
A BILL FOR AN ACT

RELATING TO LONG DURATION CLEAN ENERGY STORAGE.

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

1 SECTION 1. The legislature finds that the ability to store
2 locally produced clean energy supports resilience, reliability,
3 and affordability of the State's energy supply.

4 Accordingly, the purpose of this Act is to support the
5 continued development and storage of resilient, sustainable, and
6 locally produced clean energy in the State and to make the State
7 competitive for clean energy storage federal grants by:

8 (1) Amending the Hawaii renewable hydrogen program and
9 hydrogen investment capital special fund to encompass
10 a broader focus on long duration clean energy storage;
11 and

12 (2) Transferring responsibility for the program to the
13 Hawaii state energy office.

14 SECTION 2. Chapter 196, Hawaii Revised Statutes, is
15 amended by adding a new section to part V to be appropriately
16 designated and to read as follows:



1 "§196- Long duration clean energy storage investment
2 capital special fund. (a) There shall be established the long
3 duration clean energy storage investment capital special fund,
4 into which shall be deposited:

- 5 (1) Appropriations made by the legislature to the fund;
6 (2) All contributions from public or private partners;
7 (3) All interest earned on or accrued to moneys deposited
8 in the special fund; and
9 (4) Any other moneys made available to the special fund
10 from other sources.

11 (b) Moneys in the fund shall be expended by the Hawaii
12 state energy office:

- 13 (1) To provide seed capital for and venture capital
14 investments in private sector and federal projects for
15 research, development, testing, and implementation of
16 the Hawaii long duration clean energy storage program,
17 as set forth in section 196-10; and
18 (2) For any other purpose deemed necessary to carry out
19 the purposes of section 196-10."

20 SECTION 3. Section 196-10, Hawaii Revised Statutes, is
21 amended to read as follows:



1 "[(+)§196-10(+)] Hawaii [~~renewable hydrogen~~] long duration
2 clean energy storage program. There is established[,] within
3 the [~~department of business, economic development, and tourism,~~]
4 Hawaii state energy office a Hawaii [~~renewable hydrogen~~] long
5 duration clean energy storage program [~~to manage the State's~~
6 ~~transition to a renewable hydrogen economy~~]. The program shall
7 design, implement, and administer activities that include:

- 8 (1) Strategic partnerships for the research, development,
9 testing, and deployment of [~~renewable hydrogen~~] long
10 duration clean energy storage technologies[+],
11 including renewable hydrogen, pumped storage
12 hydroelectricity, batteries, and other technologies;
- 13 (2) Engineering and economic evaluations of Hawaii's
14 potential for [~~renewable hydrogen~~] long duration clean
15 energy storage use and near-term project opportunities
16 for the State's renewable energy resources;
- 17 (3) Electric grid reliability and security projects that
18 will enable the integration of a substantial increase
19 of electricity from renewable energy resources on the
20 island of Hawaii;



- 1 (4) ~~[Hydrogen]~~ Long duration clean energy storage
2 demonstration projects, including infrastructure for
3 the production, storage, and refueling of hydrogen
4 vehicles; hydroenergy storage; pumped storage
5 hydroelectricity; battery storage; and other
6 technologies;
- 7 (5) A statewide ~~[renewable hydrogen]~~ long duration clean
8 energy storage public education and outreach plan
9 focusing on the island of Hawaii, to be developed in
10 coordination with Hawaii's public education
11 institutions~~[+]~~, and to include education on renewable
12 hydrogen and other technologies;
- 13 (6) Promotion of Hawaii's ~~[renewable hydrogen]~~ long
14 duration clean energy storage resources, including
15 renewable hydrogen, to potential partners and
16 investors;
- 17 ~~[(7) A plan, for implementation during the years 2007 to~~
18 ~~2010, to more fully deploy hydrogen technologies and~~
19 ~~infrastructure capable of supporting the island of~~
20 ~~Hawaii's energy needs, including:~~



1 ~~(A) Expanded installation of hydrogen production~~
2 ~~facilities;~~

3 ~~(B) Development of integrated energy systems,~~
4 ~~including hydrogen vehicles;~~

5 ~~(C) Construction of additional hydrogen refueling~~
6 ~~stations; and~~

7 ~~(D) Promotion of building design and construction~~
8 ~~that fully incorporates clean energy assets,~~
9 ~~including reliance on hydrogen-fueled energy~~
10 ~~generation;~~

11 ~~(8) A plan, for implementation during the years 2010 to~~
12 ~~2020, to transition the island of Hawaii to a~~
13 ~~hydrogen-fueled economy and to extend the application~~
14 ~~of the plan throughout the State; and~~

15 ~~(9)]~~ (7) Evaluation of policy recommendations to:

16 (A) Encourage the adoption of ~~[hydrogen-fueled~~
17 ~~vehicles;]~~ long duration clean energy storage and
18 the identification of potential customers for the
19 storage;



- 1 (B) Continually fund the [hydrogen] long duration
2 clean energy storage investment capital special
3 fund; and
- 4 (C) Support investment in [hydrogen] long duration
5 clean energy storage infrastructure, including
6 [production, storage, and dispensing facilities.]
7 storage for renewable hydrogen, pumped storage
8 hydroelectricity, and other technologies; and
- 9 (8) Engineering and economic evaluations of potential
10 locations for long duration clean energy storage,
11 prioritizing locations for storing pumped storage
12 hydroelectricity, that:
 - 13 (A) Maximize the ecological, social, and economic
14 benefits of nearby resources and make the best
15 use of agricultural and recreational lands; and
 - 16 (B) Minimize or avoid negative impacts on cultural
17 sites, productive agricultural lands, and animal
18 habitats."

19 SECTION 4. Section 206M-63, Hawaii Revised Statutes, is
20 repealed.



1 ~~["§206M-63] Hydrogen investment special fund. (a) There~~
2 ~~shall be established the hydrogen investment special fund, into~~
3 ~~which shall be deposited:~~

- 4 ~~(1) Appropriations made by the legislature to the fund;~~
5 ~~(2) All contributions from public or private partners;~~
6 ~~(3) All interest earned on or accrued to moneys deposited~~
7 ~~in the special fund; and~~
8 ~~(4) Any other moneys made available to the special fund~~
9 ~~from other sources.~~

10 ~~(b) Moneys in the fund shall be expended by the~~
11 ~~development corporation:~~

- 12 ~~(1) To provide seed capital for and venture capital~~
13 ~~investments in private sector and federal projects for~~
14 ~~research, development, testing, and implementation of~~
15 ~~the Hawaii renewable hydrogen program, as set forth in~~
16 ~~section 196-10; and~~
17 ~~(2) For any other purpose deemed necessary to carry out~~
18 ~~the purposes of section 196-10."]~~

19 SECTION 5. All rights, powers, functions, and duties of
20 the department of business, economic development, and tourism



1 related to the administration of the renewable hydrogen program
2 are transferred to the Hawaii state energy office.

3 All employees who occupy civil service positions and whose
4 functions are transferred to the Hawaii state energy office by
5 this Act shall retain their civil service status, whether
6 permanent or temporary. Employees shall be transferred without
7 loss of salary, seniority (except as prescribed by applicable
8 collective bargaining agreements), retention points, prior
9 service credit, any vacation and sick leave credits previously
10 earned, and other rights, benefits, and privileges, in
11 accordance with state personnel laws and this Act; provided that
12 the employees possess the minimum qualifications and public
13 employment requirements for the class or position to which
14 transferred or appointed, as applicable; provided further that
15 subsequent changes in status may be made pursuant to applicable
16 civil service and compensation laws.

17 Any employee who, prior to this Act, is exempt from civil
18 service and is transferred as a consequence of this Act may
19 retain the employee's exempt status, but shall not be appointed
20 to a civil service position as a consequence of this Act. An
21 exempt employee who is transferred by this Act shall not suffer



1 any loss of prior service credit, vacation or sick leave credits
2 previously earned, or other employee benefits or privileges as a
3 consequence of this Act; provided that the employees possess
4 legal and public employment requirements for the position to
5 which transferred or appointed, as applicable; provided further
6 that subsequent changes in status may be made pursuant to
7 applicable employment and compensation laws. The chief energy
8 officer may prescribe the duties and qualifications of these
9 employees and fix their salaries without regard to chapter 76,
10 Hawaii Revised Statutes.

11 SECTION 6. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$ or so
13 much thereof as may be necessary for fiscal year 2025-2026 and
14 the same sum or so much thereof as may be necessary for fiscal
15 year 2026-2027 to support the long duration clean energy storage
16 program, including the hiring of any temporary staff that may be
17 needed to support the transfer of the program to the Hawaii
18 state energy office.

19 The sums appropriated shall be expended by the Hawaii state
20 energy office for the purposes of this Act.



1 SECTION 7. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 8. This Act shall take effect on July 1, 2025.

4

INTRODUCED BY: Mike E. Jones

JAN 16 2025



H.B. NO. 357

Report Title:

HSEO; Renewable Energy; Long Duration Clean Energy Storage;
Special Fund; Appropriation

Description:

Amends the Hawaii renewable hydrogen program and hydrogen investment capital special fund to include a broader focus on long duration clean energy storage. Transfers responsibility for the program to the Hawaii State Energy Office. Appropriates funds.

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