
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 Act 159, Session
2 Laws of Hawaii 2015 (Act 159), authorized the high technology
3 development corporation to provide fifty per cent matching
4 grants of up to \$500,000 to Hawaii awardees of alternative
5 energy research grants from the United States Office of Naval
6 Research from 2015 to 2017. Accordingly, the Hawaii office of
7 naval research grant program was established to implement Act
8 159.

9 High technology development corporation's 2017 annual
10 report states that in the program's final year, it awarded three
11 local companies a total of \$950,000, which were then matched
12 with a total of \$10,200,000 in federal funds. The legislature
13 further finds that this program would align with the State's
14 goal to achieve one hundred per cent clean energy by the year
15 2045, while encouraging economic growth and diversification.

16 The purpose of this Act is to re-establish the two-year
17 Hawaii office of naval research grant program.



1 SECTION 2. (a) There is established within the department
2 of business, economic development, and tourism, a two-year
3 Hawaii office of naval research grant program to provide grants
4 to qualified businesses conducting research and development in
5 alternative energy. The purpose of the program shall be to
6 promote the research and development of alternative energy in
7 Hawaii by authorizing the high technology development
8 corporation to provide matching grants to businesses that meet
9 criteria established in subsection (b).

10 (b) Subject to the availability of funds, the high
11 technology development corporation may provide a grant to any
12 business that:

13 (1) Has been awarded a competitive contract from the
14 Department of Defense Office of Naval Research related
15 to the research of alternative energy and energy
16 efficiency technologies in the fields of geothermal,
17 solar, wind, ocean power, hydrodynamics, bioenergy,
18 biomass, solid waste, smart grids, transportation, or
19 demand response;

20 (2) Is sixty per cent or more resident-owned; provided
21 that for purposes of this paragraph, "resident" shall



1 have the same meaning as defined in section 235-1,

2 Hawaii Revised Statutes;

3 (3) Is a for-profit entity organized under the laws of the
4 State;

5 (4) Has been doing business in the State for not less than
6 one year;

7 (5) Agrees to expend all grant funds, awarded pursuant to
8 this Act, in the State; and

9 (6) Conducts research in alternative energy that has a
10 high technology readiness level or high potential for
11 implementation as evidenced by a contract, funded by
12 moneys designated by the United States Congress as
13 funding for alternative energy and a national defense
14 budget funding directive, with the Department of
15 Defense Office of Naval Research that is existing and
16 active or was granted within three years prior to the
17 effective date of this Act;

18 provided that the amount of any grant awarded pursuant to this
19 Act shall not exceed fifty per cent of the amount of the grant
20 awarded to the business by the Department of Defense Office of
21 Naval Research; provided further that the business shall not be



1 eligible for a grant pursuant to this section if the business
2 has obtained any other state grant for the same research, other
3 than the grant awarded to the business by the Department of
4 Defense Office of Naval Research, at the time of or during the
5 duration of the grant from the Hawaii office of naval research
6 grant program.

7 (c) The Hawaii office of naval research grant program
8 shall cease to exist on June 30, 2024.

9 (d) The department of business, economic development, and
10 tourism shall adopt rules, pursuant to chapter 91, Hawaii
11 Revised Statutes, necessary for the purposes of implementing the
12 Hawaii office of naval research grant program.

13 SECTION 3. There is established the alternative energy
14 research and development revolving fund for the purpose of
15 promoting alternative energy research and development in Hawaii.

16 The alternative energy research and development revolving
17 fund shall be abolished on June 30, 2024, and all unencumbered
18 balances shall lapse to the credit of the general fund.

19 SECTION 4. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$1,000,000 or so much
21 thereof as may be necessary for fiscal year 2022-2023 to be



1 deposited into the alternative energy research and development
2 revolving fund.

3 SECTION 5. There is appropriated out of the alternative
4 energy research and development revolving fund the sum of
5 \$1,000,000 or so much thereof as may be necessary for fiscal
6 year 2022-2023 for the purpose of providing grants pursuant to
7 this Act.

8 The sum appropriated shall be expended by the high
9 technology development corporation.

10 SECTION 6. This Act shall take effect on July 1, 2022.

11

INTRODUCED BY:



JAN 24 2022



Report Title:

Alternative Energy Research; Matching Grants; High Technology Development Corporation; Office of Naval Research; Appropriations

Description:

Authorizes the High Technology Development Corporation to temporarily re-establish the Hawaii Office of Naval Research Grant Program to provide fifty per cent matching grants to Hawaii awardees of alternative energy research grants from the United States Office of Naval Research. Establishes the alternative energy research and development revolving fund. Makes appropriations.

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