

STAND. COM. REP. NO.

2817

Honolulu, Hawaii

- FEB 28 2014

RE: S.B. No. 2663
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2663, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to establish a framework to regulate geothermal resources development through a permitting process administered by the Board of Land and Natural Resources and the appropriate county authority.

The measure also:

- (1) Includes any producer or developer of electrical or thermal energy produced by geothermal resources within the definition of "renewable energy producer" under section 171-95, Hawaii Revised Statutes, as to whom the Board of Land and Natural Resources may grant a mining lease on state lands; and
- (2) Requires penalties, fees, and costs collected pursuant to chapter 182, Hawaii Revised Statutes, to be deposited into the special land and development fund.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; the Department of Business, Economic Development, and Tourism; a Hawaii County Council Member; Indigenous Consultants, LLC; Innovations Development Group Inc.; Waimanalo Hawaiian Homes

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Association; and Huena Power. Written comments in opposition were received from Puna Pono Alliance. The Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that this measure recognizes the counties' home rule authority to regulate geothermal development within agricultural, rural, and urban districts. Your Committee believes that by authorizing the appropriate county authority to permit geothermal resource development permits, this measure restores local government oversight for the residents who will be most affected by geothermal energy facilities.

Your Committee has amended this measure by making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2663, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2663, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



