

A Bill for an Act Relating to Procurement, Control, Distribution and Sale of Petroleum Products.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to amend Section 125C-2, Hawaii Revised Statutes, to provide a qualitative instead of a quantitative “triggering mechanism” by which an energy shortage may be declared by the governor.

SECTION 2. Section 125C-2, Hawaii Revised Statutes, is amended to read as follows:

“**§125C-2 “Shortage” defined.** As used in this chapter, unless otherwise indicated by the context, a “shortage” exists whenever the governor determines that there is an increase in the demand for any petroleum product [which is five per cent or greater during a current or forthcoming month than the average demand for that petroleum product during that month in the immediately preceding two years, and this increase has not been met by an increase of equal magnitude in the available supply of the petroleum product in question; or there is a decrease in the available supply of any petroleum product which is five per cent or greater during a current or forthcoming month than the average supply available during that same month in the immediately preceding two years, and this decrease has not been accompanied by a decline in demand of equal magnitude] or there is a decrease in the available supply for the petroleum product in question[;], or both; and such [increase or] decrease in the available supply of or increase in the demand for the petroleum product in question, or both, may cause a major adverse impact on the economy, public order, or the health, welfare, or safety of the people of Hawaii and may not be responsibly managed within the free market distribution system. Further, the governor may require importers of any petroleum product or other fuel to monitor and report to the department of business, economic development, and tourism relevant supply and demand data. The governor shall review the status of a shortage within one hundred twenty days after the governor’s initial determination of a shortage as defined under this chapter; thenceforth, the governor shall conduct a review of the shortage to make a new determination every thirty days until a shortage no longer exists.”

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 7, 1991.)