

SB 1066

TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON ENERGY AND ENVIRONMENT AND
THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY
ON
SENATE BILL NO. 1066

February 10, 2009

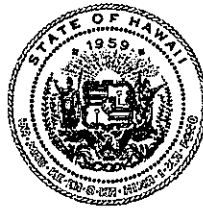
RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

Senate Bill No. 1066 reconstitutes the governing body of the Natural Energy Laboratory of Hawaii Authority (NELHA) and moves the NELHA from the Department of Business, Economic Development and Tourism (DBEDT) to the Department of Budget and Finance (B&F).

We have no comment on the amendments to the governance structure but oppose the transfer of NELHA to B&F.

The NELHA's overall mission is to participate in the development and diversification of Hawaii's economy by providing resources and facilities for energy and ocean related research, education, and commercial activities. The NELHA is appropriately placed in the DBEDT. The NELHA's functions are completely aligned with DBEDT's mission to advance innovation and global competitiveness and with the other organizational entities within the department that focus on technology based industries in energy, the environment, the ocean etc. Placement in DBEDT maximizes access opportunities and coordination efforts that can only advance the NELHA.

LINDA LINGLE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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**Testimony of
LAURA H. THIELEN
Chairperson**

**Before the Senate Committees on
ENERGY AND ENVIRONMENT
and
ECONOMIC DEVELOPMENT AND TECHNOLOGY**

**Tuesday, February 10, 2009
3:00 p.m.
State Capitol, Conference Room 225**

**In consideration of
SENATE BILL 1066
RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY**

Senate Bill 1066 proposes to move Natural Energy Laboratory of Hawaii Authority (NELHA) to the Department of Budget and Finance (B&F) for administrative purposes, expand the number of directors for NELHA to thirteen, modify the appointment process for directors, and remove the requirement that chairperson and secretary of the Research Advisory Committee serve as directors. The Department of Land and Natural Resources (Department) does not believe it is in the best interest to move NELHA from the Department of Business, Economic Development, and Tourism (DBEDT) to B&F, nor revamp the Board of Directors on NELHA by excluding certain current membership. As such, the Department does not support this measure.

As the landowner and lessor, the Department has an inherent interest in the activities of NELHA. NELHA is both a technological development resource and a business incubator, and there are compelling reasons to retain the program under its current arrangement. The proposed changes do not advance the program or add any benefit to the type of work they do. It is more important that NELHA focus on its mission and improving the way it conducts its affairs rather than tinker with peripheral matters such as removing it out from DBEDT or removing Board members who should be a part of its oversight. It's not a matter of where it is but how it is being managed.

**LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT**

**RUSSELL Y. TSUJI
FIRST DEPUTY**

**KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER**

**AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAIHOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS**