and
6		tourism or the director's designee, who shall chair
7		the Hawaii economic development task force;
8	(2)	The chairperson of the board of agriculture or the
9		chairperson's designee;
10	(3)	The director of the office of planning or the
11		director's designee;
12	(4)	The chairperson of the board of land and natural
13		resources or the chairperson's designee;
14	(5)	The dean of the University of Hawaii college of
15		tropical agriculture and human resources or the dean's
16		designee;
17	(6)	The speaker of the house of representatives or the
18		speaker's designee;
19	(7)	The president of the senate or the president's
20		designee; and
21	(8)	A representative from each private county economic
22		development board.

- 1 (c) The Hawaii economic development task force's members
- 2 shall serve without compensation but shall be reimbursed for
- 3 expenses, including travel expenses, necessary for the
- 4 performance of their duties.
- 5 (d) In the performance of its duties, the Hawaii economic
- 6 development task force shall consult with appropriate private,
- 7 nonprofit, community, and government stakeholders.
- 8 (e) The department of business, economic development, and
- 9 tourism may contract with the University of Hawaii for any
- 10 services to support the work of the Hawaii economic development
- 11 task force.
- 12 (f) The Hawaii economic development task force shall
- 13 submit a report of its findings and recommendations, including
- 14 any proposed legislation, to the legislature no later than
- 15 twenty days prior to the convening of the regular session of
- 16 2011.
- 17 The task force shall also submit a follow-up report to the
- 18 legislature no later than twenty days prior to the convening of
- 19 the regular session of 2012. The report shall include a
- 20 description of the activities funded by the environmental
- 21 response, energy, and food security tax, progress made toward

- 1 energy and food self-sufficiency, and any additional action
- 2 necessary to achieve energy and food self-sufficiency.
- 3 (g) The Hawaii economic development task force shall cease
- 4 to exist on June 30, 2012.
- 5 SECTION 8. Notwithstanding section 201-12.8(b), Hawaii
- 6 Revised Statutes, there is appropriated out of the energy
- 7 security special fund the sum of \$ or so much thereof
- 8 as may be necessary for fiscal year 2010-2011 for the purpose of
- 9 supporting the work of the Hawaii economic development task
- 10 force. The appropriation shall be made from the portion of the
- 11 environmental response, energy, and food security tax that is
- 12 deposited into the energy security special fund.
- The sum appropriated shall be expended by the department of
- 14 business, economic development, and tourism for the purposes of
- 15 this part.
- 16 PART IV
- 17 AGRICULTURAL DEVELOPMENT AND FOOD SECURITY
- 18 SECTION 9. Chapter 141, Hawaii Revised Statutes, is
- 19 amended by adding a new section to be appropriately designated
- 20 and to read as follows:
- 21 "S141- Agricultural development and food security
- 22 special fund; establishment. (a) There is established within

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

1	(5)	The conduct of research on and testing of agricultural
2		products and markets;
3	(6)	The promotion and marketing of agricultural products
4		grown or raised in the State; and
5	(7)	Any other activity intended to increase agricultural
6		production or processing that may lead to reduced
7		importation of food, fodder, or feed from outside the
8		State.
9	(d)	The department of agriculture shall submit a report to
10	the legis	lature no later than twenty days prior to the convening
11	of each r	egular session, on the status and progress of existing
12	programs.	and activities, and the status of new programs and
13	activitie	s funded under the agricultural development and food
14	security	special fund. The report shall also include the
15	spending	plan of the agricultural development and food security
16	special f	und, all expenditures of agricultural development and
17	food secu	rity special fund moneys, the targeted markets of the
18	expenditu	res, including the reason for selecting those markets,
19	the perso	ns to be served, and the specific objectives of the
20	expenditu	res, including measurable outcomes."
21	SECT	ION 10. There is appropriated out of the agricultural
22	developme	nt and food security special fund the sum of
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1	\$	or so much thereof as may be necessary for fiscal
2	year 2010	-2011 for the purpose of supporting the following
3	projects:	
4	(1)	\$ for Varroa mite control and eradication
5		efforts;
6	(2)	\$ for the operation of pest inspection,
7		quarantine, eradication, biosecurity, and monitoring
8		programs, related facilities, and the execution of
. 9		emergency remedial measures when pests are detected in
10	•	the course of inspection and quarantine activities by
11	-	the department of agriculture;
12	(3)	\$ for the expansion of the food safety and
13		security program administered by the department of
14		agriculture;
15	(4)	\$ for the livestock revitalization program
16		under chapter 155D, Hawaii Revised Statutes;
17	(5)	\$ for improvements to the lower Hamakua
18		ditch in Hawaii county;
19	(6)	\$ for the construction of an agricultural
20		water main distribution pipeline in the upcountry Maui
21		watershed;

1	(7) \$ for the construction of the Kealahou
2	pipeline in the upcountry Maui watershed; and
3	(8) \$ for the planning phase of the state
4	agricultural water use and development plan.
5	The sum appropriated shall be expended by the department of
6	agriculture for the purpose of this section. Any part of the
7	sum appropriated in this section may be used to match federal
8	funds.
9	· PART V
10	HAWAII CLEAN ENERGY INITIATIVE
11	SECTION 11. Chapter 196, Hawaii Revised Statutes, is
12	amended by adding a new section to be appropriately designated
13	and to read as follows:
14	"§196- Hawaii clean energy initiative program. (a)
15	There is established, within the department of business,
16	economic development, and tourism, a Hawaii clean energy
17	initiative program to manage the State's transition to a clean
18	energy economy. The clean energy program shall design,
19	implement, and administer activities that include:
20	(1) Strategic partnerships for the research, development,
21	testing, deployment, and permitting of clean and
22	renewable technologies;

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

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

1	<u>(1)</u>	Conduct renewable energy resource assessments,
2		technical analyses, and resource development
3		functions, including the design, management, and
4		completion of systematic analyses of existing and
5		proposed energy resource programs;
6	(2)	Evaluate analyses conducted by government agencies and
7		other organizations;
8	(3)	Develop and manage programs to encourage public and
9		private exploration, research, and commercial
10		development of renewable energy resources;
11	(4)	Develop and implement programs to facilitate the
12		efficient permitting of renewable energy projects;
13	(5)	Participate in renewable and sustainable energy
14		evaluation and demonstration projects, partnerships,
15		outreach, and other activities to promote technically,
16		economically, and environmentally feasible
17		technologies and projects;
18	(6)	Serve as a consultant to the governor, public
19	•	agencies, and private industry on matters related to
20		the use of Hawaii's renewable energy resources; and
21	(7)	Research, report, implement, and support renewable and
22		transportation energy related laws."

## H.B. NO. 2421 H.D. 1

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

- 1 SECTION 18. Subject to the availability of federal funding
- 2 for energy programs provided by grants, and subject to the
- 3 constraints, oversight, and reporting requirements of those
- 4 federal programs, the governor is authorized to establish
- 5 positions necessary to accomplish the management of those energy
- 6 projects funded by federal grants; provided that the positions
- 7 shall be exempt from chapters 76 and 89, Hawaii Revised
- 8 Statutes; and provided further that the governor shall submit a
- 9 report to the legislature on all positions established as of
- 10 December 31 and June 30 of each fiscal year that the positions
- 11 exist and are occupied.
- 12 SECTION 19. There is appropriated out of the energy
- 13 security special fund the sum of \$ or so much thereof
- 14 as may be necessary for fiscal year 2010-2011 for the department
- 15 of business, economic development, and tourism to fill the
- 16 permanent, full-time equivalent (1.00 FTE) renewable energy
- 17 facilitator position established in section 201-12.5, Hawaii
- 18 Revised Statutes.
- 19 The sum appropriated shall be expended by the department of
- 20 business, economic development, and tourism for the purposes of
- 21 this part.

## H.B. NO. 4421

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

There is appropriated out of the energy

security special fund, established pursuant to section 201-12.8,

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SECTION 22.

21

22

## H.B. NO. 2421 H.D. 1

- 1 Hawaii Revised Statutes, the sum of \$ or so much
- 2 thereof as may be necessary for fiscal year 2010-2011 for the
- 3 greenhouse gas emissions reduction task force established
- 4 pursuant to Act 234, Session Laws of Hawaii 2007.
- 5 The sum appropriated shall be expended by the department of
- 6 business, economic development, and tourism for the purposes of
- 7 this part.
- 8 PART VIII
- 9 SECTION 23. This Act does not affect rights and duties
- 10 that matured, penalties that were incurred, and proceedings that
- 11 were begun, before its effective date.
- 12 SECTION 24. Statutory material to be repealed is bracketed
- 13 and stricken. New statutory material is underscored.
- 14 SECTION 25. This Act shall take effect on July 1, 2010.

#### Report Title:

Food and Energy Security; Appropriation

#### Description:

Establishes various initiatives, and appropriates funds to promote economic development for local food and energy businesses, ensures 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. Provides a fuel tax exemption for commercial air transportation providers. Increases and changes the name of the environmental response tax.

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