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# 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, which has since been renamed as the  
4 Hawaii technology development corporation, to provide fifty per  
5 cent matching grants of up to \$500,000 to Hawaii awardees of  
6 alternative energy research grants from the United States Office  
7 of Naval Research from 2015 to 2017. Accordingly, the Hawaii  
8 office of naval research grant program was established to  
9 implement Act 159.

10       The high technology development corporation's 2017 annual  
11 report states that in the program's final year, it awarded three  
12 local companies a total of \$950,000, which were then matched  
13 with a total of \$10,200,000 in federal funds. The legislature  
14 further finds that this program would align with the State's  
15 goal to achieve one hundred per cent clean energy by the year  
16 2045, while encouraging economic growth and diversification.



1       The purpose of this Act is to re-establish and appropriate  
2 funds for a two-year Hawaii office of naval research grant  
3 program.

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

13       (b) Subject to the availability of funds, the Hawaii  
14 technology development corporation may provide a grant to any  
15 business that:

- 16       (1) Has been awarded a competitive contract from the  
17 Department of Defense Office of Naval Research related  
18 to the research of alternative energy and energy  
19 efficiency technologies in the fields of geothermal,  
20 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; provided  
4 that for purposes of this paragraph, "resident" shall  
5 have the same meaning as 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 not less than  
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;



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  
3 awarded to the business by the Department of Defense Office of  
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  
8 Defense Office of Naval Research, at the time of or during the  
9 duration of the grant from the Hawaii office of naval research  
10 grant program.

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

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 Hawaii office of naval research grant program.

17 SECTION 3. There is appropriated out of the general  
18 revenues of the State of Hawaii the sum of \$1,000,000 or so much  
19 thereof as may be necessary for fiscal year 2022-2023 for the  
20 purpose of providing grants pursuant to this Act.



1       The sum appropriated shall be expended by the Hawaii  
2 technology development corporation.

3       SECTION 4. This Act shall take effect on July 1, 2100.

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# H.B. NO. 2054 H.D. 1

**Report Title:**

Alternative Energy Research; Matching Grants; Hawaii Technology Development Corporation; Office of Naval Research; Appropriation

**Description:**

Authorizes the Hawaii 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. Effective 7/1/2100.  
(HD1)

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

