

Honolulu, Hawaii

APR 08, 2022

RE: S.B. No. 3229  
S.D. 2  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 3229, S.D. 2, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Cap the amount of royalties from geothermal resources that are to be paid to the State and to the county in which the geothermal resources are located;
- (2) Deposit geothermal royalties that are distributed to the University of Hawaii into the University Innovation and Commercialization Initiative Special Fund, to be expended by the Hawaii Institute of Geophysics and Planetology, to further the discovery and development of geothermal resources; and
- (3) Require the entities that received geothermal royalties to submit an annual report to the Legislature.

Your Committee received testimony in support of this measure from the University of Hawai'i System, Sustainable Energy Hawaii, and three individuals. Your Committee received testimony in

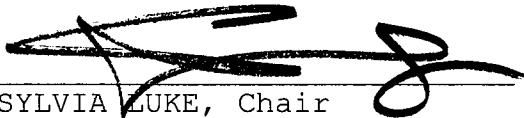


opposition to this measure from the Department of Land and Natural Resources. Your Committee received comments on this measure from the Hawaii State Energy Office.

Your Committee has amended this measure by inserting blank amounts for the caps on royalties from geothermal resources that are paid to the State and to the county in which the geothermal resources are located.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3229, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3229, S.D. 2, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
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SYLVIA LUKE, Chair



