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

Dear Madam President and Members of the Senate:

I am transmitting herewith HB1271 HD3 SD2 CD1, without my approval, and with the statement of objections relating to the measure.

HB1271 HD3 SD2 CD1 A BILL FOR AN ACT RELATING TO GOVERNMENT.

Sincerely,

LINDA LINGLE
STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1271

Honorable Members  
Twenty-Fifth Legislature  
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1271, entitled "A Bill for an Act Relating to Government."

The purpose of House Bill No. 1271 is to provide a source of funding to support government programs, personnel, task forces, and grants-in-aid intended to promote energy and food security in the State. The funding will be generated by instituting a $1.00 increase in the tax imposed on each barrel or fractional part of a barrel of oil sold by a distributor to any retail dealer or end user in the State.

This bill is objectionable because it raises taxes on Hawaii residents and businesses by an estimated $31 million per year at a time when the community can least afford these taxes. Just like the many struggling families and business owners across our state, we must prioritize expenditures in a budget and then learn to live within our means.

What is particularly important to recognize is that higher energy prices discriminate against poor families more than any other group in our society. Energy costs comprise a higher percentage of family expenses for those at the lower income levels. Their ability to curtail their energy usage is marginal. What is particularly disturbing is these taxes on the poor would most benefit businesses and wealthier individuals who can afford to purchase a photovoltaic system or invest in a solar panel company. This taxing policy runs counter to a progressive tax structure.
As I have said before, we cannot tax our way of out of the fiscal crisis we are in. We must make tough choices and direct the funds we have to the areas that need it most. I agree that energy and food security are important and have prioritized funding for these programs and personnel through the Executive Biennium Budget. The Legislature, however, chose to prioritize other programs and is now asking the taxpayer to bear the burden through higher gas prices, utility bills, shipping costs, airline fares, and numerous impacts that will ripple through our entire economic system.

I believe the bill's supporters have the best interest of the State in mind. During my Administration, energy and food security have been top priorities and I have been pleased to work with the Legislature, federal officials, academia, and members of the private sector on these important issues.

In 2006, the Legislature passed and I signed ground-breaking legislation known as Energy for Tomorrow that laid the foundation to wean Hawaii off imported oil. In 2008, my Administration signed a historic, one-of-a-kind agreement with the U. S. Department of Energy intended to decrease energy demand and accelerate the use of renewable energy resources in Hawaii. This year, I joined the Legislature in supporting legislation drafted by members of the Hawaii Clean Energy Initiative that will help us meet our goal of 70 percent clean energy by 2030. I am proud to share these accomplishments with the Legislature and others who are committed to strengthening our economy and making Hawaii a cleaner, greener, place to live.

I believe we can continue to make significant progress in this arena without this tax and the bureaucracies it will fund. We must, however, be willing to make the tough choices and work together to prioritize the public programs that have the potential to do the most good for our state.
For the foregoing reasons, I am returning House Bill No. 1271 without my approval.

Respectfully,

LINDA LINGLE
Governor of Hawaii
A BILL FOR AN ACT

RELATING TO GOVERNMENT.

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

PART I

SECTION 1. The purpose of this Act is to:

(1) Promote economic development for local food and energy businesses by establishing necessary funding, guidance, and infrastructure;

(2) Ensure Hawaii is energy and food self-sufficient and sustainable to the maximum extent feasible; and

(3) Plan for and implement measures to help Hawaii’s natural resources and humankind adapt and be resilient to the inevitable challenges brought on by climate change caused by carbon dioxide and other greenhouse gas emissions from burning fossil fuels.

Hawaii is at a crossroads. As the most geographically isolated state in the country, we are dangerously dependent on imports for basic food and energy needs. We import about eighty-five per cent of our food and ninety-five per cent of our energy. It has been estimated that Hawaii exported $8,600,000,000 for food and oil in 2008, and every dollar...
exported is a lost opportunity to support and invest in local business. Our dependence on imports also exposes residents and businesses to volatile food and energy costs as oil prices fluctuate.

In addition, the mass consumption of fossil fuels, driven by our dependence on food and energy imports, contributes to climate change and the deterioration of the environment, and anticipated conditions such as more severe storm events, overall less rainfall, warmer temperatures that may favor invasive species, sea level rise, and ocean acidification that hampers coral growth. These climate changes will likely impose major but not fully understood costs and other impacts on Hawaii's people and the natural capital we depend upon to support our lives in the middle of the Pacific. Nowhere is it more obvious than in remote islands like Hawaii that our lives and economy are intertwined with the health and function of the natural world around us.

Although Hawaii is home to renewable energy resources like solar, wind, ocean, and geothermal, we as a community have not taken advantage of alternative energy and energy efficiency solutions to make our State more energy independent. As an
example, despite year-round sunshine, only thirty per cent of Hawaii's residents have solar water heaters.

Similarly, many acres of highly productive agricultural lands are not being farmed. Currently, Hawaii has a fresh supply of produce for no more than ten days. Ninety per cent of the beef, sixty-seven per cent of fresh vegetables, sixty-five per cent of fresh fruits, and seventy per cent of milk consumed in this state are imported. While Hawaii may never produce one hundred per cent of its food, the risks and costs to society by this dependence on imported food cannot be ignored.

Like energy, producing local food would reduce Hawaii's demand for fossil fuels, keep money in our community, and decrease the vulnerability to food supply disruptions caused by natural disasters or worldwide economic events.

Now is the time for bold action to squarely address Hawaii's energy and food requirements and plan for and address the inevitable effects of climate change. It will require long-term commitment, dedication, and investment by government, the private sector, and Hawaii's people to dramatically shift our present course of importing food and energy toward a more energy independent and agriculturally sustainable society. As a State and as a people, we must decide whether we will continue
to be dependent on external sources for our basic needs, or
whether we will build, invest in, and develop the capacity to
become food and energy independent.

The legislature finds that it is in the best interests of
Hawaii's people to build the capacity we need to become energy
and food self-sufficient, and protect the health and function of
our environment. As discussed in the Hawaii 2050 Sustainability
Plan and Hawaii Clean Energy Initiative, Hawaii has all the
necessary assets to significantly improve sustainability and
independence over the next twenty years if appropriate personnel
resources and sustainable funding are used wisely. To succeed,
the State must ensure that our long-term strategy is well-
resourced, coordinated, and focused.

This Act creates a Hawaii economic development task force
to accelerate and support public and private efforts to make
Hawaii energy and food self-sufficient, consistent with the
Hawaii 2050 Sustainability Plan, the Hawaii Clean Energy
Initiative, and other government and community planning efforts.
The Hawaii economic development task force shall recommend
priorities for government agencies within the executive branch
and the legislature in determining how funds may be allocated,
reviewing an existing or developing an overall road map to
implement and achieve the purpose of this Act, and identifying
the economic development, workforce, and consumer education
issues relating to the production of food and energy.

The legislature intends that the Hawaii economic
development task force take an interdisciplinary approach to
seek the most efficient and effective pathways for interagency
coordination. The Hawaii economic development task force shall
work collaboratively with all levels of government and the
private and nonprofit sectors to address water, land,
regulatory, and natural resource issues intertwined with food
and fuel production. Such an approach ensures that energy and
food policy development is integrated within the overall
economic, social, environmental, and cultural aspects of
society. With an understanding of these overlapping goals and
resources, our State can maximize the opportunities to ensure
food and energy security for generations to come.

The Act also establishes a clean energy initiative to
manage the State's transition to a clean energy economy, an
agricultural development and food security special fund to fund
activities intended to increase agricultural production or
processing that may lead to reduced importation of food, fodder,
or feed from outside the state, and establishes a renewable
energy branch in the department of business, economic
development, and tourism, to coordinate and promote renewable
energy initiatives.

The legislature finds that undertaking this important task
of energy and food security requires substantial financial
resources. An investment and long-term commitment by the State
must be made. To that end, this Act also increases the per-
barrel tax on petroleum products under the environmental
response, energy, and food security tax, formerly known as the
environmental response tax, and appropriates funds from that tax
for the energy and food security initiatives established by this
Act.

PART II

ENVIRONMENTAL RESPONSE, ENERGY, AND FOOD SECURITY TAX

SECTION 2. Section 128D-2, Hawaii Revised Statutes, is
amended to read as follows:

"§128D-2 Environmental response revolving fund; uses. (a)
There is created within the state treasury an environmental
response revolving fund, which shall consist of moneys
appropriated to the fund by the legislature, moneys paid to the
fund as a result of departmental compliance proceedings, moneys
paid to the fund pursuant to court-ordered awards or judgments,
moneys paid to the fund in court-approved or out-of-court
settlements, all interest attributable to investment of money
deposited in the fund, moneys [generated by] deposited in the
fund from the environmental response, energy, and food security
tax [established in] pursuant to section 243-3.5, and moneys
allotted to the fund from other sources[;—provided that when the
total balance of the fund exceeds $20,000,000, the department of
health shall notify the department of taxation of this fact in
writing within ten days. The department of taxation then shall
notify all distributors liable for collecting the tax imposed by
section 243-3.5 of this fact in writing, and the imposition of
the tax shall be discontinued beginning the first day of the
second month following the month in which notice is given to the
department of taxation. If the total balance of the fund
thereafter declines to less than $3,000,000, the department of
health shall notify the department of taxation which then shall
notify all distributors liable for collecting the tax imposed by
section 243-3.5 of this fact in writing, and the imposition of
the tax shall be reinstated beginning the first day of the
second month following the month in which notice is given to the
department of taxation].
(b) Moneys from the fund shall be expended by the department for response actions and preparedness, including removal and remedial actions, consistent with this chapter; provided that the revenues generated by the ["environmental response tax" and] environmental response, energy, and food security tax deposited into the environmental response revolving fund:

1. Shall [also] be used:
   (A) For oil spill planning, prevention, preparedness, education, research, training, removal, and remediation; and
   (B) For direct support for county used oil recycling programs;

and

[(C) For deposit into the energy security special fund, established under section 201-12.8, as may be appropriated by the legislature; and]

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

SECTION 3. Section 201-12.8, Hawaii Revised Statutes, is amended to read as follows:

"[4]§201-12.8[4] Energy security special fund; uses. (a) There is created within the state treasury an energy security special fund, which shall consist of:

(1) The portion of the environmental response, energy, and food security tax specified under section 243-3.5;

(2) Moneys appropriated to the fund by the legislature;

(3) All interest attributable to investment of money deposited in the fund; and

(4) Moneys allotted to the fund from other sources.

(b) Subject to legislative appropriation, moneys from the fund may be expended by the department of business, economic development, and tourism for the following
purposes and [shall be] used for no other purposes except for those set forth in this section:

(1) To support the Hawaii clean energy initiative program, including its energy division and projects that ensure dependable, efficient, and economical energy, promote energy self-sufficiency, and provide greater energy security for the State; and

(2) To fund the renewable energy facilitator pursuant to section 201-12.5 and any other positions necessary for the purposes of paragraph (1) as determined by the legislature; and

(3) To fund, to the extent possible, the greenhouse gas emissions reduction task force, climate change task force, grants-in-aid to the economic development boards of each county, and grants-in-aid to economic development agencies of each county to meet the stated objectives of the Hawaii clean energy initiative program.

(c) The department of business, economic development, and tourism shall submit a report to the legislature no later than twenty days prior to the convening of each regular session, on the status and progress of existing programs and activities, and
the status of new programs and activities funded by the energy
security special fund. The report shall also include the
spending plan of the energy security special fund, all
expenditures of energy security special fund moneys, the
targeted markets including why those markets were selected and
who will be served and why, the specific objectives of the
expenditures, and measurable outcomes."

SECTION 4. Section 243-3.5, Hawaii Revised Statutes, is
amended as follows:

1. By amending its title and subsection (a) to read:

"§243-3.5 Environmental response, energy, and food
security tax; uses. (a) In addition to any other taxes
provided by law, subject to the exemptions set forth in section
243-7, there is hereby imposed [at times provided in section
128D-2] a state environmental response, energy, and food
security tax of [5-cents] $1.05 (one dollar and five cents) on
each barrel or fractional part of a barrel of petroleum product
sold by a distributor to any retail dealer or end user, other
than a refiner, of petroleum product; provided that:

(1) 5 cents of the tax on each barrel shall be [used
pursuant to section 128D-2 to address concerns
relating to drinking water.] deposited into the
environmental response revolving fund established under section 128D-2;

(2) 55 cents of the tax on each barrel shall be deposited into the energy security special fund established under section 201-12.8;

(3) 10 cents of the tax on each barrel shall be deposited into the energy systems development special fund established under section 304A-2169; and

(4) 35 cents of the tax on each barrel shall be deposited into the agricultural development and food security special fund established under section 141-

The tax imposed by this subsection shall be paid by the distributor of the petroleum product."

2. By amending subsection (c) to read:

"(c) Notwithstanding section 248-8 to the contrary, the environmental response, energy, and food security tax collected under this section shall be paid over to the director of finance for deposit [into the environmental response revolving fund established by section 128D-2] as provided in subsection (a)."

SECTION 5. Section 304A-2169, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The special fund shall be funded by:
(1) Appropriations from the legislature; [and]

(2) The portion of the environmental response, energy, and food security tax specified under section 243-3.5; and

(3) Investment earnings, gifts, donations, or other income received by the Hawaiʻi natural energy institute.

PART III

HAWAII ECONOMIC DEVELOPMENT TASK FORCE

SECTION 6. (a) There is established the Hawaiʻi economic development task force within the department of business, economic development, and tourism for administrative purposes. The purpose of the Hawaiʻi economic development task force shall be to facilitate the accelerated adoption and completion of renewable energy projects, energy efficiency programs, agricultural infrastructure and development, and other measures to meet the purposes of this Act. The Hawaiʻi economic development task force shall develop and maintain a broad overview of energy and food security issues that apply an interdisciplinary approach to ensure that Hawaiʻi's energy and food policy and program development is integrated within the overall economic, social, environmental, and cultural aspects of society. The Hawaiʻi economic development task force shall, with...
the assistance of the department of business, economic
development, and tourism:

(1) Identify and review each state and county agency's
policy, objectives, mandates, organizational structure,
and resources to address energy and food security
issues;

(2) Identify all federal and private funds available to
the State and counties to address energy and food
security issues;

(3) Identify effective measures for interagency
cooperation, coordinate efforts with the counties, and
bolster public and private sector partnerships to
achieve the objective of energy and food security;

(4) Identify existing programs and agreements addressing
energy and food security that may be enhanced through
legislation;

(5) Investigate alternative institutional mechanisms to
promote the efficient execution and implementation of
a multi-year strategy to achieve energy and food
security;
(6) Investigate the streamlining of administrative processes to accelerate and achieve energy and food security;

(7) Provide an appropriate forum for all affected or interested parties to address energy and food security issues;

(8) Recommend appropriate legislation resulting from its findings to improve, accelerate, and achieve the objective of energy and food security;

(9) Review whether:

(A) The apportionment of the environmental response, energy, and food security tax among the funds listed under section 243-3.5, Hawaii Revised Statutes, is appropriate;

(B) The apportionment should be changed; and

(C) Any additional special, trust, or revolving fund should receive a share of the tax;

and

(10) Perform any other function necessary to effectuate the purposes of this part.

(b) The Hawaii economic development task force shall consist of the following members:
(1) The director of business, economic development, and tourism or the director's designee, who shall chair the Hawaii economic development task force;

(2) The chairperson of the board of agriculture or the chairperson's designee;

(3) The director of the office of planning or the director's designee;

(4) The chairperson of the board of land and natural resources or the chairperson's designee;

(5) The dean of the University of Hawaii college of tropical agriculture and human resources or the dean's designee;

(6) The speaker of the house of representatives or the speaker's designee;

(7) The president of the senate or the president's designee; and

(8) A representative from each private county economic development board.

(c) The Hawaii economic development task force's members shall serve without compensation but shall be reimbursed for expenses, including travel expenses, necessary for the performance of their duties.
(d) In the performance of its duties, the Hawaii economic
development task force shall consult with appropriate private,
nonprofit, community, and government stakeholders.

(e) The department of business, economic development, and
tourism may contract with the University of Hawaii for any
services to support the work of the Hawaii economic development
task force.

(f) The Hawaii economic development task force shall
submit a report of its findings and recommendations, including
any proposed legislation, to the legislature no later than
twenty days prior to the convening of the regular session of
2010.

The task force also shall submit a follow-up report to the
legislature no later than twenty days prior to the convening of
the regular session of 2011. The report shall include a
description of the activities funded by the environmental
response, energy, and food security tax, progress made toward
energy and food self-sufficiency, and additional action
necessary to achieve energy and food self-sufficiency.

(g) The Hawaii economic development task force shall cease
to exist on June 30, 2011.
SECTION 7. Notwithstanding section 201-12.8(b), there is appropriated out of the energy security special fund the sum of $250,000 or so much thereof as may be necessary for fiscal year 2009-2010 for the purpose of supporting the work of the Hawaii economic development task force. The appropriation shall be made from the portion of the environmental response, energy, and food security tax that is deposited into the energy security special fund.

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

PART IV

AGRICULTURAL DEVELOPMENT AND FOOD SECURITY

SECTION 8. Chapter 141, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§141- Agricultural development and food security special fund; establishment. (a) There is established within the state treasury the agricultural development and food security special fund.

(b) The following shall be deposited into the special fund:

HB1271 CD1 HMS 2009-4135
The portion of the environmental response, energy, and food security tax specified under section 243-3.5;

Any appropriation by the legislature into the special fund;

Any grant or donation made to the special fund; and

Any interest earned on the balance of the special fund.

Subject to legislative appropriation, moneys in the special fund may be expended for the following purposes:

1. The awarding of grants to farmers for agricultural production or processing activity;

2. The acquisition of real property for agricultural production or processing activity;

3. The improvement of real property, irrigation systems, and transportation networks necessary to promote agricultural production or processing activity;

4. The purchase of equipment necessary for agricultural production or processing activity;

5. The conduct of research on and testing of agricultural products and markets;

6. The promotion and marketing of agricultural products grown or raised in the state; and
(7) Any other activity intended to increase agricultural production or processing that may lead to reduced importation of food, fodder, or feed from outside the state.

(d) The department of agriculture shall submit a report to the legislature no later than twenty days prior to the convening of each regular session, on the status and progress of existing programs and activities, and the status of new programs and activities funded under the agricultural development and food security special fund. The report shall also include the spending plan of the agricultural development and food security special fund, all expenditures of agricultural development and food security special fund moneys, the targeted markets including why those markets were selected and who will be served and why, the specific objectives of the expenditures, and measurable outcomes."

SECTION 9. There is appropriated out of the agricultural development and food security special fund the sum of $10,500,000 or so much thereof as may be necessary for fiscal year 2009-2010 for the purpose of supporting the following projects:

HB1271 CD1 HMS 2009-4135
(1) $1,000,000 for Varroa mite control and eradication efforts;

(2) $2,000,000 for the operation of pest inspection, quarantine, eradication, biosecurity, and monitoring programs, related facilities, and the execution of emergency remedial measures when pests are detected in the course of inspection and quarantine activities by the department of agriculture;

(3) $1,200,000 for the expansion of the food safety and security program administered by the department of agriculture;

(4) $2,600,000 for the livestock revitalization and food security program under chapter 155D;

(5) $900,000 for improvements to the Lower Hamakua Ditch in Hawaii County;

(6) $1,100,000 for the construction of an agricultural water main distribution pipeline in the Upcountry Maui Watershed;

(7) $1,500,000 for the construction of the Kealahou pipeline in the Upcountry Maui Watershed; and

(8) $200,000 for the planning phase of the state agricultural water use and development plan.
The sums appropriated shall be expended by the Hawaii
department of agriculture for the purpose of this section. Any
of the sums appropriated in this section may be used to match
federal funds.

PART V

HAWAII CLEAN ENERGY INITIATIVE

SECTION 10. Chapter 196, Hawaii Revised Statutes, is
amended by adding a new section to be appropriately designated
and to read as follows:

"§196- Hawaii clean energy initiative program. (a)

There is established, within the department of business,
economic development, and tourism, a Hawaii clean energy
initiative program to manage the State's transition to a clean
energy economy. The clean energy program shall design,
implement, and administer activities that include:

(1) Strategic partnerships for the research, development,
testing, deployment, and permitting of clean and
renewable technologies;

(2) Engineering and economic evaluations of Hawaii's
potential for near-term project opportunities for the
State's renewable energy resources;
(3) Electric grid reliability and security projects that will enable the integration of a substantial increase of electricity from renewable energy resources;

(4) A statewide clean energy public education and outreach plan to be developed in coordination with Hawaii's public education institutions;

(5) Promotion of Hawaii's clean and renewable resources to potential partners and investors;

(6) A plan, for implementation during the years 2010 to 2030, to transition the State to a clean energy economy; and

(7) A plan to assist each county for the implementation during the years 2010 to 2030, to transition each county to a clean energy economy.

(b) Prior to the initiation of any activities authorized under subsection (a), the department of business, economic development, and tourism shall develop a plan of action with the intent of promoting effective prioritization and focusing of efforts consistent with the State's energy programs and objectives.

The department of business, economic development, and tourism shall submit a report to the legislature no later than
twenty days prior to the convening of each regular session, on
the status and progress of existing clean energy initiatives,
and the status of new initiatives. The report shall also
include the spending plan of the Hawaii clean energy initiative
program, all expenditures of energy security special fund
moneys, the targeted markets including why those markets were
selected and who will be served and why, and the specific
objectives of the program and program expenditures, and
measurable outcomes."

SECTION 11. There is appropriated out of the energy
security special fund the sum of $393,518 or so much thereof as
may be necessary for fiscal year 2009-2010 and the same sum or
so much thereof as may be necessary for fiscal year 2010-2011 to
provide seven positions for and otherwise support the Hawaii
clean energy initiative of the department of business, economic
development, and tourism.

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

PART VI

RENEWABLE ENERGY
SECTION 12. The purpose of this part is to support the renewable energy industry in Hawaii by:

1. Establishing a renewable energy branch in the department of business, economic development, and tourism to coordinate and promote renewable energy initiatives;

2. Strengthening laws supporting energy diversification, long-term provision of dependable energy services, and use of diverse energy technologies; and

3. Providing adequate resources to support the renewable energy industry, and renewable energy planning and programs in the department of business, economic development, and tourism.

SECTION 13. Chapter 201, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§201- Renewable energy branch; establishment. (a) There is established a renewable energy branch within the department.

(b) Branch functions shall include:

1. Renewable energy resource assessments, technical analyses, and resource development functions,
including design, management, and completion of
systematic analysis of existing and proposed energy
resource programs;

(2) Evaluation of analyses conducted by government
agencies and other organizations;

(3) Development and management of programs to encourage
public and private exploration, research, and
commercial development of renewable energy resources;

(4) Project facilitation functions, including the
development and implementation of programs to
facilitate the efficient permitting of renewable
energy projects;

(5) Renewable energy partnership and outreach functions,
including participation in renewable and sustainable
energy evaluation and demonstration projects,
outreach, and other activities to promote technically,
economically, and environmentally feasible
technologies and projects;

(6) Renewable energy resource, technology, and project
viability consultant functions, including serving as a
consultant to the governor, public agencies, and
private industry on matters related to the use of
Hawaii's renewable energy resources; and
(7) Research, reporting, implementation, and support of
renewable and transportation energy related laws."

SECTION 14. Section 201-12.5, Hawaii Revised Statutes, is
amended by amending subsection (a) to read as follows:
"(a) There is established within the department of
business, economic development, and tourism the position of
renewable energy facilitator, which shall be a full-time,
permanent position exempt from chapters 76 and 89.
The renewable energy facilitator shall possess a requisite level
of knowledge and expertise in the areas of renewable energy,
state and county permitting processes, and management necessary
to carry out the duties of the position."

SECTION 15. There is established within the department of
business, economic development, and tourism, the position of
energy program administrator. The position shall be a full-time
position exempt from chapters 76, Hawaii Revised Statutes.

SECTION 16. There are established within the department of
business, economic development, and tourism seven full-time
temporary positions to support the planning and renewable energy
provisions of chapters 196, 201, and 226, Hawaii Revised
The positions shall be exempt from chapter 76, Hawaii Revised Statutes.

SECTION 17. Subject to the availability of federal funding for energy programs provided by grants, and subject to the constraints, oversight, and reporting requirements of those federal programs, the governor is hereby authorized to establish positions necessary to accomplish the management of those energy projects funded by federal grants; provided that the positions shall be exempt from chapter 76, Hawaii Revised Statutes; and provided further that the governor shall submit a report to the legislature on all positions established as of December 31 and June 30 of each fiscal year that the positions exist and are occupied.

SECTION 18. There is appropriated out of the energy security special fund the sum of $119,280 or so much thereof as may be necessary for fiscal year 2009-2010 for the department of business, economic development, and tourism to fill the permanent, full-time equivalent (1.00 FTE) renewable energy facilitator position established in section 201-12.5, Hawaii Revised Statutes.
The sum appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this part.

SECTION 19. There is appropriated out of the energy security special fund the sum of $130,000 or so much thereof as may be necessary for fiscal year 2009-2010 for the department of business, economic development, and tourism to fill the permanent, full-time equivalent (1.00 FTE) energy program administrator position established in section 15.

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

SECTION 20. There is appropriated out of the energy security special fund established pursuant to section 201-12.8 the sum of $393,518 or so much thereof as may be necessary for fiscal year 2009-2010 and the same sum or so much thereof as may be necessary for fiscal year 2010-2011 for the seven full-time, temporary positions, established under section 16.

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

GREENHOUSE GAS EMISSIONS REDUCTION TASK FORCE

SECTION 21. There is appropriated out of the energy security special fund, established pursuant to section 201-12.8, the sum of $200,000 or so much thereof as may be necessary for fiscal year 2009-2010 for the greenhouse gas emissions reduction task force established pursuant to Act 234, Session Laws of Hawaii 2007.

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

PART VIII

SECTION 22. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun, before its effective date.

SECTION 23. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 24. This Act shall take effect on July 1, 2009.