

STAND. COM. REP. NO.

430

Honolulu, Hawaii

FEB 13 2025

RE: S.B. No. 1656
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Hawaiian Affairs, to which was referred
S.B. No. 1656 entitled:

"A BILL FOR AN ACT RELATING TO PUMPED STORAGE HYDROPOWER,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of general obligation bonds to the Department of Hawaiian Home Lands to finance the planning, designing, and construction of a water pump storage hydroelectric facility in the Kohala Mountains on Hawaii Island.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands and three individuals.

Your Committee finds that equitable access to water and electricity for residents throughout the State is critical. Your Committee acknowledges that the service bills for water usage vary in amount based on the island and region where a household resides, with some communities paying significantly more for water than others based on the area's infrastructure relating to water supply and whether water management also incorporates the generation and storage of renewable energy to offset costs. Lessees residing on Hawaiian home lands in West Hawaii Island pay some of the highest water rates, which are often subsidized by the Department of Hawaiian Home Lands.



Your Committee finds that the use of pumped-storage hydroelectricity in the Kohala mountains is a way for the Department of Hawaiian Home Lands to both provide more potable and irrigation water to the West Hawaii Island homestead communities and reduce energy costs for the people who live there. However, your Committee notes that efforts to increase equitable access to water and electricity must be balanced with protection of the environment.

Accordingly, your Committee finds that it is appropriate and necessary to require the Department of Hawaiian Home Lands to conduct further studies on the feasibility and environmental impact of the proposed water pump storage hydroelectric facility within the unique ecosystem of the Kohala mountains. This process will ensure that the Department of Hawaiian Home Lands is able to provide Native Hawaiians with safe, affordable living conditions and utilities while also practicing respectful stewardship of the land.

Your Committee has amended this measure by:

- (1) Clarifying that prior to the issuance of general obligation bonds, the Department of Hawaiian Home Lands shall:
 - (A) Conduct a feasibility study evaluating projected costs, revenue potential, and environmental impacts;
 - (B) Be able to contract with a third party to conduct the technical study; and
 - (C) Report to the Legislature prior to the Regular Session of 2028;
- (2) Clarifying that the Department of Hawaiian Home Lands shall:
 - (A) Conduct an Environmental Impact Statement in accordance with chapter 343, Hawaii Revised Statutes, including consultation with the Commission on Water Research Management to ensure suitable water usage; and



- (B) Submit an annual progress report to the Legislature detailing expenditures, milestones, and anticipated project timelines; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1656, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1656, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Hawaiian Affairs,


HERBERT RICHARDS, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Hawaiian Affairs
HWN

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| Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB1656</div> | Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">HWN, WAM</div> | Date: <div style="font-size: 1.2em; font-family: cursive;">2/4/2025</div> | | |
| <div><input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____</div> | | | | |
| The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"><div><input type="checkbox"/> Pass, unamended 2312</div><div><input checked="" type="checkbox"/> Pass, with amendments 2311</div><div><input type="checkbox"/> Hold 2310</div><div><input type="checkbox"/> Recommit 2313</div></div> | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| RICHARDS, III, Herbert M. "Tim" (C) | / | | | |
| SAN BUENAVENTURA, Joy A. (VC) | / | | | |
| IHARA, Jr., Les | / | | | |
| KEOHOKALO, Jarrett | / | | | |
| DECORTE, Samantha | / | | | |
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| TOTAL | 5 | | | |
| Recommendation: <div style="display: flex; justify-content: space-around; align-items: center;"><div><input checked="" type="checkbox"/> Adopted</div><div><input type="checkbox"/> Not Adopted</div></div> | | | | |
| Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; text-align: center;">[Signature]</div> | | | | |
| Distribution: <div style="display: flex; justify-content: space-between; align-items: center;"><div>Original File with Committee Report</div><div>Yellow Clerk's Office</div><div>Pink Drafting Agency</div><div>Goldenrod Committee File Copy</div></div> | | | | |

***Only one measure per Record of Votes**