

Honolulu, Hawaii

MAR 22 2019

RE: H.B. No. 1586
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Government Operations, to which was referred H.B. No. 1586, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STRUCTURE OF GOVERNMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish a new Department of Environment as a principal state department; and
- (2) Transfer certain agencies and programs administered by the Department of Health and Department of Business, Economic Development, and Tourism to the Department of Environment.

Your Committees received testimony in support of this measure from the O'ahu Island Parks Conservancy and Blue Planet Foundation. Your Committees received comments on this measure from Ulupono Initiative.

Prior to decision making on this measure, your Committees made available for public review a proposed S.D. 1, which deletes the contents of this measure and inserts language that:



- (1) Establishes a new Hawaii State Energy Office;
- (2) Establishes a new position of Deputy Director of Energy, who shall also serve as the Energy Resources Coordinator, and the Deputy Director's duties;
- (3) Repeals the distribution of barrel tax revenue and fossil fuel tax on distributors revenue to the energy security special fund and increases distributions from both to the energy systems development special fund;
- (4) Appropriates funds for the Hawaii State Energy Office; and
- (5) Inserts an effective date of July 1, 2050.

Your Committees received comments on the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism and Ulupono Initiative.

Your Committees find that the management and direction of the state energy sector is becoming increasingly complex and critical. Your Committees also find that statewide coordination and the establishment of a state agency specifically tasked with reducing and managing the State's energy use is necessary. This measure establishes the Hawaii State Energy Office and defines the duties of the Deputy Director of Energy, which will help further Hawaii's clean energy initiative.

Your Committees have amended this measure by:

- (1) Inserting a purpose section;
- (2) Establishing the Hawaii State Energy Office within the Department of Business, Economic Development, and Tourism;
- (3) Establishing duties, roles, and reporting requirements for the Hawaii State Energy Office;
- (4) Repealing the establishment of the Energy Resources Coordinator position, the Coordinator's powers and duties, and the establishment of the Renewable Energy



Facilitator position, and transferring some of the powers and duties of the Energy Resources Coordinator to the Deputy Director of Energy;

- (5) Establishing powers and duties of the Deputy Director of Energy and making the appointment of the Deputy Director of Energy subject to the advice and consent of the Senate;
- (6) Amending the allowable uses of the energy security special fund to disallow the use of funds for staffing costs;
- (7) Reinstating the existing statutory allocations of barrel tax revenue and fossil fuel tax on distributors revenue; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1586, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1586, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Energy, Economic
Development, and Tourism and
Government Operations,



LAURA H. THIELEN, Chair




GLENN WAKAI, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

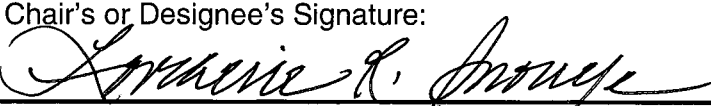
Record of Votes
Committee on Energy, Economic Development, and Tourism
EET

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1586 HD1	EET/GVO, WAM	3/20/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	X			
TANIGUCHI, Brian T. (VC)				X
INOUE, Lorraine R.	X			
KEOHOKALOPE, Jarrett	X			
FEVELLA, Kurt				X
TOTAL	3			2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
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*Only one measure per Record of Votes

The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* <i>HB1586 HD1</i>	Committee Referral: <i>EET/GVO, WAM</i>	Date: <i>3/20/2019</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
THIELEN, Laura H. (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
BAKER, Rosalyn H.	✓			
KANUHA, Dru Mamo				✓
FEVELLA, Kurt				✓
TOTAL	<i>3</i>			<i>2</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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