

STAND. COM. REP. NO. 2788

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 2664
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. 2664, 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 promote renewable energy in Hawaii by:

- (1) Providing that all penalties, fees, and costs established and collected by the Department of Land and Natural Resources shall be deposited in the special land and development fund;
- (2) Including geothermal resources within the definition of a renewable energy producer; and
- (3) Clarifying the permitting procedures for regulators and renewable energy developers considering geothermal development.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; the Department of Land and Natural Resources; and Indigenous Consultants. Written comments in opposition were received by Life of the Land and four individuals.

Your Committee finds that current law does not classify geothermal resources within the definition of "renewable energy

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producer". Your Committee believes that this measure will provide greater equity between geothermal resources and other renewable energy sources, thereby encouraging geothermal development and supporting the State's energy policy directives of a diversified renewable portfolio.

Your Committee has amended this measure by:

- (1) Amending the definition of "geothermal resources" to broaden its scope;
- (2) Clarifying that the permitting process under section 182-6, Hawaii Revised Statutes, applies to geothermal resources and mineral exploration;
- (3) Changing the effective date from upon approval to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes 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. 2664, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2664, S.D. 2.

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



DAVID Y. IGE, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

| | | | | |
|--|--|-------------------------|----------|----------|
| Bill / Resolution No.:* <i>SB 2664, SDI</i> | Committee Referral: <i>WTL/ENE, WAM</i> | Date: <i>2-25-14</i> | | |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| IGE, David Y. (C) | ✓ | | | |
| KIDANI, Michelle N. (VC) | ✓ | | | |
| CHUN OAKLAND, Suzanne | ✓ | | | |
| DELA CRUZ, Donovan M. | | | | ✓ |
| ENGLISH, J. Kalani | ✓ | | | |
| ESPERO, Will | ✓ | | | |
| KAHELE, Gilbert | ✓ | | | |
| KEITH-AGARAN, Gilbert S.C. | ✓ | | | |
| KOUCHI, Ronald D. | | | | ✓ |
| RUDERMAN, Russell E. | | ✓ | | |
| THIELEN, Laura H. | | ✓ | | |
| TOKUDA, Jill N. | ✓ | | | |
| SLOM, Sam | ✓ | | | |
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| | <i>9</i> | <i>2</i> | <i>0</i> | <i>2</i> |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: <i>Michelle N. Kidani</i> | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

*Only one measure per Record of Votes