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



1 ~~their designated representatives, shall serve as ex officio,~~
2 ~~voting members of the board. The director of business, economic~~
3 ~~development, and tourism shall serve as the chairperson until~~
4 ~~such time as a chairperson is elected by the board from the~~
5 ~~membership. The board shall elect other officers as it deems~~
6 ~~necessary.], who shall be selected on the basis of their~~
7 ~~knowledge, interest, and proven experience.~~

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 whom:

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 appointed by each appointing
17 authority shall have knowledge and expertise in
18 aquaculture, biology, chemistry, engineering,
19 hydraulics, ocean science, physics, and renewable
20 energy;



1 provided that one member shall serve for a two-year
2 term, one member shall serve for a four-year term, and
3 one member shall serve for a six-year term;

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

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

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

21 The board of directors shall select a chairperson from
22 among its members; provided that the member appointed by the



1 mayor of the county of Hawaii shall serve as the chairperson
2 until the board of directors selects a chairperson."

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

11 SECTION 3. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 4. This Act shall take effect on July 1, 2112.



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. (HB1352 HD1)

