H.B. NO. ²⁰⁷⁵ H.D. 2 S.D. 1 C.D. 1

A BILL FOR AN ACT

RELATING TO ENERGY.

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

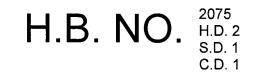
1 SECTION 1. The legislature finds that imported oil 2 supplies over ninety per cent of Hawaii's energy. This 3 dependence on oil threatens Hawaii's land, air, and water, 4 places the economy's security at risk, and is not sustainable. 5 As a result, the State adopted the clean energy initiative to 6 achieve seventy per cent clean energy by the year 2030. This 7 clean energy initiative is rooted in the principle of maximizing 8 cost effective investments in clean energy production and 9 management to promote Hawaii's energy security. Along with 10 reducing the dependency on fossil fuels and increasing 11 efficiency measures, the clean energy plan contributes to the 12 State's economic growth.

13 The legislature further finds that there are growing 14 numbers of local Hawaii-based companies conducting research and 15 development in clean energy technologies. Utilizing Hawaii's 16 diverse renewable energy sources of solar, wind,

17 hydroelectricity, bioenergy, and geothermal, these companies are

18 demonstrating to the world with proven results that Hawaii is an HB2075 CD1 HMS 2018-3938 1

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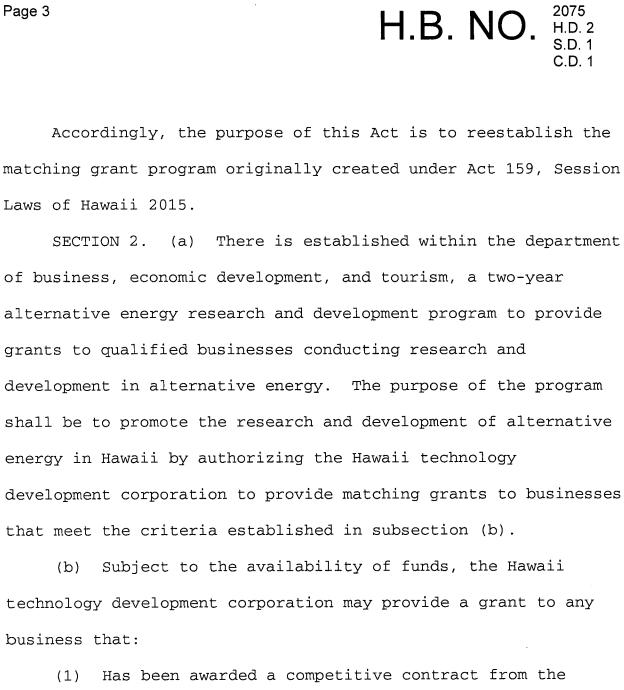
ideal laboratory for the development of clean energy
 technologies. Many of these local research and development
 companies have also obtained federal funding to develop clean
 and alternative energy research and have created high-paying
 jobs that employ highly skilled workers.

6 The legislature also finds that it is important to Hawaii's 7 future to support and strengthen these local companies to ensure 8 continued research and development and support Hawaii's economy. 9 For economic growth and diversification, it is in Hawaii's best 10 interest to take important steps to encourage high-impact, clean 11 energy solutions that encourage innovative economic development.

12 Act 159, Session Laws of Hawaii 2015, established a 13 matching grant pilot program, similar to the small business 14 innovation research grant program administered by the Hawaii 15 technology development corporation, to further strengthen and 16 support Hawaii's local companies that are conducting renewable 17 energy research and development through existing contracts with 18 the principal research division of the United States Department 19 of Defense, Office of Naval Research. Although the pilot 20 program expired on June 30, 2017, the legislature believes that 21 the program should be reestablished.

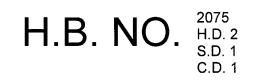


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Department of Defense Office of Naval Research related to the research of alternative energy and energy efficiency technologies in the fields of geothermal, solar, wind, ocean power, hydrodynamics, bioenergy,

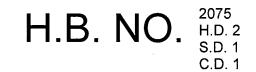




1		biomass, solid waste, smart grids, transportation, or
2		demand response;
3	(2)	Is sixty per cent or more resident-owned. For
4		purposes of this paragraph, "resident" shall have the
5		same meaning as defined in section 235-1, Hawaii
6		Revised Statutes;
7	(3)	Is a for-profit entity organized under the laws of the
8		State;
9	(4)	Has been doing business in the State for a minimum of
10		one year;
11	(5)	Agrees to expend all grant funds, awarded pursuant to
12		this Act, in the State; and
13	(6)	Conducts research in alternative energy that has a
14		high technology readiness level or high potential for
15		implementation as evidenced by a contract, funded by
16		moneys designated by the United States Congress as
17		funding for alternative energy and a national defense
18		budget funding directive, with the Department of
19		Defense Office of Naval Research that is existing and
20		active or was granted within three years prior to the
21		effective date of this Act;



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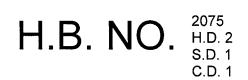
1 provided that the amount of any grant awarded pursuant to this 2 Act shall not exceed fifty per cent of the amount of the grant awarded to the business by the Department of Defense Office of 3 4 Naval Research; provided further that the business shall not be 5 eligible for a grant pursuant to this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

(c) The alternative energy research and development
program shall cease to exist on June 30, 2020.

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

17 SECTION 3. There is established the alternative energy 18 research and development revolving fund, to be expended by the 19 department of business, economic development, and tourism for 20 the purpose of promoting alternative energy research and





1 development in Hawaii through the awarding of grants under the 2 alternative energy research and development program. 3 The alternative energy research and development revolving 4 fund shall be abolished on June 30, 2020, and all unencumbered 5 balances shall lapse to the credit of the general fund. 6 SECTION 4. There is appropriated out of the general 7 revenues of the State of Hawaii the sum of \$1,000,000 or so much 8 thereof as may be necessary for fiscal year 2018-2019 to be 9 deposited into the alternative energy research and development 10 revolving fund. SECTION 5. There is appropriated out of the alternative 11 12 energy research and development revolving fund the sum of

\$1,000,000 or so much thereof as may be necessary for fiscal
year 2018-2019 for the purpose of providing grants pursuant to
this Act.

16 The sum appropriated shall be expended by the Hawaii
17 technology development corporation for the purposes of this Act.
18 SECTION 6. This Act shall take effect on July 1, 2018.





Report Title:

Alternative Energy Research; Grants; HTDC; Office of Naval Research Matching Grant; Appropriation

Description:

Authorizes the Hawaii Technology Development Corporation to provide fifty per cent matching grants to Hawaii awardees of alternative energy research grants from the United States Department of Defense, Office of Naval Research. Makes appropriations. (HB2075 CD1)

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

