HOUSE OF REPRESENTATIVES THIRTY-FIRST LEGISLATURE, 2021 STATE OF HAWAII H.B. NO. (378

### A BILL FOR AN ACT

RELATING TO THE STATE ENERGY OFFICE.

#### **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

SECTION 1. Section 196-63, Hawaii Revised Statutes, is
amended to read as follows:

3 "§196-63 Hawaii green infrastructure authority. There is 4 established the Hawaii green infrastructure authority as an 5 instrumentality of the State comprising five members. The 6 director, the director of finance, and the chief energy officer 7 of the Hawaii state energy office shall be members of the 8 authority. The governor shall appoint the other two members, 9 pursuant to section 26-34. The director shall be the 10 chairperson of the authority. The authority shall be placed 11 within the [department] Hawaii state energy office for 12 administrative purposes [, pursuant to section 26-35]; provided 13 that until the authority is duly constituted, the [department] 14 Hawaii state energy office may exercise all powers reserved to 15 the authority and shall perform all responsibilities of the 16 authority."

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1 SECTION 2. Section 196-71, Hawaii Revised Statutes, is 2 amended to read as follows: 3 "[{]\$196-71[}] Hawaii state energy office; established. 4 (a) There is established the Hawaii state energy office, which 5 shall be a public body politic and an instrumentality and agency of the State. The office shall be placed within the department 6 7 of business, economic development, and tourism for 8 administrative purposes, pursuant to section 26-35. The purpose 9 of the Hawaii state energy office shall be to [promote] 10 stimulate economic development by promoting energy efficiency, renewable energy, and clean transportation [to help-achieve a 11 12 resilient clean energy economy]. 13 (b) The Hawaii state energy office shall: 14 (1) Create and execute a state strategic energy plan with 15 milestones and key performance indicator metrics based 16 on this section; 17 (2) Coordinate the State's energy programs with those of 18 the federal government, other territory and state 19 governments, the political subdivisions of the State, 20 departments of the State, and governments of nations



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1		having interest in common energy resources and
2		economic development in accordance with energy goals;
3	(3)	Develop and maintain a comprehensive and systematic
4		quantitative and qualitative capacity to analyze the
5		status of the energy industry, resources, systems, and
6		markets, both in- and out-of-state, particularly in
7		relation to the State's economy, and to recommend,
8		develop proposals for, and assess the effectiveness of
9		policy and regulatory decisions and energy emergency
10		planning;
11	(4)	Provide analysis [ <del>and</del> ] <u>,</u> planning [ <del>to actively develop</del>
12		and inform policies], and implementation of, and
13		recommendations for, policies, strategies, and plans
14		to achieve economic development, energy efficiency,
15		renewable energy, energy resiliency, and clean
16		transportation goals with the legislature, public
17		utilities commission, state agencies, and other
18		relevant stakeholders;
19	(5)	Coordinate with public and private sector stakeholders
20		to identify issues in the energy industry and



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1		opportunities to cost-effectively and expeditiously
2		achieve the State's energy goals;
3	(6)	Create and review proposed state actions that may have
4		a significant effect on the State's energy and
5		economic development goals;
6	(7)	Evaluate, recommend, and participate in the
7		development of incentives and programs that encourage
8	×.	the development of energy efficiency, renewable
9		energy, energy resiliency, and clean transportation
10		resources;
11	(8)	Create and facilitate energy-based jobs and ancillary
12		industry-based jobs that are primarily full-time,
13		permanent, and long-term;
14	(9)	Create and facilitate energy-based jobs and ancillary
15		industry-based jobs that are temporary and short-term;
16	(10)	Identify skills and knowledge-based job requirements
17		to provide to education and workforce development
18		agencies;
19	(11)	Support the development, evaluation, revision, and
20		adoption of energy-related codes and standards that
21		advance the State's energy goals;



1	[ <del>(2)</del>	Lead efforts] (12) Advocate for and recommend
2		programs and provide technical assistance to
3		incorporate energy efficiency, renewable energy,
4		energy resiliency, and clean transportation to reduce
5		costs and achieve clean energy, energy assurance, and
6		energy resilience goals across all public facilities;
7	[ <del>(3)</del>	Provide renewable energy, energy efficiency, energy
8		resiliency, and clean transportation project
9		deployment facilitation to assist private sector
10		project completion when aligned with state-energy
11		goals; and
12	<del>(4)</del> ]	(13) Engage the private sector to [help lead efforts
13		to achieve renewable energy and elean-transportation
14		goals through the Hawaii clean energy initiative.]
15		assist in developing strategies and initiatives to
16		achieve renewable energy and clean transportation
17		goals;
18	(14)	Identify market gaps and innovation opportunities,
19		collaborate with stakeholders, and facilitate public-
20		private partnerships to develop projects, programs,
21		and tools to encourage private and public exploration,



1		research, and development of energy resources and data
2		analytics that will support the State's energy and
3		economic development goals;
4	(15)	Facilitate and support a diverse combination of
5		technologies of firm renewable projects and
6		intermittent renewable projects to create a resilient
7		and reliable energy system;
8	(16)	Serve as the State's energy data clearinghouse by
9		identifying, collecting, compiling, analyzing,
10		publishing, and, if possible, monetizing energy and
11		clean transportation data and analyses;
12	(17)	Advocate for the State's energy and economic
13		development goals at relevant venues and with relevant
14		entities, including the legislature, public utilities
15		commission, department of commerce and consumer
16		affairs' division of consumer advocacy, and community
17		members, to ensure that state energy policies, rules,
18		and regulations:
19		(A) Align with the state strategic goals;
20		(B) Are data-driven; and



1		<u>(C)</u>	Offer affordable energy to residents and
2			businesses;
3	(18)	Faci	litate the efficient and expedited development
4		proc	esses and approvals of energy efficiency,
5		rene	wable energy, energy resiliency, and clean
6		tran	sportation projects by:
7		<u>(A)</u>	Facilitating coordination of relevant state and
8			local government agencies, departments, boards,
9			and commissions to assist public and private
10			sector development and completion of all projects
11			that support the State's economic development and
12			energy goals;
13		<u>(B)</u>	Coordinating state and county department and
14			agency efforts to support, expedite, and remove
15			barriers to implementation of energy initiatives
16			and projects;
17		<u>(C)</u>	Identify and evaluate conflicting goals, rules,
18			resource utilization, and onerous policies and
19			rules of state and county departments that
20			unreasonably impede project development and
21			implementation;



1		(D) Propose regulatory, legislative, administrative,
2		or other solutions to applicable stakeholders;
3		and
4		(E) Facilitate resolution to process and approval
5		issues;
6	(19)	Identify and recommend policies to align utility goals
7		with those of ratepayers, including evaluating utility
8		models, models of completion, utility independent
9		power producer procurement and delivery processes, and
10		plans for renewable portfolio standards achievement,
11		to best support state energy goals;
12	(20)	Contract for services when required for the
13		implementation of this part; and
14	(21)	Adopt rules, pursuant to chapter 91, for the
15		administration of this part.
16	(c)	The Hawaii state energy office shall be the State's
17	primary g	overnment entity for supporting the clean energy
18	initiativ	e.
19	(d)	No later than twenty days prior to the convening of
20	each regu	lar session, and as otherwise requested, the Hawaii

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1	state ene	rgy office shall submit a report to the legislature <u>and</u>
2	governor	that includes:
3	(1)	A description of the activities of the Hawaii state
4		energy office in response to the directives
5		established pursuant to subsection (b) [and-section
6		<del>196–72(d)</del> ], along with progress in meeting any of the
7		Hawaii state energy office goals established in or
8		pursuant to this part;
9	(2)	Performance milestones and indicators related to the
10		State's energy, economic development, and jobs
11		creation goals;
12	(3)	Progress by the State in meeting its energy
13		efficiency, renewable energy, energy resilience, and
14		clean transportation goals; and
15	[ <del>(3)</del> ]	(4) Proposed legislation, if $any[-,]$ , to achieve
16		economic development, energy efficiency, renewable
17		energy, energy resiliency, and clean transportation
18		goals."
19	SECT	ION 3. Section 196-72, Hawaii Revised Statutes, is
20	amended to	o read as follows:



1	"[+]	<pre>§196-72[+] Chief energy officer of the Hawaii state</pre>
2	energy of	fice; duties. (a) The Hawaii state energy office
3	shall be	led by the chief energy officer, who shall be nominated
4	and, by a	nd with the advice and consent of the senate, appointed
5	by the go	vernor; provided that the term of the chief energy
6	officer s	hall be coterminous with the term of the governor.
7	(b)	The chief energy officer shall have:
8	(1)	Experience, knowledge, and expertise in policy,
9		programs, or services related to economic development,
10	2	energy efficiency, renewable energy, clean
11		transportation, and energy resiliency related
12		activities and development; and
13	(2)	Experience in a supervisory or administrative
14		capacity.
15	(c)	The chief energy officer shall hire staff necessary to
16	carry out	the purposes of this part. The chief energy officer
17	and employ	yees of the Hawaii state energy office shall be exempt
18	from chap	ter 76 and shall not be considered civil service
19	employees	but shall be entitled to any employee benefit plan
20	normally	inuring to civil service employees.

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1	[ <del>(d)</del>	-Subject to the approval of the governor, the chief
2	energy of:	ficer shall:
3	<del>(1)</del>	Formulate, analyze, recommend, and implement specific
4		policies, strategies, and plans, in coordination with
5		public and private sector stakeholders, to cost-
6		effectively and equitably achieve the State's energy
7		goals;
8	<del>(2)</del>	Identify, track, and report key performance measures
9		and milestones related to the State's energy and
10		decarbonization goals;
11	<del>(3)</del>	Provide technical assistance to state and county
12		agencies to assess and implement projects and programs
13		related to energy conservation and efficiency,
14		renewable energy, clean transportation, energy
15		resiliency, and related measures;
16	<del>(4)</del>	Coordinate the State's energy programs with those of
17		the federal government, other territory and state
18		governments, the political subdivisions of the State,
19		departments of the State, and governments of nations
20		with interest in common energy resources;



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1	<del>(5)</del>	Identify market gaps and innovation opportunities,
2		collaborate with stakeholders, and facilitate public-
3		private-partnerships to develop-projects, programs,
4		and tools to encourage private and public exploration,
5		research, and development of energy resources,
6		distributed energy-resources, and data analytics-that
7		will support the State's energy and decarbonization
8		goals;
9	<del>(6)</del>	Create and review proposed state actions that may have
10		a significant effect on the State's energy and
11		decarbonization goals, report to the governor their
12		effect on the energy program, and perform other
13		services as may be required;
14	<del>(7)</del>	Evaluate, recommend, and participate in the
15		development of incentives and programs that encourage
16		the development of energy efficiency, renewable
17		energy, energy resiliency, distributed-energy
18		resources, and clean transportation resources;
19	<del>(8)</del>	Assess and evaluate the effectiveness and continued
20		necessity of existing energy related incentives, tax

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1		credits, and programs, and provide recommendations and
2		proposed changes;
3	<del>(9)</del>	Develop and maintain a comprehensive and systematic
4		quantitative and qualitative capacity to analyze the
5		status of energy-resources, systems, and markets, both
6		in-state and in other states and countries,
7		particularly in relation to the State's economy, and
8		to recommend, develop proposals for, and assess the
9		effectiveness of policy and regulatory decisions, and
10		energy emergency planning;
11	<del>(10)</del>	Develop and recommend programs for, and assist public
12		agencies in the implementation of, energy assurance
13		and energy resilience;
14	<del>(11)</del>	Support the development, evaluation, revision, and
15		adoption of energy-related codes and standards-that
16		advance the State's energy goals;
17	<del>(12)</del>	Act as the State's energy data clearinghouse by
18		identifying, collecting, compiling, analyzing,
19		publishing, and where possible, monetizing energy and
20		clean transportation data and analyses;



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1	<del>(13)</del>	Advocate for the State's energy and decarbonization
2		goals at relevant venues and departments, including
3		but not limited to the public utilities commission,
4		legislature, and division of consumer-advocacy, to
5		ensure that state energy policies and regulations
6		align with the state strategic goals and are data-
7		driven;
8	<del>(14)</del>	Support economic development and innovation
9		initiatives related to and resulting from the State's
10		renewable energy and distributed energy resources
11		experience, capabilities, and data analyses;
12	<del>(15)</del>	Facilitate the efficient, expedited permitting of
13		energy efficiency, renewable energy, clean
14		transportation, and energy resiliency projects by:
15		(A) Coordinating and aligning state and county
16		departments and agencies to support, expedite,
17		and remove barriers to deployment of energy
18		initiatives and projects; and
19		(B) Identify and evaluate conflicting or onerous
20		policies and rules that unreasonably impede
21		project-development and deployment and propose



1		regulatory, legislative, administrative, or other
2		solutions to applicable stakeholders;
3	<del>(16)</del>	Identify and recommend policies to align utility goals
4		with those of ratepayers, including evaluating utility
5		models that best support state energy goals;
6	<del>(17)</del>	Prepare and submit-an-annual-report and other-reports
7		as may be requested to the governor and to the
8		legislature on the implementation of this part;
9	<del>(18)</del>	Contract for services when required for the
10		implementation of this part; and
11	<del>(19)</del>	Adopt rules, pursuant to chapter 91, for the
12		administration of this part.]"
13	SECTION 4. All rights, powers, functions, and duties of	
14	the Hawai:	i green infrastructure authority are transferred to the
15	Hawaii state energy office.	
16	All employees who occupy civil service positions and whose	
17	functions are transferred to the Hawaii state energy office by	
18	this Act shall retain their civil service status, whether	
19	permanent or temporary. Employees shall be transferred without	
20	loss of salary, seniority (except as prescribed by applicable	
21	collective	e bargaining agreements), retention points, prior



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1 service credit, any vacation and sick leave credits previously 2 earned, and other rights, benefits, and privileges, in accordance with state personnel laws and this Act; provided that 3 4 the employees possess the minimum qualifications and public 5 employment requirements for the class or position to which transferred or appointed, as applicable; provided further that 6 7 subsequent changes in status may be made pursuant to applicable 8 civil service and compensation laws.

Any employee who, prior to this Act, is exempt from civil 9 10 service and is transferred as a consequence of this Act may 11 retain the employee's exempt status, but shall not be appointed 12 to a civil service position as a consequence of this Act. An 13 exempt employee who is transferred by this Act shall not suffer 14 any loss of prior service credit, vacation or sick leave credits 15 previously earned, or other employee benefits or privileges as a 16 consequence of this Act; provided that the employees possess 17 legal and public employment requirements for the position to 18 which transferred or appointed, as applicable; provided further 19 that subsequent changes in status may be made pursuant to 20 applicable employment and compensation laws. The chief energy 21 officer of the Hawaii state energy office may prescribe the



duties and qualifications of these employees and fix their 1 2 salaries without regard to chapter 76, Hawaii Revised Statutes. 3 SECTION 5. All appropriations, records, equipment, 4 machines, files, supplies, contracts, books, papers, documents, 5 maps, and other personal property heretofore made, used, 6 acquired, or held by the department of business, economic 7 development, and tourism relating to the functions transferred 8 to the Hawaii state energy office shall be transferred with the 9 functions to which they relate.

SECTION 6. Statutory material to be repealed is bracketedand stricken. New statutory material is underscored.

12 SECTION 7. This Act shall take effect upon its approval.

13

INTRODUCED BY:

JAN 2 7 2021



#### Report Title:

DBEDT; Hawaii State Energy Office; Hawaii Green Infrastructure Authority; Transfer

#### Description:

Transfers the Hawaii green infrastructure authority from the department of business, economic development, and tourism to the Hawaii state energy office. Clarifies the purpose, duties, and responsibilities of the Hawaii state energy office and the chief energy officer.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

