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# A BILL FOR AN ACT

RELATING TO ENERGY.

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

1 PART I

2 SECTION 1. Renewable energy resources offer Hawaii  
3 important economic, environmental, and energy security benefits,  
4 especially since Hawaii's dependence on petroleum is the highest  
5 in the nation, accounting for approximately 90 per cent of the  
6 State's energy needs. This high petroleum dependence makes  
7 consumers extremely vulnerable to any oil embargo, supply  
8 disruption, international market dysfunction, and many other  
9 factors beyond Hawaii's control.

10 Recognizing the importance and economic and environmental  
11 benefits of increasing energy self-sufficiency, over the past  
12 four years, the legislature and the department of business,  
13 economic development, and tourism have committed to energy  
14 objectives geared toward achieving dependable, efficient, and  
15 economical statewide energy systems, increased self-sufficiency,  
16 greater energy security, and reduction of greenhouse gas  
17 emissions.



1 Act 272, Session Laws of Hawaii 2001, recognized the  
2 economic, environmental, and fuel diversity benefits of  
3 renewable energy resources and the need to encourage the  
4 establishment of a market for renewable energy in Hawaii using  
5 the State's renewable energy resources. Act 240, Session Laws  
6 of Hawaii 2006, provided a framework for energy self-  
7 sufficiency. The State has also committed to a renewable energy  
8 standard, where twenty per cent of electricity sold will be  
9 generated from renewable resources by the end of 2020 and has  
10 sought to encourage private sector development of renewable  
11 energy projects.

12 However, renewable energy projects are often complex,  
13 large-scale undertakings requiring a number of permits. The  
14 process for obtaining the necessary permits for renewable energy  
15 projects and developments and the process for meeting state,  
16 county, and federal regulations has for decades been described  
17 as overly time-consuming, cumbersome, onerous, and costly. In  
18 fact, the "Hawaii Integrated Energy Policy Report" of 1991 found  
19 that the permit and approval process required for the  
20 development and siting of energy facilities for a single project  
21 can take up to seven years to complete. Thus, the inefficiency



1 of the permitting and development process acts as a barrier to  
2 meeting Hawaii's renewable energy goals.

3 Understanding that renewable energy projects can provide  
4 substantial and long-term benefits to the State and that  
5 development of renewable energy projects would further state  
6 policies of developing indigenous renewable energy resources and  
7 decreasing Hawaii's dependency on imported fossil fuels, the  
8 legislature finds that there is a need to streamline the  
9 permitting process to provide predictability and to encourage  
10 private companies to commit substantial amounts of capital,  
11 time, and effort necessary to develop such projects. Towards  
12 these ends the legislature also recognizes that investment in  
13 additional personnel is essential.

14 The purpose of this part is to establish a full-time,  
15 temporary renewable energy facilitator position in the  
16 department of business, economic development, and tourism.

17 SECTION 2. Chapter 201, Hawaii Revised Statutes, is  
18 amended by adding a new section to be appropriately designated  
19 and to read as follows:

20 "§201-A Renewable energy facilitator; establishment;  
21 duties. (a) There is established within the department of  
22 business, economic development, and tourism the position of



1 renewable energy facilitator, which shall be a full-time,  
2 temporary position exempt from chapters 76 and 89. The  
3 renewable energy facilitator shall possess a requisite level of  
4 knowledge and expertise in the areas of renewable energy, state  
5 and county permitting processes, and management necessary to  
6 carry out the duties of the position.

7 (b) The renewable energy facilitator shall have the  
8 following duties:

- 9 (1) Facilitate the efficient permitting of renewable  
10 energy projects;
- 11 (2) Initiate the implementation of key renewable energy  
12 projects by permitting various efficiency improvement  
13 strategies identified by the department;
- 14 (3) Administer the day-to-day coordination for renewable  
15 energy projects on behalf of the department and the  
16 day-to-day operations of the renewable energy facility  
17 siting process established in H.B. No. 2863, C.D. 1,  
18 Regular Session of 2008; and
- 19 (4) Submit periodic reports to the legislature on  
20 renewable energy facilitation activities and the  
21 progress of the renewable energy facility siting  
22 process.



1       (c) The renewable energy facilitator position shall be  
2 funded by the energy security special fund."

3                               PART II

4       The purpose of this part is to provide additional resources  
5 for the energy initiatives to carry out Hawaii's long-term  
6 energy strategy through a new energy security special fund in  
7 order to secure a sustainable energy future for Hawaii.

8       SECTION 3. Chapter 201, Hawaii Revised Statutes, is  
9 amended by adding a new section to be appropriately designated  
10 and to read as follows:

11       "§201-B Energy security special fund; uses. (a) There is  
12 created within the state treasury an energy security special  
13 fund, which shall consist of:

14       (1) Moneys appropriated to the fund by the legislature;

15       (2) All interest attributable to investment of money  
16       deposited in the fund; and

17       (3) Moneys allotted to the fund from other sources.

18       (b) Moneys from the fund shall be expended by the  
19 department of business, economic development, and tourism for  
20 the following purposes and shall be used for no other purposes  
21 except for those set forth in this section:



1       (1) To support its energy program, including projects that  
2       ensure dependable, efficient, and economical energy,  
3       promote energy self-sufficiency, and provide greater  
4       energy security for the State; and

5       (2) To fund the renewable energy facilitator pursuant to  
6       section 201-A and any other positions necessary for  
7       the purposes of paragraph (1) as determined by the  
8       legislature."

9       SECTION 4. Section 128D-2, Hawaii Revised Statutes, is  
10      amended by amending subsection (b) to read as follows:

11       "(b) Moneys from the fund shall be expended by the  
12      department for response actions and preparedness, including  
13      removal and remedial actions, consistent with this chapter;  
14      provided that the revenues generated by the "environmental  
15      response tax" and deposited into the environmental response  
16      revolving fund:

17       (1) Shall also be used:

18           (A) For oil spill planning, prevention, preparedness,  
19           education, research, training, removal, and  
20           remediation; [~~and~~]

21           (B) For direct support for county used oil recycling  
22           programs; and



1           (C) For deposit into the energy security special  
2           fund, established under section 201-B, as may be  
3           appropriated by the legislature;

4           and

5           (2) May also be used to support environmental protection  
6           and natural resource protection programs, including  
7           but not limited to energy conservation and alternative  
8           energy development, and to address concerns related to  
9           air quality, global warming, clean water, polluted  
10          runoff, solid and hazardous waste, drinking water, and  
11          underground storage tanks, including support for the  
12          underground storage tank program of the department and  
13          funding for the acquisition by the State of a soil  
14          remediation site and facility."

15          SECTION 5. On July 1, 2008, the director of finance shall  
16          transfer from the environmental response revolving fund the sum  
17          of \$112,000 to the energy security special fund for expenditure  
18          as authorized under section 201-B, Hawaii Revised Statutes.

19          SECTION 6. There is appropriated out of the energy  
20          security special fund the sum of \$112,000 or so much thereof as  
21          may be necessary for fiscal year 2008-2009 for one (1.00 FTE)  
22          full-time, temporary renewable energy facilitator.



1 The sum appropriated shall be expended by the department of  
2 business, economic development, and tourism for the purposes of  
3 this Act.

4 PART III

5 SECTION 7. In codifying the new sections added by sections  
6 2 and 3 of this Act, the revisor of statutes shall substitute  
7 appropriate section numbers for the letters used in designating  
8 the new sections in this Act.

9 SECTION 8. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 9. This Act shall take effect on July 1, 2008.



H.B. NO. 2505  
H.D. 2  
S.D. 2  
C.D. 1

**Report Title:**

Energy Resources; Renewable Energy; DBEDT

**Description:**

Establishes a full-time, temporary renewable energy facilitator position within the department of business, economic development, and tourism and provides funding from the energy security special fund. Establishes the energy security special fund. Amends uses of the environmental response revolving fund to include deposits to the energy security special fund. Appropriates moneys to the energy security special fund for funding new personnel costs and designated energy program activities. (HB2505 CD1)

