

Honolulu, Hawaii

APR 30 2009 , 2009

RE: S.B. No. 50
S.D. 1
H.D. 2
C.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 50, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY PRODUCERS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to set terms and conditions for leases of public lands without public auction to renewable energy producers.

Specifically, this measure:

- (1) Authorizes the Board of Land and Natural Resources, after at least one public hearing, to lease public lands to renewable energy producers who provide certain indicators of the project's viability; and



- (2) Grants the renewable energy producer a right of first refusal upon the renewal of its lease.

Your Committee finds that recent events have led to the need for increased community involvement in the issuance of long-term leases for renewable energy producers. This measure provides for an open process that allows for the fair evaluation of multiple energy producers interested in the same public lands for energy projects and ensures that current leases will not be terminated if the lessee is in full compliance. Your Committee believes that current lessees and energy producers can come together with the shared vision of an increased local food supply and locally-produced energy.

Your Committee has amended this measure by:

- (1) Creating a new section of chapter 171, Hawaii Revised Statutes, instead of amending section 171-95, Hawaii Revised Statutes;
- (2) Deleting the authorization of involuntary withdrawal of property from the lease of public lands if the withdrawal is less than twenty-five per cent of the production attributable to the leased land;
- (3) Increasing the number of public hearings required to lease public land to a renewable energy producer from one to two;
- (4) Requiring that any action taken by the Board of Land and Natural Resources upon a proposal subject to this measure shall take place on the island where the public land to be leased for the proposed renewable energy project is located; and
- (5) Changing the effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 50, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 50, S.D. 1, H.D. 2, C.D. 1.



Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



KEN ITO, Co-Chair



CLAYTON HEE, Chair



HERMINA MORITA, Co-Chair



MIKE GABBARD, Co-Chair



SHARON E. HAR, Co-Chair



