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GOVERNOR OF HAWAII



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CONSERVATION AND RESOURCES ENFORCEMENT
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HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**TESTIMONY OF THE CHAIRPERSON
OF THE BOARD OF LAND AND NATURAL RESOURCES**

on House Bill 2506 House Draft 1 – Relating To Reorganization Of State Agencies

**BEFORE THE HOUSE COMMITTEE ON
LEGISLATIVE MANAGEMENT**

February 12, 2008

House Bill 2506 House Draft 1, directs the legislative reference bureau to conduct a study of agencies relating to environmental protection and energy self-sufficiency and to identify the most effective and efficient options of reorganizing State agencies tasked with issues related to energy and environmental protection appropriately. The Department of Land and Natural Resources (Department) does not support this measure as the Department believes that there are other initiatives that could accomplish what this measure intends, that have not yet had the chance to come to fruition.

The Department recognizes that there are ongoing actions that are addressing planning & sustainability on multiple fronts. One example is that the Department of Business, Economic Development and Tourism is currently developing a comprehensive renewable biofuels framework, pursuant to Act 253 that was passed by the 2007 legislature. Additionally, an agreement was signed January 28, 2008 for a partnership between Hawaii and the United States Department of Energy to make Hawaii a world model for a clean energy economy. It is unclear how the establishment of a new department would affect such ongoing projects.

LINDA LINGLE
Governor



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SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture

DUANE K. OKAMOTO
Deputy to the Chairperson

WRITTEN TESTIMONY OF SANDRA LEE KUNIMOTO
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON
LEGISLATIVE MANAGEMENT
FEBRUARY 12, 2008
2:00 P.M.

HOUSE BILL NO. 2506, H.D. 1
RELATING TO REORGANIZATION OF STATE AGENCIES

Chairperson Magaoay and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 2506, H.D. 1 that directs the Legislative Reference Bureau to conduct a study on Hawaii's options to reorganize state agencies tasked with issues relating to energy self-sufficiency and security and environmental protection. The Department of Agriculture believes that the bill is premature and recommends that Act 253 be allowed to proceed to completion before a reorganization study is commissioned.

The Department of Business, Economic Development and Tourism (DBEDT) is currently developing a comprehensive renewable biofuels framework, pursuant to Act 253 that was passed by the 2007 legislature. Upon completion, the master plan will include a Hawaii renewable biofuels program to manage the State's transition to energy self-sufficiency based in part on biofuels for power generation and transportation. The components of the plan include establishing strategic partnerships for the research, development, testing, and deployment of renewable biofuels technologies and production of biomass crops; evaluation of Hawaii's potential to rely on biofuels as a significant renewable energy resource; supporting biofuels demonstration projects, including infrastructure for production, storage, and transportation of biofuels; promoting

Hawaii's renewable biofuels resources to potential partners and investors for development in Hawaii as well as for export purposes; and developing a plan or roadmap to implement commercially viable biofuels development. We anticipate that completion of the plan will provide a better understanding of the private sector's needs as well as long-term commitment to biofuels.

Completion of the plan will identify many of the key issues that need to be addressed and should be the basis for changes in government operations to support energy self-sufficiency and environmental protection.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

LINDA LINGLE
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Statement of
THEODORE E. LIU
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON LEGISLATIVE MANAGEMENT
Tuesday, February 12, 2008
2:00 P.M.
State Capitol, Conference Room 423

in consideration of

HB2506,HD1
RELATING TO REORGANIZATION OF STATE AGENCIES.

Chair Magaoay, Vice Chair Tokioka, and Members of the
Committee.

HB2506,HD1, Relating to Reorganization of State Agencies,
directs the Legislative Reference Bureau to research the
responsibilities of state agencies that are integral to achieving
state energy objectives; identify any duplication or deficiency
in the state agencies responsibilities; research how other states
address similar deficiencies in the administration of their
energy policies; and make recommendations regarding how the state
agencies can be reorganized to advance the long-term energy
strategy.

The Department of Business, Economic Development, and
Tourism understands the concept behind HB2506,HD1. However, we
respectfully cannot support this bill because of the significant

resource implications of such a study, including staff time and attention and funding that will of necessity be diverted from the programs whose missions are to achieve the objectives sought by the proposed measure.

The department respectfully suggests that the Legislature's goals of advancing a comprehensive long-term energy strategy and to achieve the state energy objectives are already within the scope of the existing agencies, and that better collaboration among agencies is more effective than a study.

Thank you for the opportunity to offer these comments.

Ken H. Takayama
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LEGISLATIVE REFERENCE BUREAU
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HB2506, HD1

RELATING TO REORGANIZATION OF STATE AGENCIES

**Presented to the House Committee on Legislative Management
Twenty-fourth State Legislature, Regular Session of 2008
by Ken H. Takayama, Acting Director
or Charlotte A. Carter-Yamauchi,
Assistant Director for Legislative Research
Legislative Reference Bureau
Tuesday, February 12, 2008**

Chair Magaoay and Members of the Committee:

Thank you for this opportunity to testify on H.B. No. 2506, H.D. 1. The Bureau takes no position for or against the measure but submits the following comments.

This bill calls for the Legislative Reference Bureau (Bureau) to conduct a study to recommend the most effective and efficient options for reorganizing the state agencies responsible for issues relating to energy. The bill also appropriates funds to enable the Bureau to hire a contractor for the study. Findings and recommendations are required to be submitted prior to the convening of the 2009 regular session of the Legislature.

As always, if the Legislature really wants us to do this study, we will do it to the best of our abilities with the resources that we have and are otherwise provided us.

As amended, this H.D. 1 version of the bill provides straightforward direction for a study that appears to be manageable in scope

Thank you very much for this opportunity to testify.

HAWAII RENEWABLE ENERGY ALLIANCE

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Sunpower

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Kahua Ranch Ltd.

TESTIMONY OF WARREN BOLLMEIER ON BEHALF OF THE HAWAII
RENEWABLE ENERGY ALLIANCE BEFORE THE HOUSE COMMITTEE ON
LEGISLATIVE MANAGEMENT

HB 2506 HD1, RELATING TO ENERGY

February 12, 2008

Chair Magaoay, Vice-Chair Tokioka and members of the Committee I am Warren Bollmeier, testifying on behalf of the Hawaii Renewable Energy Alliance (HREA). HREA is a nonprofit corporation in Hawaii, established in 1995 by a group of individuals and organizations concerned about the energy future of Hawaii. HREA's mission is to support, through education and advocacy, the use of renewables for a sustainable, energy-efficient, environmentally-friendly, economically-sound future for Hawaii. One of HREA's goals is to support appropriate policy changes in state and local government, the Public Utilities Commission and the electric utilities to encourage increased use of renewables in Hawaii.

The purpose of HB 2506 HD1 is to direct 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. HREA strongly supports this bill with the following comments:

1. Priority. Our state's need to reduce its dependence on imported energy and to increase its energy security is a very high priority. In that regard, we recommend that the Legislative Reference Bureau ("LRB") focus its attention on energy issues and examine the formation of a state Department of Energy;
2. Coordination. HREA also believes coordination among all state agencies with energy objectives and/or activities is a high priority, and consider recommending that the Dept. of Energy be given the key role coordination role; and
3. Accountability. Finally, we recommend that LRB examine the role the new Dept. of Energy would have in implementing state energy policy, and specifically with respect to the existing roles of the Public Utility Commission and Division Consumer Advocacy (Dept. of Commerce and Consumer Affairs).

Thank you for this opportunity to testify.