

Honolulu, Hawaii

MAR 18 2025RE: H.B. No. 1020
H.D. 1
S.D. 1

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

Sir:

Your Committees on Energy and Intergovernmental Affairs and
Agriculture and Environment, to which was referred H.B. No. 1020,
H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO A PROGRAM TO CHARACTERIZE
CARBON SEQUESTRATION POTENTIAL AND UNDERGROUND WATER
RESOURCES STATEWIDE,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Hawaii State Energy Office to implement a Carbon Sequestration and Underground Water Resource Characterization Program, which includes conducting an environmental assessment;
- (2) Require the Hawaii State Energy Office to submit a progress report to the Legislature before the Regular Session of 2028; and
- (3) Appropriate funds for the Carbon Sequestration and Underground Water Resource Characterization Program, including the establishment of positions to support the Program.



Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii State Energy Office; Ulupono Initiative; Young Democrats of Hawai'i; Sustainable Energy Hawai'i; and six individuals.

Your Committees received testimony in opposition to this measure from the Innovations Development Group and three individuals.

Your Committees received comments on this measure from Restore the Commons.

Your Committees find that resource characterization through slim-hole test wells is a high priority of Hawaii's updated energy strategy as the wells identify geothermal and carbon sequestration resources necessary to meet the State's energy decarbonization goals. Your Committees recognize that geothermal exploration and identification require significant investment of upfront capital. The Carbon Sequestration and Underground Water Resource Characterization Program and related statewide environmental assessment proposed in this administrative measure will address issues that have limited the State from fully developing its geothermal potential.

Your Committees note that the Hawaii State Energy Office is administratively attached to the Department of Business, Economic Development, and Tourism, which has been the lead agency for the exploration and development of geothermal energy resources in the State. Your Committees believe that requiring the Department of Business, Economic Development, and Tourism, rather than the Hawaii State Energy Office, to fulfill the mandates of this measure would increase governmental support and efficiency and consolidate statewide efforts to reach the State's ambitious energy decarbonization goals. Amendments to this measure therefore are necessary to address this issue.

Accordingly, your Committees have amended this measure by:

- (1) Requiring the Department of Business, Economic Development, and Tourism, rather than the Hawaii State Energy Office, to:



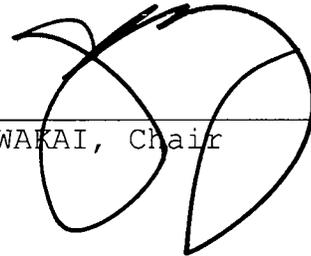
- (A) Implement the Carbon Sequestration and Underground Water Resource Characterization Program; and
 - (B) Submit a progress report to the Legislature before the Regular Session of 2028;
- (2) Updating section 1 to reflect its amended purpose; and
 - (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Intergovernmental Affairs and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1020, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1020, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Energy and Intergovernmental Affairs and Agriculture and Environment,



MIKE GABBARD, Chair



GLENN WAKAI, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Agriculture and Environment
AEN

Bill / Resolution No.:*	Committee Referral:	Date:		
HB1020, HD1	EIGIAEN, WAM	3/11/25		
<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
GABBARD, Mike (C)	X			
RICHARDS, III, Herbert M. "Tim" (VC)	X			
DECOITE, Lynn				X
RHOADS, Karl		X		
AWA, Brenton			X	
TOTAL	2	1	1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes