# A BILL FOR AN ACT

RELATING TO GEOTHERMAL RESOURCES.

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

1		PART I
2	SECT	ION 1. The purpose of this Act is to address
3	geotherma	l resources.
4	More	specifically:
5	(1)	Part II amends chapter 182, Hawaii Revised Statutes,
6		relating to mining leases, to define and differentiate
7		between geothermal resources exploration and
8		<pre>geothermal resources development;</pre>
9	(2)	Part III amends chapter 183C, Hawaii Revised Statutes,
10		relating to the conservation district, by designating
11		geothermal resources exploration and geothermal
12		resources development as permitted uses in all zones
13		of the conservation district; and
14	(3)	Part IV amends chapter 205, Hawaii Revised Statutes,
15		relating to state land use districts, by repealing the
16		geothermal resource subzone provisions and designating
17		geothermal resources exploration and geothermal

1	resources development as permitted uses in all
2	districts.
3	PART II
4	SECTION 2. Section 182-1, Hawaii Revised Statutes, is
5	amended as follows:
6	1. By adding two new definitions to be appropriately
7	inserted and to read:
8	"Geothermal resources exploration" means:
9	(1) Conducting non-invasive geophysical operations; or
10	(2) Drilling exploration wells for the extraction and
11	removal of minerals of types and quantities,
12	that are reasonably required for testing and analysis to provide
13	ground truth or determine the economic viability of geothermal
14	resources. The term does not include geothermal resources
15	development.
16	"Geothermal resources development" means the development or
17	production of electrical energy from geothermal resources and
18	direct use application of geothermal resources. The term does
19	not include geothermal resources exploration."
20	2. By amending the definitions of "mining lease" and
21	"mining operations" to read:

- ""Mining lease" means a lease of the right to conduct 1 mining operations, including geothermal resource exploration or 2 development, on state lands and on lands sold or leased by the 3 State or its predecessors in interest with a reservation of 4 5 mineral rights to the State. "Mining operations" means the process of excavation, 6 extraction, and removal of minerals, and the exploration or 7 development of any and all geothermal resources, from the 8 ground, design engineering, other engineering, erection of 9 transportation facilities and port facilities, erection of 10 necessary plants, other necessary operations or development 11 approved by the board preceding or connected with the actual 12 extraction of minerals and the exploration or development of 13 geothermal resources." 14 SECTION 3. Section 182-5, Hawaii Revised Statutes, is 15
- is discovered or known to exist on reserved lands. If any mineral is discovered or known to exist on reserved lands, any interested person may notify the board of land and natural resources of the person's desire to apply for a mining lease.

  The notice shall be accompanied by a fee of \$100 together with a
- 22 description of the land desired to be leased and the minerals



- 1 involved and such information and maps as the board may by
- 2 regulation prescribe. The board may grant a mining lease on
- 3 reserved lands in accordance with section 182-4, or the board
- 4 may, by the vote of two-thirds of its members to which the board
- 5 is entitled, without public auction, grant a mining lease on
- 6 reserved lands to the occupier thereof. Such a mining lease may
- 7 be granted to a person other than the occupier if the occupier
- 8 has assigned the occupier's rights to apply for a mining lease
- 9 to another person, in which case only such an assignee may be
- 10 granted a mining lease. Any provisions to the contrary
- 11 notwithstanding, if the board decides that it is appropriate to
- 12 grant a geothermal mining lease on the reserved lands, the
- 13 surface owner or the owner's assignee shall have the first right
- 14 of refusal for a mining lease[ + however, the granting of a
- 15 geothermal mining lease does not create the presumption that a
- 16 geothermal resource subzone will be designated, nor shall
- 17 geothermal development activities occur on land within the
- 18 geothermal mining lease until the area is designated a
- 19 geothermal resource subzone]. If the occupier or the occupier's
- 20 assignee of the right to obtain a mining lease should fail to
- 21 apply for a mining lease within six months from the date of
- 22 notice from the board of a finding by the board that it is in



- 1 the public interest that the minerals on the reserved lands be
- 2 mined, a mining lease shall be granted under section 182-4;
- 3 provided that bidders at the public auction shall bid on an
- 4 amount to be paid to the State for a mining lease granting to
- 5 the lessee the right to exploit minerals reserved to the State."
- 6 SECTION 4. Section 182-6, Hawaii Revised Statutes, is
- 7 amended to read as follows:
- 8 "\$182-6 Exploration. Any person wishing to conduct
- 9 exploration on such state lands shall apply to the board of land
- 10 and natural resources who shall issue exploration permits upon
- 11 such terms and conditions as it shall by regulation prescribe.
- 12 During and as a result of the exploration, no minerals of such
- 13 types and quantity beyond that reasonably required for testing
- 14 and analysis shall be extracted and removed from such state
- 15 lands. Upon termination of the exploration permit, the drill
- 16 logs and the results of the assays resulting from the
- 17 exploration shall be turned over to the board and kept
- 18 confidential by the board. If the person shall not make
- 19 application for a mining lease of the lands within a period of
- 20 six months from the date the information is turned over to the
- 21 board, the board in its discretion need not keep the information
- 22 confidential.

- 1 This section shall be construed as authorizing the board to
- 2 issue an exploration permit for geothermal resources as well as
- 3 minerals."
- 4 PART III
- 5 SECTION 5. Section 183C-4, Hawaii Revised Statutes, is
- 6 amended to read as follows:
- 7 "\$183C-4 Zoning; amendments. (a) The department, after
- 8 notice and hearing as provided in this section, shall review and
- 9 redefine the boundaries of the zones within the conservation
- 10 district.
- 11 (b) The department shall adopt rules governing the use of
- 12 land within the boundaries of the conservation district that are
- 13 consistent with the conservation of necessary forest growth, the
- 14 conservation and development of land and natural resources
- 15 adequate for present and future needs, and the conservation and
- 16 preservation of open space areas for public use and enjoyment.
- 17 No use except a nonconforming use as defined in section 183C-5,
- 18 shall be made within the conservation district unless the use is
- 19 in accordance with a zoning rule.
- (c) The department may allow a temporary variance from
- 21 zoned use where good cause is shown and where the proposed

- 1 temporary variance is for a use determined by the department to
- 2 be in accordance with good conservation practices.
- 3 (d) The department shall establish zones within the
- 4 conservation district, which shall be restricted to certain
- 5 uses. The department, by rules, may specify the land uses
- 6 permitted therein which may include, but are not limited to,
- 7 farming, flower gardening, operation of nurseries or orchards,
- 8 growth of commercial timber, grazing, recreational or hunting
- 9 pursuits, or residential use. The rules may control the extent,
- 10 manner, and times of the uses, and may specifically prohibit
- 11 unlimited cutting of forest growth, soil mining, or other
- 12 activities detrimental to good conservation practices.
- (e) Notwithstanding this section or any other law to the
- 14 contrary, geothermal resources exploration and geothermal
- 15 resources development, as defined under section 182-1, shall be
- 16 permitted uses in all zones of the conservation district. The
- 17 rules required under subsection (b) governing the use of land
- 18 within the boundaries of the conservation district shall be
- 19 deemed to include the application of this subsection without
- 20 necessity of formal adoption by the department.
- 21 [<del>(e)</del>] (f) Whenever any landowner or government agency whose
- 22 property will be directly affected makes an application to



- 1 change the boundaries or land uses of any zone, or to establish
- 2 a zone with certain land uses, or where the department proposes
- 3 to make the change or changes itself, the change or changes
- 4 shall be put in the form of a proposed rule by the applicant and
- 5 the department shall then give public notice thereof during
- 6 three successive weeks statewide and in the county in which the
- 7 property is located. The notice shall be given not less than
- 8 thirty days prior to the date set for the hearing, and shall
- 9 state the time and place of the hearing and the changes
- 10 proposed. Any proposed rules and the necessary maps shall be
- 11 made available for inspection by interested members of the
- 12 public. The hearing shall be held in the county in which the
- 13 land is located and may be delegated to an agent or
- 14 representative of the board as may otherwise be provided by law
- 15 and in accordance with rules adopted by the board. For the
- 16 purpose of its public hearing or hearings, the board may summon
- 17 witnesses, administer oaths, and require the giving of
- 18 testimony."
- 19 PART IV
- 20 SECTION 6. Section 205-2, Hawaii Revised Statutes, is
- 21 amended by amending subsections (b), (c), (d), and (e) to read
- 22 as follows:

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1 Urban districts shall include activities or uses as " (b) 2 provided by ordinances or regulations of the county within which 3 the urban district is situated[-] and geothermal resources 4 exploration and geothermal resources development, as defined 5 under section 182-1, as permitted uses. 6 Rural districts shall include activities or uses as 7 characterized by low density residential lots of not more than 8 one dwelling house per one-half acre, except as provided by 9 county ordinance pursuant to section 46-4(c), in areas where "city-like" concentration of people, structures, streets, and 10 11 urban level of services are absent, and where small farms are intermixed with low density residential lots except that within 12 13 a subdivision, as defined in section 484-1, the commission for 14 good cause may allow one lot of less than one-half acre, but not 15 less than [18,500] eighteen thousand five hundred square feet, **16** or an equivalent residential density, within a rural subdivision 17 and permit the construction of one dwelling on such lot, 18 provided that all other dwellings in the subdivision shall have 19 a minimum lot size of one-half acre or 21,780 square feet. 20 petition for variance may be processed under the special permit 21 procedure. These districts may include contiguous areas which 22 are not suited to low density residential lots or small farms by

- 1 reason of topography, soils, and other related characteristics.
- 2 Rural districts shall also include golf courses, golf driving
- 3 ranges, and golf-related facilities.
- 4 Rural districts shall include geothermal resources
- 5 exploration and geothermal resources development, as defined
- 6 under section 182-1, as permitted uses.
- 7 (d) Agricultural districts shall include:
- **8** (1) Activities or uses as characterized by the cultivation
- 9 of crops, crops for bioenergy, orchards, forage, and
- 10 forestry;
- 11 (2) Farming activities or uses related to animal husbandry
- and game and fish propagation;
- 13 (3) Aquaculture, which means the production of aquatic
- plant and animal life within ponds and other bodies of
- 15 water:
- 16 (4) Wind generated energy production for public, private,
- 17 and commercial use;
- 18 (5) Biofuel production, as described in section
- 19 205-4.5(a)(15), for public, private, and commercial
- **20** use;
- 21 (6) Solar energy facilities; provided that:

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2			classified by the land study bureau's detailed
3			land classification as overall (master)
4			productivity rating class B, C, D or E; and
5		(B)	Solar energy facilities placed within land with
6			soil classified as overall productivity rating
7			class B or C shall not occupy more than ten per
8			cent of the acreage of the parcel, or twenty
9			acres of land, whichever is lesser;
10	(7)	Bona	fide agricultural services and uses that support
11		the a	agricultural activities of the fee or leasehold
12		owne	r of the property and accessory to any of the
13		above	e activities, regardless of whether conducted on
14		the s	same premises as the agricultural activities to
15		which	n they are accessory, including farm dwellings as
16		defin	ned in section 205-4.5(a)(4), employee housing,
17		farm	buildings, mills, storage facilities, processing

(A) This paragraph shall apply only to land with soil

facilities, agricultural-energy facilities as defined

in section 205-4.5(a)(16), vehicle and equipment

storage areas, roadside stands for the sale of

products grown on the premises, and plantation

1		community subdivisions as defined in section
2		205-4.5(a)(12);
3	(8)	Wind machines and wind farms;
4	(9)	Small-scale meteorological, air quality, noise, and
5		other scientific and environmental data collection and
6		monitoring facilities occupying less than one-half
7		acre of land; provided that these facilities shall not
8		be used as or equipped for use as living quarters or
9		dwellings;
10	(10)	Agricultural parks;
11	(11)	Agricultural tourism conducted on a working farm, or a
12		farming operation as defined in section 165-2, for the
13		enjoyment, education, or involvement of visitors;
14		provided that the agricultural tourism activity is
15		accessory and secondary to the principal agricultural
16		use and does not interfere with surrounding farm
17		operations; and provided further that this paragraph
18		shall apply only to a county that has adopted
19		ordinances regulating agricultural tourism under
20		section 205-5; [and]
21	(12)	Open area recreational facilities[-]; and

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1
        (13) Geothermal resources exploration and geothermal
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              resources development, as defined under section 182-1.
3
    Agricultural districts shall not include golf courses and golf
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    driving ranges, except as provided in section 205-4.5(d).
5
    Agricultural districts include areas that are not used for, or
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    that are not suited to, agricultural and ancillary activities by
7
    reason of topography, soils, and other related characteristics.
8
              Conservation districts shall include areas necessary
         (e)
9
    for protecting watersheds and water sources; preserving scenic
10
    and historic areas; providing park lands, wilderness, and beach
11
    reserves; conserving indigenous or endemic plants, fish, and
12
    wildlife, including those which are threatened or endangered;
13
    preventing floods and soil erosion; forestry; open space areas
14
    whose existing openness, natural condition, or present state of
15
    use, if retained, would enhance the present or potential value
16
    of abutting or surrounding communities, or would maintain or
    enhance the conservation of natural or scenic resources; areas
17
18
    of value for recreational purposes; other related activities;
19
    and other permitted uses not detrimental to a multiple use
20
    conservation concept. Conservation districts shall also include
21
    areas for geothermal resources exploration and geothermal
    resources development, as defined under section 182-1."
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7	SECT	ION /. Section 205-4.5, Hawaii Revised Statutes, is
2	amended b	y amending subsection (a) to read as follows:
3	"(a)	Within the agricultural district, all lands with soil
4	classifie	d by the land study bureau's detailed land
5	classific	ation as overall (master) productivity rating class A
6	or B shal	l be restricted to the following permitted uses:
7	(1)	Cultivation of crops, including crops for bioenergy,
8		flowers, vegetables, foliage, fruits, forage, and
9		timber;
10	(2)	Game and fish propagation;
11	(3)	Raising of livestock, including poultry, bees, fish,
12		or other animal or aquatic life that are propagated
13		for economic or personal use;
14	(4)	Farm dwellings, employee housing, farm buildings, or
15		activities or uses related to farming and animal
16		husbandry. "Farm dwelling", as used in this
17		paragraph, means a single-family dwelling located on
18		and used in connection with a farm, including clusters
19		of single-family farm dwellings permitted within
20		agricultural parks developed by the State, or where
21		agricultural activity provides income to the family
22		occupying the dwelling;

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1	(5)	Public	institution	ns and	buildings	that	are	necessary
2		for agr	cicultural p	practio	ces;			

- (6) Public and private open area types of recreational uses, including day camps, picnic grounds, parks, and riding stables, but not including dragstrips, airports, drive-in theaters, golf courses, golf driving ranges, country clubs, and overnight camps;
- 8 (7) Public, private, and quasi-public utility lines and roadways, transformer stations, communications 9 10 equipment buildings, solid waste transfer stations, 11 major water storage tanks, and appurtenant small 12 buildings such as booster pumping stations, but not 13 including offices or yards for equipment, material, 14 vehicle storage, repair or maintenance, treatment 15 plants, corporation yards, or other similar 16 structures;
  - (8) Retention, restoration, rehabilitation, or improvement of buildings or sites of historic or scenic interest;
- (9) Roadside stands for the sale of agricultural productsgrown on the premises;
- (10) Buildings and uses, including mills, storage, and
   processing facilities, maintenance facilities, and

1		. Vehicle and equipment storage areas that are normally
2		considered directly accessory to the above-mentioned
3		uses and are permitted under section 205-2(d);
4	(11)	Agricultural parks;
5	(12)	Plantation community subdivisions, which as used in
6		this chapter means an established subdivision or
7		cluster of employee housing, community buildings, and
8		agricultural support buildings on land currently or
9		formerly owned, leased, or operated by a sugar or
10		pineapple plantation; provided that the existing
11		structures may be used or rehabilitated for use, and
12		new employee housing and agricultural support
13		buildings may be allowed on land within the
14		subdivision as follows:
15		(A) The employee housing is occupied by employees or
16		former employees of the plantation who have a
<b>17</b> .		property interest in the land;
18		(B) The employee housing units not owned by their
19		occupants shall be rented or leased at affordable
20		rates for agricultural workers; or

1		(C) The agricultural support buildings shall be
2		rented or leased to agricultural business
3		operators or agricultural support services;
4	(13)	Agricultural tourism conducted on a working farm, or a
5		farming operation as defined in section 165-2, for the
6		enjoyment, education, or involvement of visitors;
7		provided that the agricultural tourism activity is
8		accessory and secondary to the principal agricultural
9		use and does not interfere with surrounding farm
10		operations; and provided further that this paragraph
11		shall apply only to a county that has adopted
12		ordinances regulating agricultural tourism under
13		section 205-5;
14	(14)	Wind energy facilities, including the appurtenances
15		associated with the production and transmission of
16		wind generated energy; provided that the wind energy
17		facilities and appurtenances are compatible with
18		agriculture uses and cause minimal adverse impact on
19		agricultural land;
20	(15)	Biofuel processing facilities, including the
21		appurtenances associated with the production and
22		refining of biofuels that is normally considered

directly accessory and secondary to the growing of the	he
energy feedstock; provided that biofuels processing	
facilities and appurtenances do not adversely impact	
agricultural land and other agricultural uses in the	
vicinity.	

For the purposes of this paragraph:

"Appurtenances" means operational infrastructure of the appropriate type and scale for economic commercial storage and distribution, and other similar handling of feedstock, fuels, and other products of biofuels processing facilities.

"Biofuel processing facility" means a facility that produces liquid or gaseous fuels from organic sources such as biomass crops, agricultural residues, and oil crops, including palm, canola, soybean, and waste cooking oils; grease; food wastes; and animal residues and wastes that can be used to generate energy;

(16) Agricultural-energy facilities, including

appurtenances necessary for an agricultural-energy

enterprise; provided that the primary activity of the

agricultural-energy enterprise is agricultural

activity. To be considered the primary activity of an
agricultural-energy enterprise, the total acreage
devoted to agricultural activity shall be not less
than ninety per cent of the total acreage of the
agricultural-energy enterprise. The agricultural-
energy facility shall be limited to lands owned,
leased, licensed, or operated by the entity conducting
the agricultural activity.

As used in this paragraph:

"Agricultural activity" means any activity described in paragraphs (1) to (3) of this subsection.

"Agricultural-energy enterprise" means an enterprise that integrally incorporates an agricultural activity with an agricultural-energy facility.

"Agricultural-energy facility" means a facility that generates, stores, or distributes renewable energy as defined in section 269-91 or renewable fuel including electrical or thermal energy or liquid or gaseous fuels from products of agricultural activities from agricultural lands located in the State.

1		"Appurtenances" means operational infrastructure
2		of the appropriate type and scale for the economic
3		commercial generation, storage, distribution, and
4		other similar handling of energy, including equipment,
5		feedstock, fuels, and other products of agricultural-
6		energy facilities;
7	(17)	Construction and operation of wireless communication
8		antennas; provided that, for the purposes of this
9		paragraph, "wireless communication antenna" means
10		communications equipment that is either freestanding
11		or placed upon or attached to an already existing
12		structure and that transmits and receives
13		electromagnetic radio signals used in the provision of
14		all types of wireless communications services;
15		provided further that nothing in this paragraph shall
16		be construed to permit the construction of any new
17		structure that is not deemed a permitted use under
18		this subsection;
19	(18)	Agricultural education programs conducted on a farming
20		operation as defined in section 165-2, for the
21		education and participation of the general public;
22		provided that the agricultural education programs are

1		accessory and secondary to the principal agricultural
2		use of the parcels or lots on which the agricultural
3		education programs are to occur and do not interfere
4		with surrounding farm operations. For the purposes of
5		this section, "agricultural education programs" means
6		activities or events designed to promote knowledge and
7		understanding of agricultural activities and practices
8		conducted on a farming operation as defined in section
9		165-2; [ <del>or</del> ]
10	(19)	Solar energy facilities that do not occupy more than
11		ten per cent of the acreage of the parcel, or twenty
12		acres of land, whichever is lesser; provided that this
13		use shall not be permitted on lands with soil
14		classified by the land study bureau's detailed land
15		classification as overall (master) productivity rating
16		class A[-]; or
17	(20)	Geothermal resources exploration and geothermal
18		resources development, as defined under section 182-
19		<u>1.</u> "
20	SECT	ION 8. Section 205-5, Hawaii Revised Statutes, is
21	amended b	y amending subsection (c) to read as follows:

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1
         "(c) Unless authorized by special permit issued pursuant
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    to this chapter, only the following uses shall be permitted
 3
    within rural districts:
 4
         (1)
              Low density residential uses;
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         (2) Agricultural uses;
              Golf courses, golf driving ranges, and golf-related
 6
         (3)
 7
              facilities; [and]
 8
         (4)
              Public, quasi-public, and public utility
 9
              facilities[-]; and
10
         (5) Geothermal resources exploration and geothermal
11
              resources development, as defined under section 182-1.
12
         In addition, the minimum lot size for any low density
13
    residential use shall be one-half acre and there shall be but
    one dwelling house per one-half acre, except as provided for in
14
    section 205-2."
15
         SECTION 9. Section 205-5.1, Hawaii Revised Statutes, is
16
17
    repealed.
18
         ["$205-5.1 Geothermal resource subzones. (a) Geothermal
19
    resource subzones may be designated within the urban, rural,
20
    agricultural, and conservation land use districts established
21
    under section 205 2. Only those areas designated as geothermal
22
    resource subzones may be utilized for geothermal development
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1 activities in addition to those uses permitted in each land use 2 district under this chapter. Geothermal development activities 3 may be permitted within urban, rural, agricultural, and 4 conservation land use districts in accordance with this chapter. 5 "Geothermal development activities" means the exploration, 6 development, or production of electrical energy from geothermal 7 resources and direct use applications of geothermal resources; 8 provided that within the urban, rural, and agricultural land use 9 districts, direct use applications of geothermal resources are 10 permitted both within and outside of areas designated as 11 geothermal resource subzones pursuant to section 205 5.2 if such 12 direct use applications are in conformance with all other 13 applicable state and county land use regulations and are in conformance with this chapter. 14 15 (b) The board of land and natural resources shall have the 16 responsibility for designating areas as geothermal resource subzones as provided under section 205 5.2; except that the **17** 18 total area within an agricultural district which is the subject 19 of a geothermal mining lease approved by the board of land and 20 natural resources, any part or all of which area is the subject 21 of a special use permit issued by the county for geothermal 22 development activities, on or before May 25, 1984, is designated

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as a geothermal resource subzone for the duration of the lease.
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2
    The designation of geothermal resource subzones shall be
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    governed exclusively by this section and section 205 5.2, except
    as provided therein. The board shall adopt, amend, or repeal
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5
    rules related to its authority to designate and regulate the use
6
    of geothermal resource subzones in the manner provided under
7
    chapter 91.
8
         The authority of the board to designate geothermal resource
9
    subzones shall be an exception to those provisions of this
10
    chapter and of section 46-4 authorizing the land use commission
11
    and the counties to establish and modify land use districts and
12
    to regulate uses therein. The provisions of this section shall
13
    not abrogate nor supersede the provisions of chapters 182, 183,
    and 183C.
14
15
         (c) The use of an area for geothermal development
16
    activities within a geothermal resource subzone shall be
17
    governed by the board within the conservation district and,
18
    except as herein provided, by state and county statutes,
19
    ordinances, and rules not inconsistent herewith within
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    agricultural, rural, and urban districts, except that no land
21
    use commission approval or special use permit procedures under
22
    section 205 6 shall be required for the use of such subzones.
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    In the absence of provisions in the county general plan and
2
    zoning ordinances specifically relating to the use and location
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    of geothermal development activities in an agricultural, rural,
4
    or urban district, the appropriate county authority may issue a
    geothermal resource permit to allow-geothermal development
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6
    activities. "Appropriate county authority" means the county
7
    planning commission unless some other agency or body is
8
    designated by ordinance of the county council. Such uses as are
9
    permitted by county general plan and zoning ordinances, by the
10
    appropriate county authority, shall be deemed to be reasonable
11
    and to promote the effectiveness and objectives of this chapter.
12
    Chapters 177, 178, 182, 183, 183C, 205A, 226, 342, and 343 shall
13
    apply as appropriate. If provisions in the county general plan
14
    and zoning ordinances specifically relate to the use and
15
    location of geothermal development activities in an
16
    agricultural, rural, or urban district, the provisions shall
17
    require the appropriate county authority to conduct a public
18
    hearing on any application for a geothermal resource permit to
19
    determine whether the use is in conformity with the criteria
20
    specified in subsection (e) for granting geothermal resource
21
    permits; provided that within the urban, rural, and agricultural
    land use districts, direct use applications of geothermal
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    resources are permitted without any application for a geothermal
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    resource permit both within and outside of areas designated as
3
    geothermal resource subzones pursuant to section 205-5.2 if such
4
    direct use applications are in conformance with all other
5
    applicable state and county land use regulations and are in
    conformance with this chapter.
6
7
         (d) If geothermal development activities are proposed
8
    within a conservation district, with an application with all
9
    required data, the board of land and natural resources shall
10
    conduct a public hearing and, upon appropriate request for
11
    mediation from any party who submitted comment at the public
12
    hearing, the board shall appoint a mediator within five days.
    The board shall require the parties to participate in mediation.
13
    The mediator shall not be a member of the board or its staff.
14
15
    The mediation period shall not extend beyond thirty days after
16
    the date mediation started, except by order of the board.
    Mediation shall be confined to the issues raised at the public
17
18
    hearing by the party requesting mediation. The mediator will
19
    submit a written recommendation to the board, based upon any
20
    mediation agreement reached between the parties for
21
    consideration by the board in its final decision. If there is
22
    no mediation agreement, the board may have a second public
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1	hearing to receive additional comment related to the mediation
2	issues. Within ten days after the second public hearing, the
3	board may receive additional written comment on the issues
4	raised at the second public hearing from any party.
5	The board shall consider the comments raised at the second
6	hearing before rendering its final decision. The board shall
7	then determine whether, pursuant to board rules, a conservation
8	district use permit shall be granted to authorize the geothermal
9	development activities described in the application. The board
10	shall grant a conservation district use permit if it finds that
11	the applicant has demonstrated that:
12	(1) The desired uses would not have unreasonable adverse
13	health, environmental, or socio economic effects on
14	residents or surrounding property; and
15	(2) The desired uses would not unreasonably burden public
16	agencies to provide roads and streets, sewers, water,
17	drainage, and police and fire protection; or
18	(3) There are reasonable measures available to mitigate
19	the unreasonable adverse effects or burdens referred
20	<del>to above.</del>
21	A-decision shall be made by the board within-six months of
22	the date a complete application was filed; provided that the



1 time limit may be extended by agreement between the applicant 2 and the board. 3 (e) If geothermal development activities are proposed within agricultural, rural, or urban districts and such proposed 4 5 activities are not permitted uses pursuant to county general 6 plan and zoning ordinances, then after receipt of a properly 7 filed and completed application, including all required 8 supporting data, the appropriate county authority shall conduct 9 a public hearing. Upon appropriate request for mediation from 10 any party who submitted comment at the public hearing, the 11 county authority shall appoint a mediator within five days. The 12 county authority shall require the parties to participate in 13 mediation. The mediator shall not be an employee of any county 14 agency or its staff. The mediation period shall not extend 15 beyond thirty days after mediation started, except by order of 16 the county authority. Mediation shall be confined to the issues **17** raised at the public hearing by the party requesting mediation. 18 The mediator will submit a written recommendation to the county 19 authority, based upon any mediation agreement reached between 20 the parties for consideration by the county authority in its 21 final decision. If there is no mediation agreement, the county 22 authority may have a second public hearing to receive additional



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1	<del>comment r</del>	elated to the mediation issues. Within ten days after
2	the secon	d public hearing, the county authority may receive
3	<del>additiona</del>	l-written comment on the issues raised at the second
4	<del>public he</del>	aring from any party.
5	<del>The</del>	county authority shall consider the comments raised at
6	the secon	d hearing before rendering its final decision. The
7	<del>county au</del>	thority-shall then determine whether a geothermal
8	resource	permit shall be granted to authorize the geothermal
9	<del>developme</del> :	nt activities described in the application. The
10	<del>appropria</del>	te county authority shall grant a geothermal resource
11	<del>permit if</del>	it finds that applicant has demonstrated that:
12	<del>(1)</del>	The desired uses would not have unreasonable adverse
13		health, environmental, or socio economic effects on
14		residents or surrounding property;
15	<del>(2)</del>	The desired uses would not unreasonably burden public
16		agencies to provide roads and streets, sewers, water,
17		drainage, school improvements, and police and fire
18		<del>protection; and</del>
19	<del>(3)</del>	That there are reasonable measures available to
20		mitigate the unreasonable adverse effects or burdens
21		referred-to-above.

1	Unless there is a mutual agreement to extend, a decision
2	shall be made on the application by the appropriate county
3	authority within six months of the date a complete application
4	was filed; provided that the time limit may be extended by
5	agreement between the applicant and the appropriate county
6	authority.
7	(f) Requests for mediation shall be received by the board
8	or county authority within five days after the close of the
9	initial public hearing. Within five days thereafter, the board
10	or county authority shall appoint a mediator. Any person
11	submitting an appropriate request for mediation shall be
12	notified by the board or county authority of the date, time, and
13	place of the mediation conference by depositing such notice in
14	the mail to the return address stated on the request for
15	mediation. The notice shall be mailed no later than ten days
16	before the start of the mediation conference. The conference
17	shall be held on the island where the public hearing is held.
18	(g) Any decision made by an appropriate county authority
19	or the board pursuant to a public hearing or hearings under this
20	section may be appealed directly on the record to the
21	intermediate appellate court for final decision and shall not be
22	subject to a contested case hearing. Sections 91 14(b) and (g)

1	<del>shall gov</del>	ern the appeal, notwithstanding the lack of a contested
2	<del>case hear</del>	ing on the matter. The appropriate county authority or
3	the board	shall provide a court reporter to produce a transcript
4	of the pr	oceedings at all public hearings under this section for
5	purposes	<del>of an appeal.</del>
6	<del>(h)</del>	For the purposes of an appeal from a decision from a
7	<del>public he</del>	aring, the record shall include:
8	<del>(1)</del>	The application for the permit and all accompanying
9		supporting documents, including but not limited to:
10		reports, studies, affidavits, statements, and
11		exhibits.
12	<del>(2)</del>	Staff recommendations submitted to the members of the
13		agency in consideration of the application.
14	<del>(3)</del>	Oral and written public testimony received at the
15		public hearings.
16	<del>(4)</del>	Written transcripts of the proceedings at the public
17		hearings.
18	<del>(5)</del>	The written recommendation received by the agency from
19		the mediator with any mediation agreement.
20	<del>(6)</del>	A statement of relevant matters noticed by the agency
21		members at the public hearings.

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         (7) The written decision of the agency issued in
 2
              connection with the application and public hearings.
 3
         (8) Other documents required by the board or county
 4
              authority."]
 5
         SECTION 10. Section 205-5.2, Hawaii Revised Statutes, is
 6
    repealed.
 7
         ["$205-5.2 Designation of areas as geothermal resource
 8
    subzones. (a) Beginning in 1983, the board of land and natural
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    resources shall conduct a county by county assessment of areas
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    with geothermal potential for the purpose of designating
    geothermal resource subzones. This assessment shall be revised
11
12
    or updated at the discretion of the board, but at least once
13
    each five years beginning in 1988. Any property owner or person
14
    with an interest in real property wishing to have an area
15
    designated as a geothermal resource subzone may submit a
16
    petition for a geothermal resource subzone designation in the
17
    form and manner established by rules and regulations adopted by
18
    the board. An environmental impact statement as defined under
19
    chapter 343 shall not be required for the assessment of areas
20
    under this section.
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1	<del>-(b)</del>	The board's assessment of each potential geothermal
2	<del>resource-</del>	subzone area shall examine factors to include, but not
3	<del>be limit</del> e	<del>d to:</del>
4	<del>(1)</del>	The area's potential for the production of geothermal
5		energy;
6	<del>(2)</del>	The prospects for the utilization of geothermal energy
7		in the area;
8	<del>(3)</del>	The geologic hazards that potential geothermal
9		projects would encounter;
10	(4)	Social and environmental impacts;
11	<del>(5)</del>	The compatibility of geothermal development and
12 .		potential related industries with present uses of
13		surrounding land and those uses permitted under the
14		general plan or land use policies of the county in
15		which the area is located;
16	<del>(6)</del>	The potential economic benefits to be derived from
17		geothermal development and potential related
18		industries; and
19	<del>(7)</del>	The compatibility of geothermal development and
20		potential related industries with the uses permitted
21		under chapter 183C and section 205 2, where the area
22		falls within a consequention district

1	In addition, the board shall consider, if applicable,
2	objectives, policies, and guidelines set forth in part I of
3	chapter 205A, and chapter 226.
4	(c) Methods for assessing the factors in subsection (b)
5	shall be left to the discretion of the board and may be based on
6	currently available public information.
7	(d) After the board has completed a county by county
8	assessment of all areas with geothermal potential or after any
9	subsequent update or review, the board shall compare all areas
10	showing geothermal potential within each county, and shall
11	propose areas for potential designation as geothermal resource
12	subzones based upon a preliminary finding that the areas are
13	those sites which best demonstrate an acceptable balance between
14	the factors set forth in subsection (b). Once a proposal is
15	made, the board shall conduct public hearings pursuant to this
16	subsection, notwithstanding any contrary provision related to
17	public hearing procedures. Contested case procedures are not
18	applicable to these hearings.
19	(1) Hearings shall be held at locations which are in close
20	proximity to those areas proposed for designation. A
21	public notice of hearing, including a description of
22	the proposed areas, an invitation for public comment,

T		and a statement of the date, time, and place where
2	-	persons may be heard shall be given and mailed no less
3		than twenty days before the hearing. The notice shall
4		be given on three separate days statewide and in the
5		county in which the hearing is to be held. Copies of
6		the notice shall be mailed to the department of
7		business, economic-development, and tourism, to the
8		planning commission and planning department of the
9		county in which the proposed areas are located, and to
10		all-owners of record of real estate within, and within
11		one-thousand-feet of, the area being proposed for
12		designation as a geothermal resource subzone. The
13		notification shall be mailed to the owners and
14		addresses as shown on the current real property tax
15		rolls at the county real property tax office. Upon
16		that action, the requirement for notification of
17		owners of land is completed. For the purposes of this
18		subsection, notice to one co-owner shall be sufficient
19		notice to all co owners;
20	<del>(2)</del>	The hearing shall be held before the board, and the
21		authority to conduct hearings shall not be delegated
22		to any agent or representative of the board. All

1		persons and agencies shall be afforded the opportunity
2		to submit data, views, and arguments either orally or
3		in writing. The department of business, economic
4		development, and tourism and the county-planning
5		department-shall be permitted to appear at every
6		hearing and make recommendations concerning each
7		proposal by the board; and
8	<del>(3)</del>	At the close of the hearing, the board may designate
9		areas as geothermal resource subzones or announce the
10		date on which it will render its decision. The board
11		may designate areas as geothermal resource subzones
12		only upon finding that the areas are those sites which
13		best demonstrate an acceptable balance between the
14		factors set forth in subsection (b). Upon request,
15		the board shall issue a concise statement of its
16		findings and the principal reasons for its decision to
17		designate a particular area.
18	<del>(e)</del>	The designation of any geothermal resource subzone may
19	be withdr	awn by the board of land and natural resources after
20	proceedin	gs conducted pursuant to chapter 91. The board shall
21	withdraw -	a designation only upon finding by a preponderance of
22	the evide	nce that the area is no longer suited for designation;

1 provided that the designation shall not be withdrawn for areas 2 in which active exploration, development, production or 3 distribution of electrical energy from geothermal sources or 4 direct use applications of geothermal resources are taking 5 <del>place.</del> 6 (f) This Act shall not apply to any active exploration, 7 development or production of electrical energy from geothermal 8 sources or direct use applications of geothermal resources 9 taking place on June 14, 1983, provided that any expansion of 10 such activities shall be carried out in compliance with its 11 provisions."] 12 SECTION 11. Section 205-5.3, Hawaii Revised Statutes, is 13 repealed. 14 ["[\$205-5.3] Exploratory wells. Notwithstanding section 15 205 5.1(a), (d), and (e), or any other provision of law, any 16 exploratory well drilled for scientific purposes or to determine 17 the economic viability of a geothermal resource, may be 18 permitted outside of a designated geothermal resource subzone, 19 regardless of land use classification, provided that the 20 activity is limited to exploration only. All applicable state

and county permits shall be required to drill such exploratory

21

- 1 wells which shall not be exempt from the requirements of the
- 2 environmental impact statement law, chapter 343."]
- 3 PART V
- 4 SECTION 12. The provisions of this Act that repeal the
- 5 laws that previously authorized geothermal resources subzones
- 6 under chapter 205, Hawaii Revised Statutes, shall not affect any
- 7 geothermal resources producer who is operating within the area
- 8 of the subzone as of the effective date of this Act. The
- 9 geothermal resources producer shall continue to operate in
- 10 accordance with the lease with the board of land and natural
- 11 resources.
- 12 SECTION 13. Statutory material to be repealed is bracketed
- 13 and stricken. New statutory material is underscored.
- 14 SECTION 14. This Act shall take effect upon its approval.

### Report Title:

Geothermal Resources; Exploration; Subzones

#### Description:

Differentiates between "geothermal resources exploration" and "geothermal resources development" for purposes of mining leases and exploration permits. Designates "geothermal resources exploration" and "geothermal resources development" as permitted uses in all state land use districts and conservation district zones. Repeals geothermal resource subzone provisions under state land use law. (HB2690 HD1)

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