

STAND. COM. REP. NO. 1029-12

Honolulu, Hawaii

March 16, 2012

RE: S.B. No. 2792
S.D. 3
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Hawaiian Affairs, to which was referred
S.B. No. 2792, S.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY REVENUE,"

begs leave to report as follows:

The purpose of this measure is to provide the Hawaiian Home Lands with a supplemental source of income to continue existing programs for native Hawaiians. Specifically, this measure, among other things, provides an unspecified percentage of geothermal royalties and an unspecified percentage of revenues from the disposition of state lands to nongeothermal renewable energy producers to be transferred to the Native Hawaiian Rehabilitation Fund.

The Office of Hawaiian Affairs and the Sovereign Councils of the Hawaiian Homelands Assembly supported the measure. The Department of Hawaiian Home Lands supported the measure with amendments. The Department of Land and Natural Resources supported the intent of the measure. The Planning Department of the County of Hawaii supported the intent of the measure with amendments. Aupuni O Hawaii opposed the measure.

SB2792 HD1 HSCR HAW HMS 2012-2864



Your Committee has amended this measure by:

- (1) Specifying that 15 percent of geothermal royalties collected by the State from mining leases executed after July 1, 2012, and 30 percent of all revenues from the disposition of state lands to non-geothermal renewable energy producers made after July 1, 2012, be deposited into the Native Hawaiian Rehabilitation Fund;
- (2) Specifying that 25 percent of all royalties received by the State from geothermal mining operations shall be paid to the county which has the geothermal mining operation;
- (3) Providing that no less than 12 percent of the gross amount or value of the geothermal resources produced under a geothermal mining lease shall be paid to the State as royalties; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2792, S.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2792, S.D. 3, H.D. 1, and be referred to the Committees on Water, Land, & Ocean Resources and Energy & Environmental Protection.

Respectfully submitted on
behalf of the members of the
Committee on Hawaiian Affairs,



FAYE MANOHANO, Chair



