



GOV. MSG. NO. 732

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

May 21, 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 May 21, 2008, the following bill was signed into law:

HB3179 SD1 CD1

A BILL FOR AN ACT RELATING TO THE
DEFINITION OF RENEWABLE ENERGY PRODUCER.
(ACT 90)

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Lingle".

LINDA LINGLE

Approved by the Governor

on MAY 21 2008

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

ACT 090

H.B. NO. 3179
S.D. 1
C.D. 1

A BILL FOR AN ACT

RELATING TO THE DEFINITION OF RENEWABLE ENERGY PRODUCER.

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

1 SECTION 1. Act 102, Session Laws of Hawaii 2002, relating
2 to leasing of public lands for renewable energy purposes,
3 authorized the board of land and natural resources to lease
4 public lands to renewable energy producers through direct
5 negotiation. The intent of Act 102, Session Laws of Hawaii
6 2002, was to encourage the development of renewable energy
7 projects and to reduce the State's dependency on fossil fuels.

8 The inclusion of biofuels in the definition of renewable
9 energy recognized the value of this important renewable energy
10 technology. The current law, however, does not take into
11 consideration that, unlike other renewable energy technologies,
12 biofuel production does not require its fuel production
13 facilities to be located at the same location as the energy
14 source. In fact, due to generally different requirements for
15 industrial and agricultural zoned districts, it is often
16 advantageous to separate biofuel production facilities from the
17 sources of its feedstock. The growing and production of the
18 plant and animal materials that constitute the feedstock for

HB3179 CD1 HMS 2008-4049



1 biofuel production is an inseparable part of that production
2 process.

3 Accordingly, the legislature finds that, as an integral
4 part of the production of biofuels as a renewable energy source,
5 growers and producers of plant or animal materials used
6 primarily for the production of biofuels or other fuels should
7 be allowed to lease public lands through direct negotiation.

8 The purpose of this Act is to amend the definition of
9 "renewable energy producer" under section 171-95, Hawaii Revised
10 Statutes, to include growers and producers of plant or animal
11 materials used primarily for the production of biofuels or other
12 fuels, so that they will be eligible for direct leases of public
13 land.

14 SECTION 2. Section 171-95, Hawaii Revised Statutes, is
15 amended by amending subsection (c) to read as follows:

16 "(c) For the purposes of this section, "renewable energy
17 producer" means [~~any~~]:

18 (1) Any producer of electrical or thermal energy produced
19 by wind, solar energy, hydropower, landfill gas,
20 waste-to-energy, ocean thermal energy conversion, cold
21 seawater, wave energy, biomass, including municipal
22 solid waste, biofuels or fuels derived from organic



1 sources, hydrogen fuels derived primarily from
2 renewable energy, or fuel cells where the fuel is
3 derived primarily from renewable sources that sell all
4 of the net power produced from the demised premises to
5 an electric utility company regulated under chapter
6 269 or that sells all of the thermal energy it
7 produces to customers of district cooling systems[~~-~~
8 Up]; provided that up to twenty-five per cent of the
9 power produced by a renewable energy producer and sold
10 to the utility or to district cooling system customers
11 may be derived from fossil fuels[~~-~~]; or

12 (2) Any grower or producer of plant or animal materials
13 used primarily for the production of biofuels or other
14 fuels; provided that nothing herein is intended to
15 prevent the waste product or byproduct of the plant or
16 animal material grown or produced for the production
17 of biofuel, other fuels, electrical energy, or thermal
18 energy, from being used for other useful purposes."

19 SECTION 3. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.

21 SECTION 4. This Act shall take effect upon its approval.



H.B. NO. 3179
S.D. 1
C.D. 1

APPROVED this 21 day of MAY, 2008



GOVERNOR OF THE STATE OF HAWAII