

STAND. COM. REP. NO.

595

Honolulu, Hawaii

Feb 720, 2009

RE: H.B. No. 1704
H.D. 1

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

Sir:

Your Committees on Economic Revitalization, Business, & Military Affairs and Energy & Environmental Protection, to which was referred H.B. No. 1704, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

beg leave to report as follows:

The purpose of this bill is to establish a government-industry consortium for funding, research, and development of renewable energy resources.

Specifically, this bill requires the State's energy resources coordinator to:

- (1) Establish Sustainable Energy Innovation, LLC, to leverage the systems expertise of the various universities and aerospace industries located in Hawaii;
- (2) Seek federal and private industry funding for renewable energy technology research;
- (3) Develop and demonstrate advanced energy technology projects and testing in Hawaii, including space solar power prototypes, integrated solar energy systems, and green fuel generation, beginning with integrated ground-based testing of the first prototype solar power satellite;



- (4) Provide funding for qualified small business ventures to work on projects in partnership with the University of Hawaii and other universities, corporations, and the international community to rapidly establish renewable energy technologies and businesses;
- (5) Assist the University of Hawaii to develop new curricula for advanced sustainable energy economics and systems and to lead the education of the next generation of researchers, engineers, and technicians;
- (6) Seek participation from:
 - (A) The Department of Business, Economic Development, and Tourism;
 - (B) The University of Hawaii;
 - (C) Energy Technologies, LLC;
 - (D) Federal agencies, including but not limited to the Department of Energy, National Science Foundation, National Aeronautics and Space Administration, Office of Naval Research, and Defense Advanced Research Projects Agency; and
 - (E) National and international energy experts, such as the Boeing Company, Lockheed Martin Corporation, ENTECH, Inc., Battelle Memorial Institute, Kobe University, Mitsubishi Trading Company, Auburn University, and Texas A&M University; and
- (7) Report annually to the Legislature.

The bill also appropriates \$1,000,000 in fiscal year 2009-2010 and \$2,000,000 in fiscal year 2010-2011 for the organization and operations of the government-industry consortium.

Your Committees received testimony in support of this bill from the Blue Planet Foundation and two individuals. Testimony in opposition was received from the Life of the Land. The Department of Business, Economic Development, and Tourism and Managed Energy Technologies, LLC, offered comments.

Your Committees find that the concept of establishing a government-industry consortium within the Department of Business,



Economic Development, and Tourism is inappropriate. Instead, your Committees find that the Hawaii Natural Energy Institute of the University of Hawaii is statutorily tasked with research and development and technology validation. However, due to the constraints imposed by a legislative filing deadline, your Committees have refrained from amending this bill and commends this issue to the attention of the Committee on Finance.

As affirmed by the records of votes of the members of your Committees on Economic Revitalization, Business, & Military Affairs and Energy & Environmental Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1704, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Economic
Revitalization, Business, &
Military Affairs and Energy &
Environmental Protection,



HERMINA MORITA, Chair



ANGUS L.K. MCKELVEY, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

HSCR 595

Record of Votes of the Committee on Economic Revitalization, Business, & Military Affairs

Bill/Resolution No.: HB 1704	Committee Referral: EBM/EEP, FIN	Date: 02/19/09		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EBM Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	✓			
2. CHOY, Isaac W. (VC)	✓			
3. BERG, Lyla B.				✓
4. EVANS, Cindy	✓			
5. MANAHAN, Joey				✓
6. TAKAI, K. Mark				
7. TOKIOKA, James Kunane				✓
8. TSUJI, Clift	✓			
9. WAKAI, Glenn				✓
10. WOOLEY, Jessica	✓			
11. WARD, Gene	✓			
TOTAL (11)	6			4
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				

