

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

JOSH GREEN
LT. GOVERNOR
STATE OF HAWAII



WILLIAM J. AILA, JR.
CHAIRMAN
HAWAIIAN HOMES COMMISSION

TYLER I. GOMES
DEPUTY TO THE CHAIRMAN

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

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF WILLIAM J. AILA, JR, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON FINANCE
HEARING ON APRIL 6, 2022 AT 1:30PM VIA VIDEOCONFERENCE

IN SUPPORT OF

SB 3195, SD2, RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

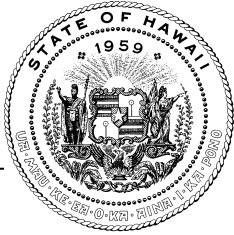
April 6, 2022

Aloha Chair Luke, Vice Chair Yamashita and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) supports this bill that appropriates moneys to DHHL for the investigation, exploration, and identification of geothermal resources on Hawaiian home lands.

One of the five objectives of DHHL's Energy Policy is to facilitate the use of diverse renewable energy resources. Specific activities noted in the policy is to identify properties in DHHL's land inventory that have potential for renewable energy projects and pursue the leasing of those lands that are identified as suitable for renewable energy projects. The policy explicitly notes that first priority should be given to entities that would provide "firm" renewable energy power such as garbage-to-energy (mass-burn), geothermal, pump-storage hydropower, solar-thermal and second priority to "as-available" renewable energy power such as wind, solar-photovoltaic, and wave. Since this bill is in line with DHHL's Energy Policy, the Department asks that the Committee pass this measure.

Thank you for your consideration of our testimony.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
HOUSE COMMITTEE ON FINANCE

Wednesday, April 6, 2022
1:30 PM

State Capitol, Conference Room 308 & Videoconference

**SUPPORT
SB 3195, SD2
RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.**

Chair Luke, Vice Chair Yamashita, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 3195, SD2, which appropriates funding to the Department of Hawaiian Home Lands (DHHL) for the investigation, exploration, and identification of geothermal resources on Hawaiian Home Lands.

HSEO believes geothermal energy can play a significant role in achieving 100% renewable energy generation statewide and supports incentives for its development. HSEO supports the exploration of geothermal resources on DHHL lands as geothermal can provide long-term revenues and resources to DHHL. Geothermal investigation, exploration, and identification requires upfront capital; it can be costly to confirm the viability of a geothermal resource for energy and hydrogen production. Support for geothermal resource exploration can help attract private capital for potential development. Certain exploratory activities can also indicate the existence of geothermal for other uses such as direct use of steam from the ground. Data and knowledge gained from exploration can also inform the on-site potential of other resources such as groundwater and soil composition.

HSEO defers to the appropriate agencies for comment on the fiscal, administrative, and regulatory impacts of this bill.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 3195, S.D. 2

April 6, 2022
1:30 p.m.
Room 308 and Videoconference

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 3195, S.D. 2, provides start-up funds to investigate, explore, and identify geothermal resources on Hawaiian home lands, and appropriates an unspecified amount of general funds for FY 23 to be expended by the Department of Hawaiian Home Lands for this purpose.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.

SB-3195-SD-2

Submitted on: 4/4/2022 11:53:14 PM

Testimony for FIN on 4/6/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Ha	Sustainable Energy Hawaii	Support	Written Testimony Only

Comments:

Sustainable Energy Hawaii supports this bill. It gives the DHHL an income stream with leading technology possibilities that can help to move all of us forward.

Aloha

Richard Ha

President

Sustainable Energy Hawaii

SB-3195-SD-2

Submitted on: 4/4/2022 10:27:05 PM

Testimony for FIN on 4/6/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Alice Kim	Individual	Support	Written Testimony Only

Comments:

Geothermal energy production on the Hawaiian home lands can benefit the people of Hawaii including Native Hawaiians because geothermal energy can offer the following:

- Lower the cost of electricity
- Greatly reduce carbon emissions involved with creating energy
- Generate revenues for the betterment of Native Hawaiians
- Increase the self-sustainability of the Hawaiian islands and reduce the import of oil
- Create local professional jobs

Historically, native Hawaiians have used volcanic heat directly for bathing and cooking as reported by native folklore and Western explorers in the 1800s. Hawaiians bathed in the warm waters of Waiwelawela, a warm pond at Cape Kumukahi, for health. At Sulphur Banks, Kilauea Iki, and the Napau Crater Trail, Hawaiians cooked food wrapped in leaves underground and above steam cracks.

Similarly, New Zealand, another group of Pacific islands, has a long, extensive history of using geothermal. Before European contact, the Maoris usually lived in volcanically heated areas. The Maoris used thermal pools for cooking, bathing, healing, cleaning, dyeing, childbirth, and burial. Continuing on the Maori's traditions of using volcanic heat directly, today, New Zealand uses geothermal directly for drying timber, raising fish, tourism, drying milk, and heating space.

Geothermal energy now provides more than 17 percent of New Zealand's energy and serves as one of New Zealand's cheapest energy sources. Indigenous Maori tribes are benefitting from the geothermal power plants on their tribal lands. The Te Ahi O Maui geothermal plant resulted from a partnership between Eastland Generation and the Kawerau A&D Ahu Whenua Trust. It operates in the trust's land in Kawerau geothermal field.

New Zealand has demonstrated that geothermal energy can be produced while improving the quality of life for its residents including Maoris, respecting the Maori culture, and caring for the environment. Hawaii can do the same for the betterment of the native Hawaiians.