

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

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

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 SENATE COMMITTEES ON ENERGY, ECONOMIC DEVELOPMENT, AND
TOURISM AND HAWAIIAN AFFAIRS
ON
SENATE BILL NO. 3195

February 1, 2022
1:10 p.m.
Room 016 & 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 provides start-up funds to investigate, explore, and identify geothermal resources on Hawaiian home lands, and appropriates \$500,000 in general funds for FY 23 to be expended by the Department of Hawaiian Home Lands for this purpose.

B&F notes that 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:

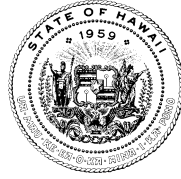
- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level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

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 SENATE COMMITTEES ON HAWAIIAN AFFAIRS
AND ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
HEARING ON FEBRUARY 1, 2022 AT 1:10PM VIA VIDEOCONFERENCE

IN SUPPORT OF

SB 3195, RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

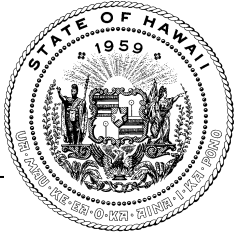
February 1, 2022

Aloha Chair Shimabukuro, Chair Wakai and members of the Committees:

The Department of Hawaiian Home Lands (DHHL) supports this bill that appropriates moneys 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 Committees 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
**SENATE Committees on
HAWAIIAN AFFAIRS
And
ENERGY, ECONOMIC DEVELOPMENT, and TOURISM**

Tuesday, February 1, 2022
1:10 PM
State Capitol, Conference Room 016 & Videoconference

in SUPPORT of
SB 3195
RELATING TO DEPARTMENT OF HAWAIIAN HOME LANDS.

Chairs Shimabukuro and Wakai, Vice Chairs Keohokalole and Misalucha, and Members of the Committees, the Hawaii State Energy Office (HSEO) supports SB 3195, which appropriates moneys to the Department of Hawaiian Home Lands (DHHL) for the investigation, exploration, and identification of geothermal resources on Hawaiian home lands.

HSEO's comments are guided by its mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy, decarbonized economy.

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 capitol and can be costly to confirm the viability of a geothermal resource for energy production; however, certain exploratory activities can indicate the existence of geothermal for other uses such as direct use of

steam from the ground. In addition, 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 proposal.

HSEO supports this bill provided that its passage does not replace or adversely impact priorities indicated in the Executive Supplemental Budget.

Thank you for the opportunity to testify.

SB-3195

Submitted on: 1/28/2022 10:07:10 AM

Testimony for HWN on 2/1/2022 1:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Regina Gregory	Individual	Oppose	No

Comments:

Too much Hawaiian Home Lands is already used for commercial purposes instead of homes.

SB-3195

Submitted on: 1/28/2022 11:55:46 AM

Testimony for HWN on 2/1/2022 1:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Leiomalama Solomon	Individual	Support	No

Comments:

I am the 4th generation of my family living on Hawaiian homestead lands. My family and I, strongly support SB3195 because it will help DHHL, our Hawaiian people, and the State of Hawaii become more financially self-sufficient and self-reliant. SB3195 will help the State become more 'green', and lower our energy costs, as well as help mitigate global warming. Please pass SB3195, our future depends on it to keep our economy moving forward. Thank you.

Carmen Hulu Lindsey
52 Alokele Place
Makawao, Maui, Hi, 96768

Testimony in Support of DHHL Funding for Energy Exploration:

Committee: EET/HAWN

Bill Number: SB3195

Date/Time Place Hearing: 1:10 pm, Tuesday, 2/1/2022

Aloha Legislators,

I am Carmen Hulu Lindsey, a native Hawaiian who resides on Maui.

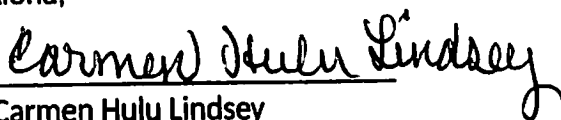
I am a Trustee of OHA, elected in January 2012. I currently serve as the Chair of the OHA Board. I am a long-time member of the 'Ahahui Ka'ahumanu, and an active member of the Central Maui Hawaiian Civic Club. I was previously the Properties Administrator for Maui Land & Pineapple Company as well as the Land Use & Codes Division Administrator for the County of Maui. I began my career as a staff aid to Governor John Burns.

I **strongly support** SB3195 because it addresses long standing matters important to the State of Hawaii and all DHHL's Lessees. Nearly 10 years ago the State Attorney General issued an opinion which affirmed the entitlements of the State Department of Hawaiian Home Lands to royalties arising from the State's vast geothermal energy resources. Specifically, the Opinion acknowledged that DHHL was entitled to all Royalty payments for the use and development of Geothermal from its Trust.

While the AG Opinion was taken as a win for the DHHL and its beneficiaries, the Department has been unable to benefit from the ruling because it has yet to undertake testing, assessment, exploration, and identification of possible energy resources on or beneath its lands. The reason for this is that the DHHL has not had the funding for exploration and due diligence. This measure will provide DHHL with the revenues it needs to initiate this important energy-related effort. The State of Hawaii and all its departments are now pursuing Energy Self-Sufficiency; DHHL has a waiting list that exceeds 28,000.

Hawaii, as a State, is committed to Energy Self Sufficiency by and through the wise and clean use of its renewable energy resources. The DHHL must and should be included in this effort. I am in support of SB3195. Please fund this measure.

Aloha,


Carmen Hulu Lindsey

Testimony in Support of SB3195

Carmen Hulu Lindsey
52 Alopele Place
Makawao, HI 96768

Bill Number: SB 3195

Committee: HWN/EET

Hearing Date & Time: 02/01/2022 1:10PM

This bill appropriates moneys to the Department of Hawaiian Home Lands for the investigation, exploration, and identification of geothermal resources on Hawaiian home lands.

This bill will help DHHL, our Hawaiian people and the State of Hawaii become more financially self-sufficient and self-reliant. SB3195 will help the State become more 'green', lowering our energy costs, as well as help mitigate global warming. Hawaii's future depends on it, mahalo for your kokua (help).

SB-3195

Submitted on: 1/31/2022 11:05:34 AM

Testimony for HWN on 2/1/2022 1:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kawehi Correa	Individual	Support	No

Comments:

This bill is very important. We need the ability to explore resources on this island that will help our people become more self-sustainable. Geothermal is the only form of renewable firm power in Hawaii, which is critical for security and self-sustainability.

SB-3195

Submitted on: 1/31/2022 12:30:04 PM

Testimony for HWN on 2/1/2022 1:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Pono Ledford	Individual	Support	No

Comments:

It is critical we explore our resouces as native Hawaiians and people of Hawaii. Geothermal as a resource of provided by Pele, it is our inherit right to utilize this form of renewable firm energy. The State of Hawaii should be moving towards any efforts to help our State become more self-sustainable with renewable resources.

SB-3195

Submitted on: 1/31/2022 3:12:50 PM

Testimony for HWN on 2/1/2022 1:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Patrick L. Kahawaiolaa	Individual	Support	No

Comments:

Aloha e Chair Shimabukuro and honorable members of the HWN, I am Patrick L. Kahawaiolaa a native Hawaiian as defined pursuant to the HHCA, 1921 as amended July 9, 1921 42, 42 stat. 108, 67th Congress and I'm here to SUPPORT THE INTENT OF SB3195, however with RESERVATIONS and they are: What expertise does the DHHL have Investigate, Explore and Identify geothermal resources on lands having the status of Hawaiian Home Lands? Wouldn't a Public/Private Partnership be more appropriate? AIt not there language in this State that already 100% of all income and proceeds from Geothermal found or developed on Hawaiian Home Lands will completely come to DHHL? And lastly what will the income from said venture be used for? All that needs to be in WRITTING (the devil's in the details) before true and full SUPPORT can be given to this legislation. I can be reached @(808)-937-8217... 'Owau Patrick L. Kahawaiolaa