



GOV. MSG. NO. 851

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

July 1, 2008

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fourth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

This is to inform you that on July 1, 2008, the following bill was signed into law:

HB2505 HD2 SD2 CD1

A BILL FOR AN ACT RELATING TO ENERGY.
(ACT 208)

Sincerely,

LINDA LINGLE

Approved by the Governor

on JUL 1 2008

HOUSE OF REPRESENTATIVES
TWENTY-FOURTH LEGISLATURE, 2008
STATE OF HAWAII

ACT 208
H.B. NO.

2505
H.D. 2
S.D. 2
C.D. 1

A BILL FOR AN ACT

RELATING TO ENERGY.

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

1 PART I

2 SECTION 1. Renewable energy resources offer Hawaii
3 important economic, environmental, and energy security benefits,
4 especially since Hawaii's dependence on petroleum is the highest
5 in the nation, accounting for approximately 90 per cent of the
6 State's energy needs. This high petroleum dependence makes
7 consumers extremely vulnerable to any oil embargo, supply
8 disruption, international market dysfunction, and many other
9 factors beyond Hawaii's control.

10 Recognizing the importance and economic and environmental
11 benefits of increasing energy self-sufficiency, over the past
12 four years, the legislature and the department of business,
13 economic development, and tourism have committed to energy
14 objectives geared toward achieving dependable, efficient, and
15 economical statewide energy systems, increased self-sufficiency,
16 greater energy security, and reduction of greenhouse gas
17 emissions.



1 Act 272, Session Laws of Hawaii 2001, recognized the
2 economic, environmental, and fuel diversity benefits of
3 renewable energy resources and the need to encourage the
4 establishment of a market for renewable energy in Hawaii using
5 the State's renewable energy resources. Act 240, Session Laws
6 of Hawaii 2006, provided a framework for energy self-
7 sufficiency. The State has also committed to a renewable energy
8 standard, where twenty per cent of electricity sold will be
9 generated from renewable resources by the end of 2020 and has
10 sought to encourage private sector development of renewable
11 energy projects.

12 However, renewable energy projects are often complex,
13 large-scale undertakings requiring a number of permits. The
14 process for obtaining the necessary permits for renewable energy
15 projects and developments and the process for meeting state,
16 county, and federal regulations has for decades been described
17 as overly time-consuming, cumbersome, onerous, and costly. In
18 fact, the "Hawaii Integrated Energy Policy Report" of 1991 found
19 that the permit and approval process required for the
20 development and siting of energy facilities for a single project
21 can take up to seven years to complete. Thus, the inefficiency



1 of the permitting and development process acts as a barrier to
2 meeting Hawaii's renewable energy goals.

3 Understanding that renewable energy projects can provide
4 substantial and long-term benefits to the State and that
5 development of renewable energy projects would further state
6 policies of developing indigenous renewable energy resources and
7 decreasing Hawaii's dependency on imported fossil fuels, the
8 legislature finds that there is a need to streamline the
9 permitting process to provide predictability and to encourage
10 private companies to commit substantial amounts of capital,
11 time, and effort necessary to develop such projects. Towards
12 these ends the legislature also recognizes that investment in
13 additional personnel is essential.

14 The purpose of this part is to establish a full-time,
15 temporary renewable energy facilitator position in the
16 department of business, economic development, and tourism.

17 SECTION 2. Chapter 201, Hawaii Revised Statutes, is
18 amended by adding a new section to be appropriately designated
19 and to read as follows:

20 "§201-A Renewable energy facilitator; establishment;
21 duties. (a) There is established within the department of
22 business, economic development, and tourism the position of



1 renewable energy facilitator, which shall be a full-time,
2 temporary position exempt from chapters 76 and 89. The
3 renewable energy facilitator shall possess a requisite level of
4 knowledge and expertise in the areas of renewable energy, state
5 and county permitting processes, and management necessary to
6 carry out the duties of the position.

7 (b) The renewable energy facilitator shall have the
8 following duties:

9 (1) Facilitate the efficient permitting of renewable
10 energy projects;

11 (2) Initiate the implementation of key renewable energy
12 projects by permitting various efficiency improvement
13 strategies identified by the department;

14 (3) Administer the day-to-day coordination for renewable
15 energy projects on behalf of the department and the
16 day-to-day operations of the renewable energy facility
17 siting process established in H.B. No. 2863, C.D. 1,
18 Regular Session of 2008; and

19 (4) Submit periodic reports to the legislature on
20 renewable energy facilitation activities and the
21 progress of the renewable energy facility siting
22 process.



- 1 (1) To support its energy program, including projects that
- 2 ensure dependable, efficient, and economical energy,
- 3 promote energy self-sufficiency, and provide greater
- 4 energy security for the State; and
- 5 (2) To fund the renewable energy facilitator pursuant to
- 6 section 201-A and any other positions necessary for
- 7 the purposes of paragraph (1) as determined by the
- 8 legislature."

9 SECTION 4. Section 128D-2, Hawaii Revised Statutes, is
 10 amended by amending subsection (b) to read as follows:

11 "(b) Moneys from the fund shall be expended by the
 12 department for response actions and preparedness, including
 13 removal and remedial actions, consistent with this chapter;
 14 provided that the revenues generated by the "environmental
 15 response tax" and deposited into the environmental response
 16 revolving fund:

17 (1) Shall also be used:

18 (A) For oil spill planning, prevention, preparedness,
 19 education, research, training, removal, and
 20 remediation; [and]

21 (B) For direct support for county used oil recycling
 22 programs; and



1 (C) For deposit into the energy security special
2 fund, established under section 201-B, as may be
3 appropriated by the legislature;

4 and

5 (2) May also be used to support environmental protection
6 and natural resource protection programs, including
7 but not limited to energy conservation and alternative
8 energy development, and to address concerns related to
9 air quality, global warming, clean water, polluted
10 runoff, solid and hazardous waste, drinking water, and
11 underground storage tanks, including support for the
12 underground storage tank program of the department and
13 funding for the acquisition by the State of a soil
14 remediation site and facility."

15 SECTION 5. On July 1, 2008, the director of finance shall
16 transfer from the environmental response revolving fund the sum
17 of \$112,000 to the energy security special fund for expenditure
18 as authorized under section 201-B, Hawaii Revised Statutes.

19 SECTION 6. There is appropriated out of the energy
20 security special fund the sum of \$112,000 or so much thereof as
21 may be necessary for fiscal year 2008-2009 for one (1.00 FTE)
22 full-time, temporary renewable energy facilitator.

1 The sum appropriated shall be expended by the department of
2 business, economic development, and tourism for the purposes of
3 this Act.

4 PART III

5 SECTION 7. In codifying the new sections added by sections
6 2 and 3 of this Act, the revisor of statutes shall substitute
7 appropriate section numbers for the letters used in designating
8 the new sections in this Act.

9 SECTION 8. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 9. This Act shall take effect on July 1, 2008.

APPROVED this 1 day of JUL , 2008



GOVERNOR OF THE STATE OF HAWAII

