STAND. COM. REP. NO.



Honolulu, Hawaii

APR 1 2 2013

RE: S.R. No. 86 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Madam:

Your Committees on Energy and Environment and Water and Land, to which was referred S.R. No. 86 entitled:

"SENATE RESOLUTION OPPOSING THE USE OF HYDRAULIC FRACTURING IN HAWAII,"

beg leave to report as follows:

The purpose and intent of this measure is to oppose the practice of hydraulic fracturing.

Your Committees received testimony in support of this measure from Puna Pono Alliance; Na Kupuna Moku O Keawe; Life of the Land; Malama O Puna; Hawaii Sustainable Community Alliance; Amazon Power Plus; Gaia Yoga Gardens; Gaia Yoga Nursery; Laakea Educational Programs; Laakea Community LLC; CP Group-Ka Hale Mala Bed and Breakfast; Wisdom Way Center; Radiant Health Center; Sustainable Solutions; Laakea Permaculture Community; Laakea Permaculture Education Programs; Hawaii Whole Person Healing Collective; and two hundred sixteen individuals. Your Committees received testimony in opposition to this measure from Hawaii Oasis; Indigenous Consultants; and thirty individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources; Office of Hawaiian Affairs; and three individuals.

Your Committees find that hydraulic fracturing, known as "fracking," is a technique whereby wells are drilled into the ground and fluids are then injected into the wells to fracture the

surrounding rock. Your Committees find that fracking may result in adverse environmental impacts, including:

- (1) Stress on surface water and ground water supplies from the withdrawal of large volumes of water used in drilling and hydraulic fracturing;
- (2) Contamination of underground sources of drinking water and surface waters resulting from spills, faulty well construction, or by other means related to the hydraulic fracturing process;
- (3) Adverse impacts from the discharge of waste water from hydraulic fracturing into surface waters or into underground injection wells; and
- (4) Air pollution resulting from the release of volatile organic compounds, hazardous air pollutants, and greenhouse gases from the hydraulic fracturing process.

Your Committees also note the testimony of the Department of Land and Natural Resources. Specifically, the Department testified:

The Department believes it is premature to preempt a technology that has not been investigated in the context of the Hawaii environment. The Department recommends further research and discussion among industry experts, the University of Hawaii Center for the Study of Active Volcanoes, and applicable regulatory agencies be performed before any such blanket prohibition against hydraulic fracturing is taken in Hawaii.

The Department appreciates the resolutions' intent to protect against potential adverse impacts to the environment from hydraulic fracturing operations generally associated with the oil and gas industry, and also recognizes the aim of the resolutions to protect of [sic] our State's natural resources and water supplies. Whereas, hydraulic fracturing has been utilized on a very limited basis in the geothermal industry, the Department is unaware of any proposed plans or assessment of potential sites for use of such techniques in Hawaii.

In light of this testimony, your Committees request that the Department of Land and Natural Resources, in cooperation with the University of Hawaii Center for the Study of Active Volcanoes, undertake a study of whether the use of hydraulic fracturing in Hawaii may have negative environmental impacts and submit a report of its findings to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014.

Your Committees have amended this measure by:

- (1) Removing language relating to geothermal systems and energy;
- (2) Changing the resolution of the measure from opposing the use of hydraulic fracturing in Hawaii to expressing concern about the use of hydraulic fracturing in Hawaii; and
- (3) Changing the title to reflect the amended resolution of this measure.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 86, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 86, S.D. 1.

Respectfully submitted on behalf of the members of the Committees on Energy and Environment and Water and Land,

MALAMA SOLOMON, C

MIKE GABBARD, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Energy and Environment ENE

Bill / Resolution No.:*	Committee Referral:			Date:					
SR 86	ENE/WTL			4	111	13			
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WR)		Nay	Excused			
GABBARD, Mike (C)		×							
RUDERMAN, Russell E. (VC)		X							
CHUN OAKLAND, Suzanne		×							
IHARA, Jr., Les						X			
SLOM, Sam		•			\times				
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TOTAL	"	3			-				
Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature:									
Distribution: Original File with Committee R		ellow ds Office	Pink Drafting Agen	су		oldenrod tee File Copy			

^{*}Only one measure per Record of Votes

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Water and Land WTL

Bill / Resolution No.:*	1			ite:					
SR86	ENE WIL 4/11/13								
The committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WR)	Nay	Excused				
SOLOMON, Malama (C)									
SHIMABUKURO, Maile S.L. (VC)		/							
DELA CRUZ, Donovan M.					V.				
IHARA, Jr., Les					V				
RUDERMAN, Russell E.		V							
THIELEN, Laura H.		V							
SLOM, Sam									
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TOTAL		4	0	/	2				
Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature									
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