

**clee1 - Lina**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, March 13, 2012 8:46 AM  
**To:** HAWtestimony  
**Cc:** publicpolicy@oha.org  
**Subject:** Testimony for SB2792 on 3/14/2012 8:45:00 AM  
**Attachments:** SB2792 SD3 DHHL Geothermal Revenue Testimony 3.14.12 HAW.pdf

Testimony for HAW 3/14/2012 8:45:00 AM SB2792

Conference room: 329  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Office of Hawaiian Affairs  
Organization: Office of Hawaiian Affairs  
E-mail: [publicpolicy@oha.org](mailto:publicpolicy@oha.org)  
Submitted on: 3/13/2012

Comments:



**SB2792 SD3**  
**RELATING TO RENEWABLE ENERGY REVENUE**  
House Committee on Hawaiian Affairs

March 14, 2012

9:00 a.m.

Room 329

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The Office of Hawaiian Affairs (OHA) **SUPPORTS** SB2792 SD3, which would help ensure steady future revenue for the Department of Hawaiian Home Lands (DHHL).

The State constitution places a high priority on the rehabilitation of native Hawaiians and created a funding structure for the native Hawaiian Rehabilitation Fund, which was designed to perpetuate for many years. This fund is utilized by DHHL for the important purpose of rehabilitating of native Hawaiians, native Hawaiian families, and Hawaiian homestead communities, which includes the educational, economic, political, social, and cultural processes by which the general welfare and conditions of native Hawaiians are improved and perpetuated. However, the continuing decline in deposits from the fund's main traditional funding source—state receipts from lands previously cultivated as sugarcane lands—necessitates the establishment of a stable alternative funding source to ensure that these resources remain available to DHHL and to native Hawaiians.

Geothermal and other renewable energy research and development have a promising future in Hawai'i, and the royalties and revenue to be derived from these sources and received by the state will likely continue to grow. DHHL reasonably looks to these revenue streams as possible alternatives.

Therefore, OHA urges the committee to PASS SB2792 SD3. Mahalo for the opportunity to testify on this important measure.

**clee1 - Lina**

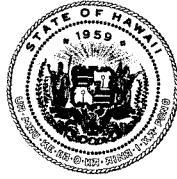
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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, March 13, 2012 3:18 PM  
**To:** HAWtestimony  
**Cc:** dreanalee.k.kalili@gmail.com  
**Subject:** Testimony for SB2792 on 3/14/2012 8:45:00 AM  
**Attachments:** SB2792 SD1\_HHL\_03-14-12\_HAW.docx

Testimony for HAW 3/14/2012 8:45:00 AM SB2792

Conference room: 329  
Testifier position: Support  
Testifier will be present: Yes  
Submitted by: Alapaki Nahale-a  
Organization: Department of Hawaiian Home Lands  
E-mail: [dreanalee.k.kalili@gmail.com](mailto:dreanalee.k.kalili@gmail.com)  
Submitted on: 3/13/2012

Comments:



**STATE OF HAWAII**  
**DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879  
HONOLULU, HAWAII 96805

TESTIMONY OF ALAPAKI NAHALE-A, CHAIRMAN  
HAWAIIAN HOMES COMMISSION  
BEFORE THE HOUSE COMMITTEE ON HAWAIIAN AFFAIRS  
IN SUPPORT OF

**SB 2792 SD 3, RELATING TO RENEWABLE ENERGY REVENUE**

March 14, 2012

Chair Hanohano, Vice-Chair Lee, and Members of the Committee:

The Department of Hawaiian Home Lands strongly supports SB 2792 SD 3, which identifies supplemental sources of revenue from renewable energy for the Native Hawaiian Rehabilitation Fund. This bill is part of the Governor's administrative package by request of our department.

The Native Hawaiian Rehabilitation Fund (NHRF) is a Hawaiian Home Lands trust fund that supports higher education scholarships, financial literacy training and counseling, agricultural and pastoral technical assistance, and community grants for native Hawaiians. The State Constitution secures 30% of the state revenues from lands previously cultivated as sugarcane lands and water licenses for this fund, but there has been a 94% decline in the revenue stream since this constitutional amendment was enacted in 1978.

This proposal identifies a portion of geothermal royalties (for any new project established after the enactment of this law) and a portion of lease rents derived from Department of Land and Natural Resources (DLNR) dispositions to renewable energy producers on DLNR

Department of Hawaiian Home Lands  
SB 2792 SD1  
March 14, 2012  
Page 2 of 2

lands as new revenue sources from renewable energy development activities that are expected to grow over the next decade. This measure also proposes an increase in the geothermal royalty rate to maintain the royalty sums available to the entities that currently receive a share of the royalties.

We respectfully urge your committee to adopt the language this committee previously approved in the House companion of this measure (HB 2530 HD 1) with regard to the percentages of the royalties and revenues to be deposited into the NHRF. These percentages have been agreed to and are supported by the DLNR as well as the County of Hawaii.

In consideration of the conclusion of the Act 14 settlement payments and the limited alternative revenue sources, the passage of this measure ensures the availability of resources to carry out the intent of Section 1, Article XII of the State Constitution and the Hawaiian Homes Commission Act.

Mahalo for the opportunity to testify in strong support of this important measure.

**clee1 - Lina**

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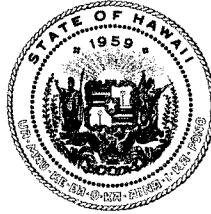
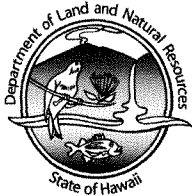
**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, March 12, 2012 2:05 PM  
**To:** HAWtestimony  
**Cc:** moana.bjur@hawaii.gov  
**Subject:** Testimony for SB2792 on 3/14/2012 8:45:00 AM  
**Attachments:** SB2792SD3\_LNR\_03-14-12\_HAW.pdf

Testimony for HAW 3/14/2012 8:45:00 AM SB2792

Conference room: 329  
Testifier position: Support  
Testifier will be present: Yes  
Submitted by: Carty Chang  
Organization: Dept. of Land and Natural Resources  
E-mail: [moana.bjur@hawaii.gov](mailto:moana.bjur@hawaii.gov)  
Submitted on: 3/12/2012

Comments:

NEIL ABERCROMBIE  
GOVERNOR OF HAWAII



**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**WILLIAM J. AILA, JR.**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**GUY H. KAULUKUKUI**  
FIRST DEPUTY

**WILLIAM M. TAM**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

**Testimony of  
WILLIAM J. AILA, JR.  
Chairperson**

**Before the House Committee on  
HAWAIIAN AFFAIRS**

**Wednesday, March 14, 2012  
8:45 A.M.  
State Capitol, Conference Room 329**

**In consideration of  
SENATE BILL 2792, SENATE DRAFT 3  
RELATING TO RENEWABLE ENERGY REVENUE**

Senate Bill 2792, Senate Draft 3 proposes to provide supplemental sources of revenue from renewable energy for the Native Hawaiian Rehabilitation Fund. While the Department of Land and Natural Resources (Department) supports the intent of this Administration measure, the Department requests that this measure incorporate the percentage distributions reflected in the Senate Draft 2.

Due to the increased demand to meet renewable energy needs in the State of Hawaii, the percentages identified in Senate Draft 2 will allow the Department to maintain the necessary resources to effectively manage the Geothermal Program and continue to facilitate land dispositions with renewable energy producers. The Department also believes the modest increase in the geothermal royalty rates applied to new leases is necessary to offset the increased costs Government will incur as we maximize geothermal energy's potential in meeting our State's energy goals.

Thank you for the opportunity to comment.

**cleel - Lina**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, March 13, 2012 8:49 AM  
**To:** HAWtestimony  
**Cc:** apohi21@gmail.com  
**Subject:** Testimony for SB2792 on 3/14/2012 8:45:00 AM

Testimony for HAW 3/14/2012 8:45:00 AM SB2792

Conference room: 329  
Testifier position: Oppose  
Testifier will be present: No  
Submitted by: Bill Brown  
Organization: Aupuni O Hawai'i  
E-mail: [apohi21@gmail.com](mailto:apohi21@gmail.com)  
Submitted on: 3/13/2012

Comments:  
Aloha,

This fund (NHRF) a creation of the state (5f) with an egregious agreement of commerce for corporations and state agencies at the expense for the betterment of the native Hawaiians Lands who will receive paltry tidbits. Auwe!

E Hawai'i au  
Bill Brown  
Aupuni O Hawai'i