

STAND. COM. REP. NO.

1899

Honolulu, Hawaii

APR 05 2019

RE: H.B. No. 852  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Ways and Means, to which was referred H.B. No. 852, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII STATE ENERGY OFFICE,"

beg leave to report as follows:

The purpose and intent of this measure is to appropriate funds for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021, for state executive branch programs.

Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism.

Prior to decision making on this measure, your Committees posted and made available for public review a proposed S.D. 1, which deletes the contents of this measure and inserts the language that:

- (1) Establishes the Hawaii State Energy Office;
- (2) Establishes the Board of Directors and Director of the Hawaii State Energy Office and powers and duties of the Director;



- (3) Repeals the establishment of the Energy Resources Coordinator position, the Coordinator's powers and duties, and the establishment of the Renewable Energy Facilitator position, and transfers some of the powers and duties of the Energy Resources Coordinator to the Director of the Hawaii State Energy Office;
- (4) Appropriates funds for the Hawaii State Energy Office; and
- (5) Includes an effective date of July 1, 2050.

Your Committees received testimony in support of the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism and two individuals.

Your Committees find that there is a need for a state agency responsible for facilitating the transition to a clean energy economy to meet Hawaii's climate and cost of living goals. Tasking a single agency to plan for energy savings measures across all public facilities and assist government entities already working to reduce energy costs is a necessary step to maximize taxpayer dollars. Your Committees also find that although the State Energy Office is tasked with the responsibility of overseeing one-eighth of Hawaii's economy, which impacts every business and household, the Office lacks an enabling statute, a mission, formal guidance, and reporting accountability. Your Committees further find that the proposed S.D. 1 establishes the Hawaii State Energy Office in statute with clear guidance and reporting accountability.

Your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Authorizing the Hawaii State Energy Office to enter into a memorandum of understanding with the Hawaii Technology Development Corporation to coordinate with and utilize the Corporation's expertise, personnel, and powers for certain purposes;
- (2) Deleting language that would have established the Board of Directors of the Hawaii State Energy Office;

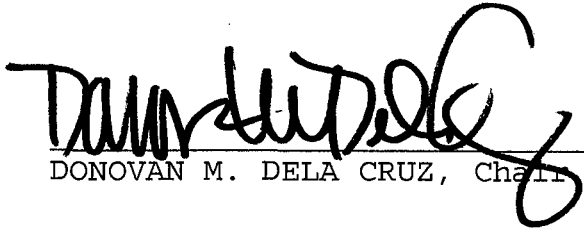


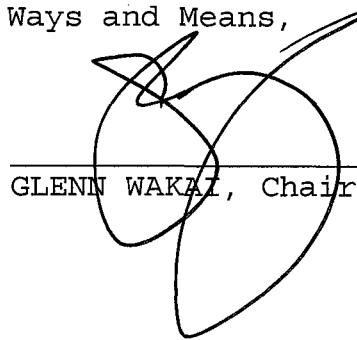
- (3) Changing the position title from the Director of the Hawaii State Energy Office to the Chief Energy Officer of the Hawaii State Energy Office, and making conforming amendments;
- (4) Amending the qualifications required of the Chief Energy Officer;
- (5) Amending the duties of the Chief Energy Officer;
- (6) Amending the definition of "distributed energy resources";
- (7) Changing the expending agency for the energy security special fund from the Department of Business, Economic Development, and Tourism to the Hawaii State Energy Office and amending the allowable uses of monies from the energy security special fund;
- (8) Inserting an appropriation amount of \$2,300,000 for the Hawaii State Energy Office;
- (9) Inserting an additional appropriation or authorization of funds for expenses and positions for the Hawaii State Energy Office;
- (10) Transferring the rights, powers, functions, and duties of the State Energy Office, including existing civil service employees, to the Hawaii State Energy Office and retaining the employees' civil service status until they leave employment with the Hawaii State Energy Office; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 852, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 852, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on  
behalf of the members of the  
Committees on Energy, Economic  
Development, and Tourism and  
Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair

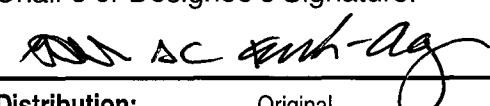
  
GLENN WAKAI, Chair





The Senate  
Thirtieth Legislature  
State of Hawai'i

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

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 852, HD1	EET / WAM	4/4/19		
<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
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani				X
HARIMOTO, Breene				X
INOUYE, Lorraine R.		X		
KAHELE, Kaiali'i	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.				X
MORIWAKI, Sharon Y.		X		
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.		X		
FEVELLA, Kurt				X
<b>TOTAL</b>	<b>6</b>	<b>3</b>		<b>4</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<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