

Honolulu, Hawaii
February 15, 2013RE: H.B. No. 106
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 106, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GEOTHERMAL RESOURCES,"

begs leave to report as follows:

The purpose of this measure is to clarify the laws relating to geothermal resources exploration and development.

Specifically, the measure, among other things:

- (1) Repeals the amendments made by Act 97, Session Laws of Hawaii 2012, thereby:
 - (A) Allowing the counties to issue geothermal resources permits;
 - (B) Allowing the State and counties to designate geothermal resource subzones and exploratory wells; and
 - (C) Eliminating definitions distinguishing "geothermal resources exploration" and "geothermal resources development" for mining leases, resource exploration on state lands, and land classification and usage pursuant to chapters 182 and 205, Hawaii Revised Statutes;



- (2) Creates procedures for the assessment and designation of geothermal resource subzones and exploratory wells; and
- (3) Allows, subject to applicable public hearing and permitting, geothermal resource development and exploration in all state land use districts established under section 205-2, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Puna Pono Alliance, Pele Lani Farm; Pahoa Properties, LLC; UNITE HERE Local 5; Sierra Club; and over fifty individuals.

Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources and three individuals.

Your Committee received comments on this measure from the Judiciary; Department of Business, Economic Development, and Tourism; Puna Geothermal Venture, Indigenous Consultants, LLC; Innovations Development Group; and two individuals.

Your Committee finds that the long-term financial and environmental well-being of the State largely depends upon the ability to properly manage the State's natural resources, including geothermal resources. While the underlying measure provided a thoughtful process to manage geothermal resources, your Committee believes that a detailed permitting process for geothermal resources development that ensures meaningful public participation and county oversight would be preferable.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting a detailed permitting process for geothermal resources development;
- (2) Explicitly authorizing the counties to establish more stringent ordinances on geothermal resources development; and
- (3) Changing its effective date to July 1, 2020, to encourage further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No.



106, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 106, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Water & Land,


CINDY EVANS, Chair



