

JAN 26 2009

A BILL FOR AN ACT

RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY.

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

1 SECTION 1. Section 227D-2, Hawaii Revised Statutes, is
2 amended by amending subsections (a) and (b) to read as follows:

3 "(a) There is established the natural energy laboratory of
4 Hawaii authority, which shall be a body corporate and politic
5 and an instrumentality and agency of the State. The authority
6 shall be placed within the [~~department of business, economic
7 development, and tourism~~] department of budget and finance for
8 administrative purposes, pursuant to section 26-35. The purpose
9 of the natural energy laboratory of Hawaii authority shall be to
10 facilitate research, development, and commercialization of
11 natural energy resources and ocean-related research, technology,
12 and industry in Hawaii and to engage in retail, commercial, or
13 tourism activities that will financially support that research,
14 development, and commercialization at a research and technology
15 park in Hawaii. Its duties shall include:

16 (1) Establishing, managing, and operating facilities that
17 provide sites for:



- 1 (A) Research and development;
- 2 (B) Commercial projects and businesses utilizing
- 3 natural resources, such as ocean water or
- 4 geothermal energy;
- 5 (C) Compatible businesses engaged in scientific and
- 6 technological investigations, or retail,
- 7 commercial, and tourism activities; and
- 8 (D) Businesses or educational facilities that support
- 9 the primary projects and activities;
- 10 (2) Providing support, utilities, and other services to
- 11 facility tenants and government agencies;
- 12 (3) Maintaining the physical structure of the facilities;
- 13 (4) Promoting and marketing these facilities;
- 14 (5) Promoting and marketing the reasonable utilization of
- 15 available natural resources;
- 16 (6) Supporting ocean research and technology development
- 17 projects that support national and state interests,
- 18 use facilities and infrastructure in Hawaii, and
- 19 foster potential commercial development; and
- 20 (7) Engaging in retail, commercial, and tourism activities
- 21 that are not related to facilitating research,
- 22 development, and commercialization of natural energy



1 resources in Hawaii; provided that all income derived
2 from these activities shall be deposited in the
3 natural energy laboratory of Hawaii authority special
4 fund.

5 (b) The governing body of the authority shall consist of a
6 board of directors having [~~eleven~~] thirteen voting members[-],
7 who shall be selected on the basis of their knowledge, interest,
8 and proven experience. [~~Three members from the general public~~
9 ~~shall be appointed by the governor for staggered terms pursuant~~
10 ~~to section 26-34, except that one of these members shall be a~~
11 ~~resident of the county of Hawaii. The members shall be selected~~
12 ~~on the basis of their knowledge, interest, and proven expertise~~
13 ~~in, but not limited to, one or more of the following fields:~~
14 ~~finance, commerce and trade, corporate management, marketing,~~
15 ~~economics, engineering, energy management, real estate~~
16 ~~development, property management, aquaculture, and ocean~~
17 ~~science. The chairperson and secretary of the research advisory~~
18 ~~committee shall serve on the board. The director of business,~~
19 ~~economic development, and tourism, the chairperson of the board~~
20 ~~of land and natural resources, the president of the University~~
21 ~~of Hawaii, the mayor of the county of Hawaii, an appointed~~
22 ~~member from the board of the high technology development~~



1 ~~corporation, and an appointed member from the board of the~~
2 ~~Hawaii strategic development corporation, or their designated~~
3 ~~representatives, shall serve as ex officio, voting members of~~
4 ~~the board. The director of business, economic development, and~~
5 ~~tourism shall serve as the chairperson until such time as a~~
6 ~~chairperson is elected by the board from the membership. The~~
7 ~~board shall elect other officers as it deems necessary.]~~

8 Of the thirteen members of the board of directors:

9 (1) The governor, the president of the senate, and the
10 speaker of the house of representatives, respectively,
11 shall appoint three members each, of which:

12 (A) One member appointed by each appointing authority
13 shall have knowledge and expertise in business,
14 economics, finance, law, or real property
15 management; and

16 (B) Two members shall have knowledge and expertise in
17 aquaculture, biology, chemistry, engineering,
18 hydraulics, ocean science, physics, and renewable
19 energy;

20 provided that one member shall serve for a two-year
21 term, one member shall serve for a four-year term, and
22 one member shall serve for a six-year term;



1 (2) The president of the University of Hawaii shall
2 appoint one member from the University of Hawaii
3 faculty, who shall have knowledge and expertise in
4 business, engineering, law, or science, to a four-year
5 term;

6 (3) The mayor of the county of Hawaii shall appoint one
7 member, who shall be a resident of the county of
8 Hawaii, to a four-year term; and

9 (4) The tenants of the natural energy laboratory of Hawaii
10 authority shall elect two members from among the
11 tenants of the authority, of which one member shall
12 serve a two-year term, and one member shall serve a
13 four-year term. Each tenant shall be entitled to cast
14 one vote for each member position. The tenant members
15 shall be recused from voting on setting lease rents,
16 water rates, or utility rates, but may participate in
17 discussions.

18 The board of directors shall select a chairperson from
19 among its members, provided that the member appointed by the
20 mayor of the county of Hawaii shall serve as the chairperson
21 until the board of directors selects a chairperson."



1 SECTION 2. All appointments for the board of directors of
2 the natural energy laboratory of Hawaii authority shall be made
3 by October 1, 2009, pursuant to the criteria for appointments
4 set forth in section 227D-2, Hawaii Revised Statutes. The
5 previously seated members of the natural energy laboratory of
6 Hawaii authority board of directors shall be discharged
7 effective upon the convening of the first meeting of the new
8 board of directors.

9 SECTION 3. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect on July 1, 2009.

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INTRODUCED BY:

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Report Title:

Natural Energy Laboratory of Hawaii Authority; Board of Directors; Department of Budget and Finance

Description:

Moves natural energy laboratory of Hawaii authority to the department of budget and finance for administrative purposes. Expands the number of directors for NELHA to thirteen. Modifies appointment process for directors. Removes requirement that chairperson and secretary of the research advisory committee serve as directors.

