

Written Statement of
YUKA NAGASHIMA
Executive Director & CEO
High Technology Development Corporation
and
President of High Technology Innovation Corporation
before the
HOUSE COMMITTEES ON
ECONOMIC REVITALIZATION, BUSINESS & MILITARY AFFAIRS AND
ENERGY & ENVIRONMENTAL PROTECTION
February 9, 2010
11:00 AM
State Capitol, Conference Room 325

In consideration of
HB 2209 RELATING TO ENERGY INNOVATION AWARDS.

Chairs McKelvey and Morita, Vice Chairs Choy and Coffman, and Members of the House Committees on Economic Revitalization, Business & Military Affairs, and Energy & Environmental Protection.

The High Technology Development Corporation (HTDC) and the High Technology Innovation Corporation (HTIC) oppose HB 2209.

Our opposition of this bill has nothing to do with our strong interest in energy innovation, but rather that 1) HTIC is not the right agency currently to "house" this award, 2) legislation is not necessary to create an award, and 3) there are plenty of awards already existing within our community and offering another would dilute the impact and possibly compete with private sector-organized awards.

HTIC is not the right entity, as it is currently in voluntary hiatus due to concerns raised by the Senate subject committee two sessions ago, which advocated for the HTIC be shut down. While the bill to repeal HTIC's existence did not go through, the language of this bill seems inconsistent with the intent of the Senate subject committee.

The financial aspect of this bill calls for HTIC to award the companies with funds drawn from HTDC's funding. HTIC does not have authority over HTDC funding, Special Fund or otherwise, nor does HTIC have any funding of its own for such an award. HTIC was established as a non-profit, 501(c)(3) organization and has not receive any direct State funding. Section 206M-53 (14), Hawaii Revised Statutes, authorizes HTIC to establish both in-state and out-of-state bank accounts and the use of HTIC funds in the conduct of its business. The language in this bill should be placed in this section of 206M instead of the HTDC Special Fund.

There is nothing preventing any of the State entities from providing an award. No change in statutes is necessary. Should both chambers agree that the legislature's recognition of energy innovation requires an award, any entity (e.g., Hawaii Clean Energy Initiative team, etc.) can create the award specifically identifying the legislature's recognition, or participate in an already existing award ceremony (such as Innovation Award by Pacific Business News, Technology Leaders by PacificNews.net, Governor's Innovation Award, etc.). We strongly believe legislation is unnecessary to accomplish the important intent of the bill: to recognize the local companies for taking innovative steps towards a sustainable future in energy for the great state of Hawaii.

With all of our resources (funding and staff time) limited with the current budget crisis, we believe any new programs such as this one must be scrutinized fiscally and with respect to priorities for the State government, when we are struggling to continue delivery of existing services with great track records. While we are glad the House representatives would place confidence in HTIC and HTDC to give birth to such a program, we respectfully oppose the bill for all the reasons above.

Thank you for the opportunity to submit testimony on this bill.

Cyndi Apana

Bill No. 2209

From: .. behalf of EBMtestimony
Sent: Monday, February 08, 2010 7:20 PM
To: EEPtestimony
Subject: FW: Testimony in support of HB2209

Support (Y) N

Date 2/8

Time 1920

FOR JOINT EEP/EBM ON TUES., 2/9/10 - 11 AM HEARING.

Cat AF AS AX BC

From: Trisha Kehaulani Watson [mailto:watson@honuaconsulting.com]
Sent: Monday, February 08, 2010 6:44 PM
To: EBMtestimony
Subject: Testimony in support of HB2209

Type 1 (2) WI

Dear Representatives McKelvey and Choy:

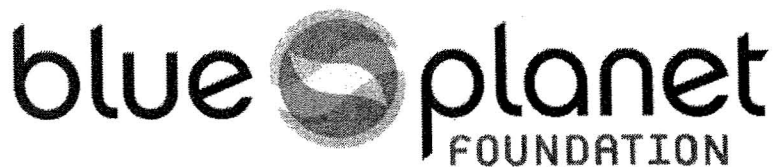
I am writing in strong support of HB2209, which establishes an "Energy Innovation Award." I believe that encouraging patentable technologies that create significant energy savings for Hawai'i is a critical step towards developing new, clean economies in Hawai'i and making Hawai'i a global leader in sustainability.

Thank you for this opportunity to testify on this important bill.

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Bill No. 2209

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Date 6/9

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HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION Type 1 (2) WI
COMMITTEE ON ECONOMIC REVITALIZATION, BUSINESS, & MILITARY AFFAIRS

February 9, 2010, 11:00 A.M.

Room 325

(Testimony is 1 page long)

TESTIMONY IN SUPPORT OF HB 2209

Chairs Morita and McKelvey and members of the committees:

The Blue Planet Foundation supports House Bill 2209, a measure that establishes the energy innovation award to be awarded by the High Technology Innovation Corporation to applicants that present patentable technologies that create significant energy savings for Hawai'i. We believe that such an award will foster further invention and innovation in the critical field of energy security for Hawai'i, helping to position our state as a global leader in clean energy sources.

Blue Planet Foundation's mission is to end the use of fossil fuels on Earth, starting by making Hawai'i a role model for energy independence. Hawai'i is currently far from that goal.

Hawai'i is the most dependent state in the nation on imported oil. Some 50 million barrels are imported annually, nearly 97% of which originate from foreign sources¹. In addition, over 800,000 tons of coal are imported into our state². These sources provide power for over 92% of Hawaii's electricity generation. The combustion of these resources also contributes over 23 million tons of climate changing greenhouse gas into our atmosphere annually³. Hawaii's economic, environmental, and energy security demand that we reduce the amount of fossil fuel imported and consumed in Hawai'i. To that end, new policies and innovations are critically needed that will dramatically increase energy efficiency, build our smart energy infrastructure with storage, and develop clean, renewable, and indigenous energy sources.

¹ The State of Hawaii Data Book, 2008

² *Ibid.*

³ ICF International. Inventory of Greenhouse Gas Emissions and Sinks in Hawaii: 1990 and 2007. December 2008.

Jeff Mikulina, executive director • jeff@blueplanetfoundation.org

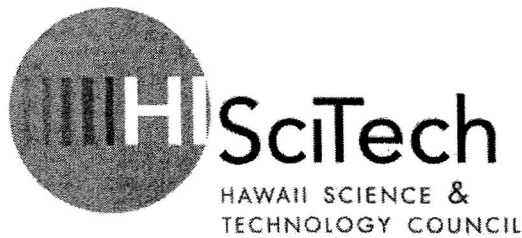
55 Merchant Street 17th Floor • Honolulu, Hawaii 96813 • 808-954-6142 • blueplanetfoundation.org

Fortunately, Hawai'i is no stranger to invention and innovation. Early Polynesians developed catamarans, perfected wayfinding techniques, and developed sustainable agriculture techniques for these islands. Later King Kalakaua installed one of the first telephone systems in the world and lit Iolani Palace with electric lights—a full four years before the White House had electric lights. Matson built the first cold-storage ship and standardized containerized shipping for the globe. More recently, Pacific Biodiesel established the first commercial biodiesel production and is still going today. Hawai'i has invented its way through adversity and to prosperity in the past. Our current energy challenge is no different.

House Bill 2209 would raise the stakes for innovators seeking to contribute their talent in solving Hawaii's energy crisis.

Blue Planet Foundation would be interested in working with the High Technology Innovation Corporation in developing cash prizes for the energy innovation awards contemplated in this measure.

Thank you for the opportunity to testify.



Bill **HB2209**
Date **February 9, 2010**
Time **11:00am**
Place **Conference Room 325**
Committees **EBM/EEP**
Chair **EBM: The honorable Representative Angus McKelvey**
 EEP: The honorable Representative Hermina Morita
Vice Chair **EBM: The honorable Representative Issac W. Choy**
 EEP: The honorable Representative Denny Coffeman

Aloha Chairs, Vice Chairs, and Members of the Committees,

Hawaii Science and Technology Council (HSTC) supports HB2209.

On behalf of HSTC, we strongly support HB2209. Amending Chapter 206M, Hawaii Revised Statutes to include the Energy Innovation Award by the high technology innovation cooperation would be revenue neutral to the State. The amendment is simply asking for an alternate use of the existing high technology special fund. By offering Energy Innovation Awards, Hawaii technology companies are incentivized to develop new patentable technologies that can ensure Hawaii's sustainable future.

Thank you for your time and consideration.

Respectfully yours,

Jamie Ayaka Moody
Government Relations
Hawaii Science & Technology Council
733 Bishop Street. #1800
Honolulu, HI 96813

FAX 586-9608

Testimony of

John A. Chock

before the

COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Rep. Hermina M. Morita, Chair

Rep. Denny Coffman, Vice Chair

**HOUSE COMMITTEE ON
ECONOMIC REVITALIZATION, BUSINESS, & MILITARY AFFAIRS**

Rep. Angus L.K. McKelvey, Chair

Rep. Isaac W. Choy, Vice Chair

HB 2209 RELATING TO INNOVATION AWARDS

DATE: Tuesday, February 9, 2010

TIME: 11:00 AM.

PLACE: Conference Room 325
State Capitol
415 South Beretania Street

Chairs Morita and McKelvey, Vice Chairs Coffman and Choi, and Committee Members:

I would like to submit testimony in support of HB 2209. In this period of economic downturn, Hawaii's economy sorely needs diversification, which promotion and support of new technology businesses can provide. Innovation and creativity are the keys to future business growth, as evidenced by the development of new products ranging from personal computers to the internet to the iphone.

The field of renewable energy is extremely important to Hawaii's economic future, and successful ideas to reduce our dependence on imported fossil fuels should be encouraged. The competition and award envisioned by HB2209 to recognize leading energy innovations will go far in stimulating new ideas for concentrated solar power, wave and ocean energy, and efficiencies in capturing Hawaii's abundant supply of wind. All of these will result in Hawaii continuing to be a world leader in advancing renewable energy technologies and reducing costs of electricity and fuel for our residents.

Thank you for the opportunity to provide testimony on HB 2209.

John A. Chock
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