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## HOUSE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM AND THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO STUDY THE FEASIBILITY OF CREATING A RENEWABLE ENERGY SUB-DISTRICT CLASSIFICATION OF LANDS AS PERMISSIBLE LOCATIONS FOR RENEWABLE ENERGY GENERATION AND TO STUDY, WITH THE ASSISTANCE OF THE DEPARTMENT OF TAXATION, THE COST OF PROVIDING A NON-REFUNDABLE INCOME TAX CREDIT TO RESIDENTS OF COMMUNITIES OF RENEWABLE ENERGY SUB-DISTRICTS THAT PRODUCE RENEWABLE ENERGY.

1           WHEREAS, the inevitability of global warming through human  
2 activity, primarily through the utilization of fossil fuels for  
3 energy, has come to be accepted as a real and present problem  
4 worldwide and presents the greatest challenge to be addressed in  
5 contemporary times; and  
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7           WHEREAS, the State of Hawaii is almost entirely dependent  
8 on fossil fuels for its energy needs, and the Legislature made a  
9 finding (Act 95, Session Laws of Hawaii 2004) that Hawaii  
10 imports between \$2,000,000,000 and \$3,000,000,000 worth of oil  
11 annually, which could be reduced through increasing the use and  
12 development of renewable energy resources found in Hawaii such  
13 as wind, solar, ocean thermal, wave, and biomass resources; and  
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15           WHEREAS, increasing the use of renewable energy and  
16 simultaneously decreasing the use of fossil fuels will reduce  
17 the State's production of greenhouse gases and increase the  
18 State's energy self-sufficiency; and  
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20           WHEREAS, in recognition of the foregoing, Act 95 was  
21 enacted to decrease Hawaii's need to import large amounts of  
22 oil, and increase import substitution, economic efficiency, and  
23 productivity, by increasing the use and development of Hawaii's  
24 renewable energy resources through state partnerships with the  
25 private sector; and  
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1 WHEREAS, Act 95 requires electric utility companies to  
2 establish a renewable energy portfolio standard of fifteen per  
3 cent of net electricity sales by December 31, 2015, and twenty  
4 per cent of net electricity sales by December 31, 2020; and  
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6 WHEREAS, communities that are progressive, socially  
7 conscientious, and environmentally responsible commit to the  
8 development of renewable energy generators such as wind turbines  
9 and photovoltaic panels; and  
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11 WHEREAS, a significant impediment to the development of  
12 renewable energy resources in communities is the objection of  
13 residents to proposals to locate renewable energy generators in  
14 their community; and  
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16 WHEREAS, such community objection presents a challenge to  
17 the private sector in securing locations for land-based  
18 renewable energy production to comply with the mandated  
19 renewable energy portfolio standards in Act 95; and  
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21 WHEREAS, securing locations for land-based renewable energy  
22 production is necessary to assist the private sector to achieve  
23 the renewable energy portfolio standards as stated in Act 95;  
24 and  
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26 WHEREAS, Act 95 requires the Department of Business,  
27 Economic Development, and Tourism and the Department of Land and  
28 Natural Resources to support and facilitate achievement of the  
29 renewable energy portfolio standards (section 196-41, Hawaii  
30 Revised Statutes); and  
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32 WHEREAS, federal legislation to create renewable energy  
33 zones, S. 2076, is presently pending in the United States  
34 Congress, and would provide for the creation of geographic  
35 renewable energy zones; and  
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37 WHEREAS, financial incentives for community residents to  
38 accept renewable energy generators in their community may  
39 include non-refundable income tax credits; and  
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41 WHEREAS, an example of a state-provided financial incentive  
42 is the Alaska Permanent Fund that makes payments to Alaska  
43 residents from oil proceeds, in return for the residents'  
44 acquiescence to locating oil facilities in their communities;



1 now, therefore,  
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3 BE IT RESOLVED by the House of Representatives of the  
4 Twenty-fourth Legislature of the State of Hawaii, Regular  
5 Session of 2008, the Senate concurring, that the Department of  
6 Business, Economic Development, and Tourism and the Department  
7 of Land and Natural Resources are requested to study the  
8 feasibility of creating a renewable energy sub-district  
9 classification of lands as permissible locations for renewable  
10 energy generation; and  
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12 BE IT FURTHER RESOLVED that the study refer to the  
13 December 2006 report to the Department of Land and Natural  
14 Resources and the Department of Business, Economic Development,  
15 and Tourism, *A Catalog of Potential Sites for Renewable Energy*  
16 *in Hawaii*, that identifies potential sites in the State for the  
17 location of renewable energy generation; and  
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19 BE IT FURTHER RESOLVED that the study include a cost  
20 analysis of providing a non-refundable income tax credit to  
21 residents of lands in renewable energy sub-districts; and  
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23 BE IT FURTHER RESOLVED that the Department of Taxation is  
24 requested to assist with the income tax credit portions of the  
25 study; and  
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27 BE IT FURTHER RESOLVED that the Departments of Business,  
28 Economic Development, and Tourism and Land and Natural Resources  
29 report their findings and recommendations, including proposed  
30 legislation, to the Legislature no later than twenty days prior  
31 to the convening of the Regular Session of 2009; and  
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33 BE IT FURTHER RESOLVED that certified copies of this  
34 Concurrent Resolution be transmitted to the Director of  
35 Business, Economic Development, and Tourism, the Chairperson of  
36 the Board of Land and Natural Resources, the Director of  
37 Taxation, and the Governor.  
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OFFERED BY: \_\_\_\_\_

*J. Phil. Karamator*

