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# A BILL FOR AN ACT

RELATING TO REORGANIZATION OF STATE AGENCIES.

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

- 1           SECTION 1. The legislature finds that under the state  
2 constitution, the State is responsible for providing its people  
3 with a healthful environment; protecting the public health;  
4 conserving and protecting the natural beauty and natural  
5 resources of the state, including the land, water, air,  
6 minerals, and energy resources; balancing the development and  
7 conservation of the state's natural resources; and protecting  
8 the state's marine resources and water resources. To meet these  
9 constitutional obligations, the State has set goals such as:
- 10           (1) Provision of dependable, efficient, and economical  
11           statewide energy systems capable of supporting the  
12           needs of the people, and increasing energy self-  
13           sufficiency and energy security;
- 14           (2) Reducing greenhouse gas emissions from energy supply  
15           and use;
- 16           (3) Prudent use of land, shoreline, and marine resources;
- 17           (4) Effective protection of Hawaii's unique and fragile  
18           environmental resources;



- 1           (5) Improving Hawaii's land, air, and water resource  
2           quality;
- 3           (6) Maintenance of basic public health and sanitation  
4           standards relating to treatment and disposal of solid  
5           and liquid wastes; and
- 6           (7) Provision of adequate water supply to accommodate  
7           domestic, agricultural, commercial, industrial,  
8           recreational, and other needs.

9           The legislature further finds that the manner in which  
10 government has been structured as a result of laws enacted by  
11 the state and federal statutes and general practice over a long  
12 period of time has created organizational stovepipes that are  
13 frequently not conducive to the needs of our future. It is  
14 recognized that the structures currently in place do not  
15 effectively respond to one of Hawaii's most critical economic  
16 and societal needs--the significant reduction of its dependence  
17 on fossil fuels for electricity generation and for  
18 transportation in a manner that makes the maximum, appropriate  
19 use of the state's diverse natural resources with the minimum  
20 negative impact upon the state's unique environment. The  
21 responsibilities dealing with the state objectives are scattered  
22 among many different departments, boards, agencies, commissions,



1 and task forces. However, many of these issues relate with one  
2 another, and the expertise and knowledge of each of these  
3 resources may be better used to achieve the state's energy and  
4 environmental planning goals by consolidating or reorganizing  
5 these state resources.

6 For example, biofuel, one type of renewable energy, relates  
7 to energy resources, prudent use of land, water, and air  
8 resources, agricultural innovation, technology, and reduction of  
9 air pollution. However, the department of agriculture,  
10 department of business, economic development, and tourism, and  
11 the department of health, along with the University of Hawaii,  
12 for the most part handle these different issues separately in a  
13 vertical fashion. This separation of different aspects of  
14 biofuel leads to a disjointed approach to the most effective  
15 development, use, and dissemination of this invaluable resource.  
16 Without departmental ownership of the issue, the State lacks the  
17 ability to plan comprehensively and act with the necessary  
18 agility to ensure development of the biofuel industry.

19 The legislature further finds that the current lack of  
20 interagency cooperation and coordination among the federal,  
21 state, and county agencies responsible for the implementation of  
22 energy and environmental resource management functions hampers



1 the State's achievement of these goals. Lack of a comprehensive  
2 policy framework and accountability also add to the  
3 inefficiency. Although government has recognized in policy the  
4 importance of developing indigenous alternative energy resources  
5 in an environmentally acceptable way, it has not created a  
6 systematic approach to transforming Hawaii's economy from one  
7 that is fossil fuel-based to one that is not. There is a  
8 history of disconnected alternative energy research and  
9 development projects and programs, conflicting regulatory  
10 interests, bureaucratic inconsistency in resource management,  
11 unclear standards in benchmarking and measuring progress, uneven  
12 opportunities for public dialogue, and an overall lack of  
13 governmental accountability. Finally, the agencies have not  
14 capitalized on nor coordinated resources the public is willing  
15 to contribute to environmental protection and energy resource  
16 development, resulting in a waste of community efforts.

17 The purpose of this Act is to direct the legislative  
18 reference bureau to conduct a study to determine the most  
19 effective and efficient options for reorganizing the state  
20 agencies responsible for issues relating to energy and  
21 environmental protection, so that government will be prepared  
22 for the future.



1           SECTION 2. (a) The legislative reference bureau shall  
2 conduct a study to determine the state's most effective and  
3 efficient options for reorganizing state agencies tasked with  
4 issues relating to energy and environmental protection,  
5 including commissions, boards, councils, offices, and task  
6 forces, such as:

- 7           (1) The department of agriculture;
- 8           (2) The department of business, economic development, and  
9           tourism;
- 10          (3) The department of health;
- 11          (4) The department of land and natural resources;
- 12          (5) The public utilities commission;
- 13          (6) The natural energy laboratory of Hawaii;
- 14          (7) The Hawaii invasive species council;
- 15          (8) The office of environmental quality control; and
- 16          (9) The Hawaii energy policy forum.

- 17          (b) The report shall include:
  - 18               (1) Identification of the state's overall energy and  
19               environmental planning goals;
  - 20               (2) Identification of the current statutorily tasked roles  
21               for energy and environmental planning in the state,  
22               including agency roles as required statutorily, and



- 1 actual performance or satisfaction of these  
2 requirements, and the gaps between the two;
- 3 (3) Identification of the overlap between various  
4 agencies' responsibilities;
- 5 (4) Identification of the gap between the state's overall  
6 energy and environmental planning goals identified in  
7 paragraph (1) and the achievement of these goals by  
8 the agencies;
- 9 (5) An evaluation of how other states have successfully  
10 addressed the issues identified in paragraphs (3) and  
11 (4), by reorganizing and restructuring agencies,  
12 including budgetary consequences of replicating those  
13 state's structures;
- 14 (6) A recommendation on the most effective and efficient  
15 options available to our state to reorganize current  
16 governmental structure to best achieve the energy and  
17 environmental protection planning goals of our state,  
18 identified in paragraph (1), including but not limited  
19 to consolidating responsibilities of agencies,  
20 creating a new state department or agency, or  
21 otherwise reorganizing current state agency structure;  
22 and



- 1           (7) Suggesting the possible roles and responsibilities of  
2           the newly reorganized agencies, including which agency  
3           will be responsible for, among other things:
- 4           (A) Identification of state goals, objectives, and  
5           implementing actions for environmental quality  
6           and energy resources;
- 7           (B) Development of policies and an action plan and  
8           coordination of implementing state programs  
9           relating to energy resources and environmental  
10          protection;
- 11          (C) Assuring the preservation and enhancement of  
12          natural beauty and artificial scenic qualities;
- 13          (D) Prevention and abatement of air, water, land, and  
14          noise pollution;
- 15          (E) Ensuring a groundwater quality monitoring network  
16          to prevent contamination of groundwater  
17          resources;
- 18          (F) Recovery, recycling, reuse, and disposal of solid  
19          waste, including refuse, litter, and debris;
- 20          (G) Environmental impact statement review functions;
- 21          (H) Research and development on energy resources and  
22          technology, environmental quality, ecological



1 process, pollution prevention and abatement,  
2 recycling and reusing, and environmental  
3 epidemiology;

4 (I) Enforcement of environmental protection laws; and

5 (J) Establishment and updating of administrative  
6 rules.

7 (c) The agencies affected by this study shall provide  
8 assistance and information necessary to the legislative  
9 reference bureau in achieving its purpose as required under this  
10 Act.

11 (d) The legislative reference bureau shall submit a report  
12 of its findings and recommendations, including any proposed  
13 legislation and necessary funding, to the legislature at least  
14 twenty days prior to the convening of the 2009 regular session.

15 SECTION 3. There is appropriated out of the general  
16 revenues of the State of Hawaii the sum of \$75,000 or so much  
17 thereof as may be necessary for fiscal year 2008-2009 to carry  
18 out the purposes of this Act.

19 The sum appropriated shall be expended by the legislative  
20 reference bureau for the purposes of this Act.

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1 SECTION 4. This Act shall take effect upon its approval;  
2 provided that section 3 shall take effect on July 1, 2008.  
3

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**Report Title:**

Energy and Environmental Protection; Reorganization

**Description:**

Directs the Legislative Reference Bureau to conduct a study on Hawaii's most effective and efficient options to reorganize state agencies tasked with issues relating to energy and environmental protection.

