

Honolulu, Hawaii

FEB 11 2025

RE: S.B. No. 1339
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 S.B. No. 1339 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 establish a Carbon Sequestration and Underground Water Resource Characterization Program (Program);
- (2) Require a progress report to the Legislature before the Regular Session of 2028;
- (3) Appropriate funds out of the Energy Security Special Fund; and
- (4) Appropriate funds to establish one full-time equivalent (1.0 FTE) permanent position.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii State Energy Office; and Ulupono Initiative.



Your Committees received comments on this measure from the Board of Water Supply of the City and County of Honolulu.

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. This measure serves to overcome obstacles that have limited the State from fully developing its geothermal potential by establishing a statewide Carbon Sequestration and Underground Water Resource Characterization Program via slim hole bores and a related statewide environmental assessment.

Your Committees have amended this measure by:

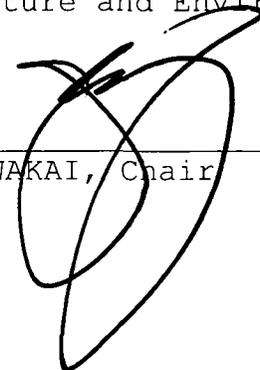
- (1) Inserting an effective date of May 13, 2040, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 S.B. No. 1339, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1339, 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.:* <i>SB1339</i>	Committee Referral: <i>EIG/AEN, WAM</i>	Date: <i>2/6/25</i>
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	✓			
RICHARDS, III, Herbert M. "Tim" (VC)				✓
DECOITE, Lynn	✓			
RHOADS, Karl	✓			
AWA, Brenton				✓
TOTAL	<i>3</i>	<i>0</i>	<i>0</i>	<i>2</i>

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature: *Karl Rhoads*

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