

ACT 66

H.B. NO. 28

A Bill for an Act Relating to State Programs.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$700,000 or so much thereof as necessary for fiscal year 2023-2024 for the department of taxation to upgrade software and computer systems.

The sum appropriated shall be expended by the department of taxation for the purposes of this part.

PART II

SECTION 2. The legislature finds that the United States Department of Energy Regional Clean Hydrogen Hubs program is providing \$7,000,000,000 to establish up to ten regional clean energy hubs across America. As part of a larger \$8,000,000,000 hydrogen hub program funded through the Infrastructure Investment and Jobs Act, the Regional Clean Hydrogen Hubs program will be a central driver in helping communities across the country benefit from clean energy investments, good-paying jobs, and improved energy security.

The legislature further finds that the United States Department of Energy selected Hawaii as one of thirty-three public-private consortiums to compete for the federal funding. Proposed as the Hawaii Pacific hydrogen hub, the department of business, economic development, and tourism is leading the consortium to leverage \$500,000,000 in private investment for \$500,000,000 in matching funds from the United States Department of Energy that will drive the production, processing, delivery, storage, and end-use of clean hydrogen, including innovative uses in the industrial sector. The State's strategic military position in the Indo-Pacific and its partnerships with the United States Department of Defense make its proposal unique amongst its competition. The United States Department of Defense is seeking to replace petroleum-based fuels with hydrogen ve-

hicles and platforms so the United States Department of Defense may become a major customer for the consortium. If fully built and implemented, the Hawaii Pacific hydrogen hub will become a major industry and job center for the State.

Accordingly, the purpose of this part is to:

- (1) Require the department of business, economic development, and tourism to work with the University of Hawaii on workforce development activities that support the development of the Hawaii Pacific hydrogen hub and other related aspects of the State's hydrogen energy industry; and
- (2) Appropriate funds for the Hawaii Pacific hydrogen hub.

SECTION 3. The department of business, economic development, and tourism shall work with the University of Hawaii on workforce development activities that support the development of the Hawaii Pacific hydrogen hub and other related aspects of the State's hydrogen energy industry.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$5,500,000 or so much thereof as necessary for fiscal year 2023-2024 and the sum of \$10,000,000 or so much thereof as may be necessary for fiscal year 2024-2025 to develop the Hawaii Pacific hydrogen hub.

The sums appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this part.

PART III

SECTION 5. In accordance with section 9 of article VII of the Hawaii State Constitution and sections 37-91 and 37-93, Hawaii Revised Statutes, the legislature has determined that the appropriations contained in H.B. No. 300, H.D. 1, S.D. 1, C.D. 1,¹ will cause the state general fund expenditure ceiling for fiscal year 2023-2024 to be exceeded by \$1,063,767,367 or 10 per cent. In addition, the appropriations contained in this Act will cause the general fund expenditure ceiling for fiscal year 2023-2024 to be further exceeded by \$6,200,000 or 1 per cent. The combined total amount of general fund appropriations contained in only these two Acts will cause the state general fund expenditure ceiling for fiscal year 2023-2024 to be exceeded by \$1,069,967,367 or 11 per cent. The reasons for exceeding the general fund expenditure ceiling are that:

- (1) The appropriations made in this Act are necessary to serve the public interest; and
- (2) The appropriations made in this Act meet the needs addressed by this Act.

SECTION 6. This Act shall take effect on July 1, 2023.

(Approved June 7, 2023.)

Note

1. Act 164.