

Honolulu, Hawaii

APR 10 2015

RE: H.B. No. 1513  
H.D. 1  
S.D. 2

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

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1513, H.D. 1, S.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 further strengthen and support Hawaii's companies that are conducting renewable energy research and development.

More specifically, this measure establishes a two-year alternative energy research and development pilot program to provide matching grants to qualified local companies that have existing contracts with the principal research division of the United States Department of Defense Office of Naval Research.

Your Committee received written comments in support of this measure from The Chamber of Commerce Hawaii, HSI Mechanical, Inc., and forty-seven individuals. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that Hawaii's dependence on imported oil to supply its energy needs threatens Hawaii's natural environment and places its economic security at risk. To gain independence from oil, the State adopted the clean energy initiative to achieve seventy percent clean energy by the year 2030. Your Committee further finds that there are growing numbers of Hawaii-based



companies conducting research and developing clean energy technologies that may assist the State in achieving its clean energy goals. Your Committee believes that it is in Hawaii's best interest to support and strengthen these companies and to take steps to encourage the development of high-impact clean energy solutions that promote innovative economic development.

Your Committee has amended this measure by:

- (1) Requiring the Department of Business, Economic Development, and Tourism to adopt administrative rules to effectuate the grant program;
- (2) Providing that a business is ineligible for a grant through the alternative energy research and development pilot program if the business has obtained any other state tax credit or grant, other than a grant awarded by the Department of Defense Office of Naval Research, at the time of or during the duration of an alternative energy research and development pilot program grant;
- (3) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure; and
- (4) Making a technical nonsubstantive change for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1513, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1513, H.D. 1, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



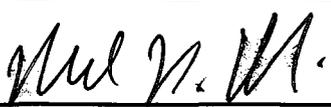
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JILL N. TOKUDA, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>HB 1513, HD1, SD1</b>	Committee Referral: <b>ENE, WAM</b>	Date: <b>4/9/15</b>		
<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
TOKUDA, Jill N. (C)	✓			
KOUCHI, Ronald D. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.				✓
ENGLISH, J. Kalani	✓			
GALUTERIA, Brickwood				✓
HARIMOTO, Breene	✓			
INOUYE, Lorraine R.	✓			
RIVIERE, Gil	✓			
RUDERMAN, Russell E.	✓			
SLOM, Sam				✓
<b>TOTAL</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>3</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">  </div>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes