THE SENATE TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII JAJ

S.B. NO.

JAN 2 2 2010

#### A BILL FOR AN ACT

RELATING TO GOVERNMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII: 1 PART I The purpose of this Act is to: 2 SECTION 1. Promote economic development for local food and energy 3 (1) businesses by establishing necessary funding, 4 5 guidance, and infrastructure; Ensure Hawaii is energy and food self-sufficient and (2) 6 sustainable to the maximum extent feasible; and 7 Plan for and implement measures to help Hawaii's 8 (3) natural resources and humankind adapt and be resilient 9 to the inevitable challenges brought on by climate 10 change caused by carbon dioxide and other greenhouse 11 12 gas emissions from burning fossil fuels. Hawaii is at a crossroads. As the most geographically 13 isolated state in the country, the State is dangerously 14 dependent on imports for basic food and energy needs. Hawaii 15 imports about eighty-five per cent of its food and ninety-five 16 per cent of its energy. It has been estimated that Hawaii 17 exported \$8,600,000,000 for food and oil in 2008, and every 18 2010-0686 SB SMA.doc 

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dollar exported is a lost opportunity to support and invest in
 local business. Hawaii's dependence on imports also exposes
 residents and businesses to volatile food and energy costs as
 oil prices fluctuate.

5 In addition, the mass consumption of fossil fuels, driven 6 by Hawaii's dependence on food and energy imports, contributes 7 to 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 it depends upon to support the 14 lives of its residents in the middle of the Pacific. Nowhere is 15 it more obvious than in the remote islands of Hawaii that the 16 lives of its residents and the economy are intertwined with the 17 health and function of the natural world.

18 Although Hawaii is home to renewable energy resources like 19 solar, wind, ocean, and geothermal, the State has not taken 20 advantage of alternative energy and energy efficiency solutions 21 that would make the State more energy independent. As an



example, despite year-round sunshine, only thirty per cent of
 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 per cent of fresh fruits, and seventy per cent of milk consumed 7 8 in the 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.

15 Now is the time for bold action to squarely address 16 Hawaii's energy and food requirements and plan for and address the inevitable effects of climate change. It will require 17 18 long-term commitment, dedication, and investment by government, 19 the private sector, and Hawaii's people to dramatically shift 20 the State's present course of importing food and energy toward a 21 more energy independent and agriculturally sustainable society. 22 The State must decide whether it will continue to be dependent



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on external sources for basic needs, or whether it will build,
 invest in, and develop the capacity to become food and energy
 independent.

The legislature finds that it is in the best interests of 4 5 Hawaii's people to build the capacity it needs to become energy 6 and food self-sufficient, and protect the health and function of 7 the State's environment. As discussed in the Hawaii 2050 8 Sustainability Plan and Hawaii Clean Energy Initiative, Hawaii 9 has all the necessary assets to significantly improve 10 sustainability and independence over the next twenty years if 11 appropriate personnel, resources, and sustainable funding are 12 wisely utilized. To succeed, the State must ensure that its 13 long-term strategy is well-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



implement and achieve the purpose of this Act, and identifying
 the economic development, workforce, and consumer education
 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. That approach ensures that energy and food 12 policy development is integrated within the overall economic, 13 social, environmental, and cultural aspects of society. With an 14 understanding of these overlapping goals and resources, the 15 State can maximize the opportunities to ensure food and energy 16 security for generations to come.

17 This 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





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energy branch in the department of business, economic
 development, and tourism, to coordinate and promote renewable
 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 8 per-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,



1 moneys paid to the fund in court-approved or out-of-court 2 settlements, all interest attributable to investment of money 3 deposited in the fund, moneys [generated by] deposited in the 4 fund from the environmental response, energy, and food security 5 tax [established in] pursuant to section 243-3.5, and moneys 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 14 department of taxation. If the total balance of the fund 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 [ <del>"environmental</del>
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	[ <del>(C) For deposit into the energy security special</del>
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, clean
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	"[ <b>+]</b> §201-12.8[ <b>+] Energy security special fund; uses.</b> (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	$\left[\frac{1}{2}\right]$ (2) Moneys appropriated to the fund by the
14	legislature;
15	$\left[\frac{(2)}{(2)}\right]$ (3) All interest attributable to investment of money
16	deposited in the fund; and
17	$\left[\frac{(3)}{(4)}\right]$ Moneys allotted to the fund from other sources.
18	(b) [Moneys] Subject to legislative appropriation, moneys
19	from the fund [ <del>shall</del> ] <u>may</u> be expended by the department of
20	business, economic development, and tourism for the following
21	purposes and [ <del>shall be</del> ] used for no other purposes except for
22	those set forth in this section:
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1 (1) To support [its] the Hawaii clean energy initiative 2 program, including its energy division and projects that ensure dependable, efficient, and economical 3 4 energy, promote energy self-sufficiency, and provide 5 greater energy security for the State; [and] 6 To fund the renewable energy facilitator pursuant to (2) 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 boards of each county, and grants-in-aid to economic 13 development agencies of each county to meet the stated 14 15 objectives of the Hawaii clean energy initiative 16 program. 17 The department of business, economic development, and (C) 18 tourism shall submit a report to the legislature no later than 19 twenty days prior to the convening of each regular session, on 20 the status and progress of existing programs and activities, and 21 the status of new programs and activities funded by the energy 22 security special fund. The report shall also include the 2010-0686 SB SMA.doc 10



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



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1	(2)	55 cents of the tax on each barrel shall be deposited
2		into the energy security special fund established
3		under section 201-12.8;
4	(3)	10 cents of the tax on each barrel shall be deposited
5		into the energy systems development special fund
6		established under section 304A-2169; and
7	(4)	35 cents of the tax on each barrel shall be deposited
8		into the agricultural development and food security
9		special fund established under section 141
10	The tax im	posed by this subsection shall be paid by the
11	distributo	or of the petroleum product."
12	2. E	amending subsection (c) to read:
13	"(C)	Notwithstanding section 248-8 to the contrary, the
14	environmen	tal response, energy, and food security tax collected
15	under this	section shall be paid over to the director of finance
16	for deposi	t [ <del>into the environmental response revolving fund</del>
17	<del>establish</del> e	ed by section 128D-2.] as provided in subsection (a)."
18	SECTI	ON 5. Section 304A-2169, Hawaii Revised Statutes, is
19	amended by	amending subsection (b) to read as follows:
20	"(b)	The special fund shall be funded by:
21	(1)	Appropriations from the legislature; [and]



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1	(2) The portion of the environmental response, energy, and	
2	food security tax specified under section 243-3.5; and	
3	[ <del>(2)</del> ] <u>(3)</u> Investment earnings, gifts, donations, or other	
4	income received by the [+]Hawaii natural energy[+]	
5	institute."	
6	PART III	
7	HAWAII ECONOMIC DEVELOPMENT TASK FORCE	
8	SECTION 6. (a) There is established the Hawaii economic	
9	development task force within the department of business,	
10	economic development, and tourism for administrative purposes.	
11	The purpose of the Hawaii economic development task force shall	
12	be to facilitate the accelerated adoption and completion of	
13	renewable energy projects, energy efficiency programs,	
14	agricultural infrastructure and development, and other measures	
15	to meet the purposes of this Act. The Hawaii economic	
16	development task force shall develop and maintain a broad	
17	overview of energy and food security issues that apply an	
18	interdisciplinary approach to ensure that Hawaii's energy and	
19	food policy and program development is integrated within the	
20	overall economic, social, environmental, and cultural aspects of	
21	society. The Hawaii economic development task force shall, with	



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1	the assistance of the department of business, economic	
2	development, and tourism:	
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;



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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; and
18	(10)	Perform any other function necessary to effectuate the
19		purposes of this part.
20	(b)	The Hawaii economic development task force shall
21	consist o	f the following members:



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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
22	performan	ce of their duties.
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(d) In the performance of its duties, the Hawaii economic
 development task force shall consult with appropriate private,
 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 2011.

13 The task force also shall submit a follow-up report to the 14 legislature no later than twenty days prior to the convening of the regular session of 2012. The report shall include a 15 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, 2012.



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1	SECTION 7. Notwithstanding section 201-12.8(b), Hawaii			
2	Revised Statutes, there is appropriated out of the energy			
3	security special fund the sum of \$250,000 or so much thereof as			
4	may be necessary for fiscal year 2010-2011 for the purpose of			
5	supporting the work of the Hawaii economic development task			
6	force. The appropriation shall be made from the portion of the			
7	environmental response, energy, and food security tax that is			
8	deposited into the energy security special fund.			
9	The sum appropriated shall be expended by the department of			
9	The sum appropriated shart be expended by the department of			
10	business, economic development, and tourism for the purposes of			
11	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: " <u>\$141- Agricultural development and food security</u>			
<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> </ol>	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: " <u>\$141- Agricultural development and food security</u> special fund; established. (a) There is established within the			
<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> </ol>	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: <u>"§141- Agricultural development and food security</u> special fund; established. (a) There is established within the state treasury the agricultural development and food security			
<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> </ol>	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: <u>"§141- Agricultural development and food security</u> special fund; established. (a) There is established within the state treasury the agricultural development and food security special fund.			



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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		<pre>fund;</pre>
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	Т. Э	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



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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 legislature no later than twenty days prior to the convening		
7	of each regular session, on the status and progress of existing		
8	programs and activities, and the status of new programs and		
9	activities 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 fund, all expenditures of agricultural development and		
13	food security 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	measurable outcomes."		
17	SECTION 9. There is appropriated out of the agricultural		
18	development and food security special fund the sum of		
19	\$10,500,000 or so much thereof as may be necessary for fiscal		
20	year 2010-2011 for the purpose of supporting the following		
21	projects:		



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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	Х	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.
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1	The sum appropriated shall be expended by the Hawaii
, <b>2</b>	department of agriculture for the purposes of this part. Any of
3	the sum appropriated in this part may be used to match federal
4	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	"§196- Hawaii clean energy initiative program. (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;



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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	<u>(7)</u>	A plan to assist each county in 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	<u>S.</u>
21	The	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, the specific objectives 8 of the program and program expenditures, and measurable 9 outcomes." 10 SECTION 11. There is appropriated out of the energy security special fund the sum of \$393,518 or so much thereof as 11 12 may be necessary for fiscal year 2010-2011 and the same sum or 13 so much thereof as may be necessary for fiscal year 2011-2012 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 sum appropriated shall be expended by the department of 18 business, economic development, and tourism for the purposes of 19 this part.

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#### 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	SECTI	ION 13. Chapter 201, Hawaii Revised Statutes, is
15	amended by	y adding a new section to be appropriately designated
16	and to rea	ad as follows:
17	" <u>§201</u>	- Renewable energy branch; established. (a) There
18	is establi	ished a renewable energy branch within the department.
19	(b)	Branch functions shall include:
20	(1)	Renewable energy resource assessments, technical
21		analyses, and resource development functions,
22		including design, management, and completion of

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



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

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1 SECTION 17. 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 hereby 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 chapter 76, Hawaii Revised Statutes; and provided further that the governor shall submit a report to the 8 9 legislature on all positions established as of December 31 and 10 June 30 of each fiscal year that the positions exist and are 11 occupied.

SECTION 18. There is appropriated out of the energy security special fund the sum of \$119,280 or so much thereof as may be necessary for fiscal year 2010-2011 for the department of business, economic development, and tourism to fill the permanent, full-time equivalent (1.00 FTE) renewable energy facilitator position established in section 201-12.5, Hawaii 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.



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1 SECTION 19. There is appropriated out of the energy 2 security special fund the sum of \$130,000 or so much thereof as 3 may be necessary for fiscal year 2010-2011 for the department of 4 business, economic development, and tourism to fill the 5 permanent, full-time equivalent (1.00 FTE) energy program 6 administrator position established in section 15. 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 20. There is appropriated out of the energy 11 security special fund established pursuant to section 201-12.8, 12 Hawaii Revised Statutes, the sum of \$393,518 or so much thereof 13 as may be necessary for fiscal year 2010-2011 and the same sum 14 or so much thereof as may be necessary for fiscal year 2011-2012 15 for the seven full-time, temporary positions, established under 16 section 16.

17 The sums appropriated shall be expended by the department 18 of business, economic development, and tourism for the purposes 19 of this part.

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#### PART VII

GREENHOUSE GAS EMISSIONS REDUCTION TASK FORCE



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SECTION 21. There is appropriated out of the energy 1 2 security special fund, established pursuant to section 201-12.8, Hawaii Revised Statutes, the sum of \$200,000 or so much thereof 3 4 as may be necessary for fiscal year 2010-2011 for the greenhouse gas emissions reduction task force established pursuant to Act 5 234, Session Laws of Hawaii 2007. 6 The sum appropriated shall be expended by the department of 7 business, economic development, and tourism for the purposes of 8 9 this part. 10 PART VIII SECTION 22. This Act does not affect rights and duties 11 that matured, penalties that were incurred, and proceedings that 12 13 were begun, before its effective date. SECTION 23. Statutory material to be repealed is bracketed 14 and stricken. New statutory material is underscored. 15 This Act shall take effect on July 1, 2010. 16 SECTION 24. 17

INTRODUCED BY:

Me Anx MAnife



S.B. NO. **2464** 

#### Report Title:

Food and Energy Security; Barrel Tax

#### Description:

Makes various amendments, 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 to help Hawaii's natural resources and humankind adapt and be resilient to the inevitable challenges brought on by climate change.

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

