

Honolulu, Hawaii

MAR 25 2015

RE: H.B. No. 1513
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred H.B. No. 1513, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish within the Department of Business, Economic Development, and Tourism a two-year alternative energy research and development pilot program;
- (2) Authorize the High Technology Development Corporation to provide matching grants to qualified businesses conducting research and development in alternative energy;
- (3) Establish the alternative energy research and development revolving fund; and
- (4) Appropriate funds to provide grants during the two-year alternative energy research and development pilot program.

Your Committee received testimony in support of this measure from the High Technology Development Corporation, Chamber of Commerce Hawaii, Hawaii Renewable Energy Alliance, Navatek Ltd.,



Pacific Shipyards International, Pacific Marine, and forty-four individuals.

Your Committee finds that the State's clean energy initiative is rooted in the principle of maximizing cost effective investments in clean energy production and management to promote the State's energy security. Encouraging high-impact, clean energy solutions inspires innovative economic development. Implementation of this measure will move the State toward a more sustainable future by promoting alternative energy research and development and encouraging the development of clean energy technologies.

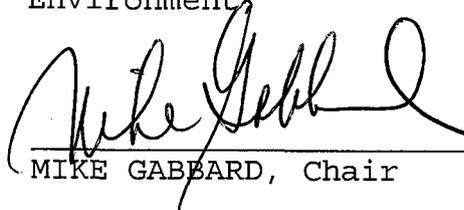
Your Committee has amended this measure by:

- (1) Clarifying that a business must have a competitive contract with the Department of Defense Office of Naval Research that is related to the research of alternative energy and energy efficiency technologies in certain fields, rather than a grant related to the production of alternative energy;
- (2) Amending the requirement that eighty percent or more of a business must be resident-owned to sixty percent or more;
- (3) Amending the minimum number of years that a business must have been doing business in the State in order to be grant-eligible from thirty years to one year;
- (4) Inserting language requiring that businesses have a contract, funded by monies designated by the United States Congress as funding for alternative energy or a national defense budget funding directive, with the Department of Defense Office of Naval Research that is existing and active or was granted within three years prior to the effective date of this measure, as evidence that the business conducts research in alternative energy that has a high technology readiness level or high potential for implementation; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1513, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1513, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Energy and
Environment,

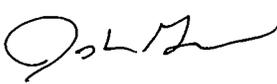


MIKE GABEARD, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1513, HD1	ENE, WAM	3-17-15		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	✓			
GREEN, Josh (VC)	✓			
GALUTERIA, Brickwood	✓			
IHARA, Jr., Les	✓			
SLOM, Sam				✓
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes