# A BILL FOR AN ACT

RELATING TO GEOTHERMAL.

### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

	DE IT ENACTED DI THE LEGISLATURE OF THE STATE OF HAWAII:
1	SECTION 1. The legislature finds that the development and
2	regulation of geothermal energy development and production is a
3	matter of statewide concern. The legislature further finds that
4	regulations concerning the development of geothermal energy,
5	geothermal energy exploration, and geothermal mining operations
6	should be uniform throughout the State, and not subject to
7	restrictions imposed by the counties that are inconsistent with
8	or contrary to State laws, rules, or regulations.
9	The purpose of this Act is to:
10	(1) Clarify that regulation of geothermal resources
11	development and geothermal resources exploration shall

- (1) Clarify that regulation of geothermal resources development and geothermal resources exploration shall be exclusively reserved to the State unless delegated to the counties by statute;
- (2) Require the lessee of a mining lease to comply with all water and air pollution control laws, relating to building, grading, and flood control codes; and
- (3) Require the rules of the board of land and natural resources regarding mining operations, geothermal

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1	resource development, and geothermal resource
2	exploration, including drilling conditions and
3	restrictions, to be uniform throughout the State.
4	SECTION 2. Section 46-1.5, Hawaii Revised Statutes, is
5	amended to read as follows:
6	"§46-1.5 General powers and limitation of the counties.
7	Subject to general law, each county shall have the following
8	powers and shall be subject to the following liabilities and
9	limitations:
10	(1) Each county shall have the power to frame and adopt a
11	charter for its own self-government that shall
12	establish the county executive, administrative, and
13	legislative structure and organization, including but
14	not limited to the method of appointment or election
15	of officials, their duties, responsibilities, and
16	compensation, and the terms of their office;
17	(2) Each county shall have the power to provide for and
18	regulate the marking and lighting of all buildings and
19	other structures that may be obstructions or hazards
20	to aerial navigation, so far as may be necessary or

1		proper for the protection and safeguarding of life,
2		health, and property;
3	(3)	Each county shall have the power to enforce all claims
4		on behalf of the county and approve all lawful claims
5		against the county, but shall be prohibited from
6		entering into, granting, or making in any manner any
7		contract, authorization, allowance payment, or
8		liability contrary to the provisions of any county
9		charter or general law;
10	(4)	Each county shall have the power to make contracts and
11		to do all things necessary and proper to carry into
12		execution all powers vested in the county or any
13		county officer;
14	(5)	Each county shall have the power to:
15		(A) Maintain channels, whether natural or artificial,
16		including their exits to the ocean, in suitable
17		condition to carry off storm waters;
18		(B) Remove from the channels, and from the shores and
19		beaches, any debris that is likely to create an
20		unsanitary condition or become a public nuisance;
21		provided that, to the extent any of the foregoing

1		work is a private responsibility, the
2		responsibility may be enforced by the county in
3		lieu of the work being done at public expense;
4	(C)	Construct, acquire by gift, purchase, or by the
5		exercise of eminent domain, reconstruct, improve
6		better, extend, and maintain projects or
7		undertakings for the control of and protection
8		against floods and flood waters, including the
9		power to drain and rehabilitate lands already
10		flooded;
11	(D)	Enact zoning ordinances providing that lands
12		deemed subject to seasonable, periodic, or
13		occasional flooding shall not be used for
14		residence or other purposes in a manner as to
15		endanger the health or safety of the occupants
16		thereof, as required by the Federal Flood
17		Insurance Act of 1956 (chapter 1025, Public Law
<b>18</b> .		1016); and
19	(E)	Establish and charge user fees to create and
20		maintain any stormwater management system or
21		infrastructure;

1	(6)	Each county shall have the power to exercise the power
2		of condemnation by eminent domain when it is in the
3		public interest to do so;
4	(7)	Each county shall have the power to exercise
5		regulatory powers over business activity as are
6		assigned to them by chapter 445 or other general law;
7	(8)	Each county shall have the power to fix the fees and
8		charges for all official services not otherwise
9		provided for;
10	(9)	Each county shall have the power to provide by
11		ordinance assessments for the improvement or
12		maintenance of districts within the county;
13	(10)	Except as otherwise provided, no county shall have the
14		power to give or loan credit to, or in aid of, any
15		person or corporation, directly or indirectly, except
16		for a public purpose;
17	(11)	Where not within the jurisdiction of the public
18		utilities commission, each county shall have the power
19		to regulate by ordinance the operation of motor
20	,	vehicle common carriers transporting passengers within

1		the county and adopt and amend rules the county deems
2		necessary for the public convenience and necessity;
3	(12)	Each county shall have the power to enact and enforce
4		ordinances necessary to prevent or summarily remove
5		public nuisances and to compel the clearing or removal
6		of any public nuisance, refuse, and uncultivated
7		undergrowth from streets, sidewalks, public places,
8		and unoccupied lots. In connection with these powers,
9		each county may impose and enforce liens upon the
10		property for the cost to the county of removing and
11		completing the necessary work where the property
12		owners fail, after reasonable notice, to comply with
13		the ordinances. The authority provided by this
14		paragraph shall not be self-executing, but shall
15		become fully effective within a county only upon the
16		enactment or adoption by the county of appropriate and
17		particular laws, ordinances, or rules defining "public
18		nuisances" with respect to each county's respective
19		circumstances. The counties shall provide the
20		property owner with the opportunity to contest the
21		summary action and to recover the owner's property;

1	(13)	Each county shall have the power to enact ordinances
2		deemed necessary to protect health, life, and
3		property, and to preserve the order and security of
4		the county and its inhabitants on any subject or
5		matter not inconsistent with, or tending to defeat,
6		the intent of any state statute where the statute does
7		not disclose an express or implied intent that the
8		statute shall be exclusive or uniform throughout the
9		State; provided that the regulation of geothermal
10		resources development and geothermal resources
11	·	exploration, as those terms are defined in section
12		182-1, shall be reserved to the State unless delegated
13		to the counties by statute;
14	(14)	Each county shall have the power to:
15		(A) Make and enforce within the limits of the county
16		all necessary ordinances covering all:
17		(i) Local police matters;
18		(ii) Matters of sanitation;
19		(iii) Matters of inspection of buildings;

1		(iv) Matters of condemnation of unsafe
2		structures, plumbing, sewers, dairies, milk,
3		fish, and morgues; and
4		(v) Matters of the collection and disposition of
5		rubbish and garbage;
6	(B)	Provide exemptions for homeless facilities and
7		any other program for the homeless authorized by
8		part XVII of chapter 346, for all matters under
9		this paragraph;
10	(C)	Appoint county physicians and sanitary and other
11		inspectors as necessary to carry into effect
12		ordinances made under this paragraph, who shall
13		have the same power as given by law to agents of
14		the department of health, subject only to
15		limitations placed on them by the terms and
16		conditions of their appointments; and
17	(D)	Fix a penalty for the violation of any ordinance,
18		which penalty may be a misdemeanor, petty
19		misdemeanor, or violation as defined by general
20		law;

1	(15)	Each county shall have the power to provide public
2	•	pounds; to regulate the impounding of stray animals
3		and fowl, and their disposition; and to provide for
4		the appointment, powers, duties, and fees of animal
5		control officers;
6	(16)	Each county shall have the power to purchase and
7		otherwise acquire, lease, and hold real and personal
8		property within the defined boundaries of the county
9		and to dispose of the real and personal property as
10		the interests of the inhabitants of the county may
11		require, except that:
12		(A) Any property held for school purposes may not be
13		disposed of without the consent of the
14		superintendent of education;
15		(B) No property bordering the ocean shall be sold or
16		otherwise disposed of; and
17		(C) All proceeds from the sale of park lands shall be
18		expended only for the acquisition of property for
19		park or recreational purposes;
20	(17)	Each county shall have the power to provide by charter
21		for the prosecution of all offenses and to prosecute

1	tor	offenses against the laws of the State under the
2	auth	ority of the attorney general of the State;
3 (18	) Each	county shall have the power to make
4	appr	opriations in amounts deemed appropriate from any
5	mone	ys in the treasury, for the purpose of:
6	(A)	Community promotion and public celebrations;
7	(B)	The entertainment of distinguished persons as may
8		from time to time visit the county;
9	(C)	The entertainment of other distinguished persons,
10		as well as, public officials when deemed to be in
11		the best interest of the community; and
12	(D)	The rendering of civic tribute to individuals
13		who, by virtue of their accomplishments and
14		community service, merit civic commendations,
15		recognition, or remembrance;
16 (19	) Each	county shall have the power to:
17	(A)	Construct, purchase, take on lease, lease,
18		sublease, or in any other manner acquire, manage,
19		maintain, or dispose of buildings for county
20		purposes, sewers, sewer systems, pumping
21		stations, waterworks, including reservoirs,

1			wells, pipelines, and other conduits for
2			distributing water to the public, lighting
3			plants, and apparatus and appliances for lighting
4			streets and public buildings, and manage,
5			regulate, and control the same;
6		(B)	Regulate and control the location and quality of
7	•		all appliances necessary to the furnishing of
8			water, heat, light, power, telephone, and
9			telecommunications service to the county;
10		(C)	Acquire, regulate, and control any and all
11			appliances for the sprinkling and cleaning of the
12			streets and the public ways, and for flushing the
13			sewers; and
14		(D)	Open, close, construct, or maintain county
15			highways or charge toll on county highways;
16			provided that all revenues received from a toll
17			charge shall be used for the construction or
18			maintenance of county highways;
19	(20)	Each	county shall have the power to regulate the
20		rent	ing, subletting, and rental conditions of property
21		for	places of abode by ordinance;

1	(21)	onless otherwise provided by law, each county shall
2		have the power to establish by ordinance the order of
3		succession of county officials in the event of a
4		military or civil disaster;
5	(22)	Each county shall have the power to sue and be sued in
6		its corporate name;
7	(23)	Each county shall have the power to establish and
8		maintain waterworks and sewer works; to collect rates
9		for water supplied to consumers and for the use of
10		sewers; to install water meters whenever deemed
11		expedient; provided that owners of premises having
12		vested water rights under existing laws appurtenant to
13		the premises shall not be charged for the installation
14		or use of the water meters on the premises; to take
15		over from the State existing waterworks systems,
16		including water rights, pipelines, and other
17		appurtenances belonging thereto, and sewer systems,
18		and to enlarge, develop, and improve the same;
19	(24)	(A) Each county may impose civil fines, in addition
20		to criminal penalties, for any violation of
21		county ordinances or rules after reasonable

1		notice and requests to correct or cease the
2		violation have been made upon the violator. Any
3	r.	administratively imposed civil fine shall not be
4		collected until after an opportunity for a
5		hearing under chapter 91. Any appeal shall be
6		filed within thirty days from the date of the
7		final written decision. These proceedings shall
8		not be a prerequisite for any civil fine or
9		injunctive relief ordered by the circuit court;
10	(B)	Each county by ordinance may provide for the
11		addition of any unpaid civil fines, ordered by
12		any court of competent jurisdiction, to any
13		taxes, fees, or charges, with the exception of
14		fees or charges for water for residential use and
15		sewer charges, collected by the county. Each
16		county by ordinance may also provide for the
17		addition of any unpaid administratively imposed
18		civil fines, which remain due after all judicial
19		review rights under section 91-14 are exhausted,
20		to any taxes, fees, or charges, with the
21		exception of water for residential use and sewer

1	charges, collected by the county. The ordinance
2	shall specify the administrative procedures for
3	the addition of the unpaid civil fines to the
4	eligible taxes, fees, or charges and may require
5	hearings or other proceedings. After addition of
6	the unpaid civil fines to the taxes, fees, or
7	charges, the unpaid civil fines shall not become
8	a part of any taxes, fees, or charges. The
9	county by ordinance may condition the issuance or
10	renewal of a license, approval, or permit for
11	which a fee or charge is assessed, except for
12	water for residential use and sewer charges, on
13	payment of the unpaid civil fines. Upon
14	recordation of a notice of unpaid civil fines in
15	the bureau of conveyances, the amount of the
16	civil fines, including any increase in the amount
17	of the fine which the county may assess, shall
18	constitute a lien upon all real property or
19	rights to real property belonging to any person
20	liable for the unpaid civil fines. The lien in
21	favor of the county shall be subordinate to any

1	lien in favor of any person recorded or
2	registered prior to the recordation of the notice
3	of unpaid civil fines and senior to any lien
4	recorded or registered after the recordation of
5	the notice. The lien shall continue until the
6	unpaid civil fines are paid in full or until a
7	certificate of release or partial release of the
8	lien, prepared by the county at the owner's
9	expense, is recorded. The notice of unpaid civil
10	fines shall state the amount of the fine as of
11	the date of the notice and maximum permissible
12	daily increase of the fine. The county shall not
13	be required to include a social security number,
14	state general excise taxpayer identification
15	number, or federal employer identification number
16	on the notice. Recordation of the notice in the
17	bureau of conveyances shall be deemed, at such
18	time, for all purposes and without any further
19	action, to procure a lien on land registered in
20	land court under chapter 501. After the unpaid
21	civil fines are added to the taxes, fees, or

1		charges as specified by county ordinance, the
2		unpaid civil fines shall be deemed immediately
3		due, owing, and delinquent and may be collected
4		in any lawful manner. The procedure for
5		collection of unpaid civil fines authorized in
6		this paragraph shall be in addition to any other
7	1	procedures for collection available to the State
8		and county by law or rules of the courts;
9	(C)	Each county may impose civil fines upon any
10		person who places graffiti on any real or
11		personal property owned, managed, or maintained
12		by the county. The fine may be up to \$1,000 or
13		may be equal to the actual cost of having the
14		damaged property repaired or replaced. The
15		parent or guardian having custody of a minor who
16		places graffiti on any real or personal property
17		owned, managed, or maintained by the county shall
18		be jointly and severally liable with the minor
19		for any civil fines imposed hereunder. Any such
20		fine may be administratively imposed after an
21		opportunity for a hearing under chapter 91, but

1	such a proceeding shall not be a prerequisite for
2	any civil fine ordered by any court. As used in
3	this subparagraph, "graffiti" means any
4	unauthorized drawing, inscription, figure, or
5	mark of any type intentionally created by paint,
6	ink, chalk, dye, or similar substances;
7	(D) At the completion of an appeal in which the
8	county's enforcement action is affirmed and upon
9	correction of the violation if requested by the
10	violator, the case shall be reviewed by the
11	county agency that imposed the civil fines to
12	determine the appropriateness of the amount of
13	the civil fines that accrued while the appeal
14	proceedings were pending. In its review of the
15	amount of the accrued fines, the county agency
<b>16</b> .	may consider:
17	(i) The nature and egregiousness of the
18	violation;
19	(ii) The duration of the violation;
20	(iii) The number of recurring and other similar
21	violations;

1	(iv) Any effort taken by the violator to correct
2	the violation;
3	(v) The degree of involvement in causing or
4	continuing the violation;
5	(vi) Reasons for any delay in the completion of
6	the appeal; and
7	(vii) Other extenuating circumstances.
8	The civil fine that is imposed by administrative
9	order after this review is completed and the
10	violation is corrected shall be subject to
11	judicial review, notwithstanding any provisions
12	for administrative review in county charters;
13	(E) After completion of a review of the amount of
14	accrued civil fine by the county agency that
15	imposed the fine, the amount of the civil fine
16	determined appropriate, including both the
17	initial civil fine and any accrued daily civil
18	fine, shall immediately become due and
19	collectible following reasonable notice to the
20	violator. If no review of the accrued civil fine
21	is requested, the amount of the civil fine, not

1			to exceed the total accrual of civil fine prior
2			to correcting the violation, shall immediately
3			become due and collectible following reasonable
4			notice to the violator, at the completion of all
5 .			appeal proceedings;
6		(F)	If no county agency exists to conduct appeal
7			proceedings for a particular civil fine action
8			taken by the county, then one shall be
9			established by ordinance before the county shall
10			impose the civil fine;
11	(25)	Any	law to the contrary notwithstanding, any county
12		mayo	r, by executive order, may exempt donors, provider
13		agen	cies, homeless facilities, and any other program
14		for	the homeless under part XVII of chapter 346 from
15		real	property taxes, water and sewer development fees,
16		rate	s collected for water supplied to consumers and
17		for	use of sewers, and any other county taxes,
18		char	ges, or fees; provided that any county may enact
19		ordi	nances to regulate and grant the exemptions
20		qran	ted by this paragraph;

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        (26)
              Any county may establish a captive insurance company
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              pursuant to article 19, chapter 431; and
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        (27)
              Each county shall have the power to enact and enforce
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              ordinances regulating towing operations."
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         SECTION 3. Section 182-7, Hawaii Revised Statutes, is
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    amended by amending subsection (e) to read as follows:
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               For the period of the lease the lessee shall have the
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    exclusive right of possession of the minerals leased and the
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    exclusive rights to mine and remove the minerals by means which
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    shall be reasonable and satisfactory to the board and to occupy
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    and use so much of the surface of the land as may reasonably be
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    required, subject to the provisions of section 182-3. The right
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    to use the surface shall include the right to erect
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    transportation facilities thereon, construct plants for
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    beneficiating, drying, and processing the minerals for electric
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    power generation and transmission and such other uses as may be
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    necessary or convenient to the winning and processing of the
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    minerals; provided that the lessee shall comply with all water
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    and air pollution control laws, [and] rules of the State [or],
    and other laws of its political subdivisions [-] relating to
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    building, grading, and flood control codes; provided further
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- 1 that notwithstanding any other law to the contrary, the rules of
- 2 the board regarding mining operations, geothermal resources
- 3 development, and geothermal resources exploration, including
- 4 drilling conditions and restrictions, shall be uniform
- 5 throughout the State."
- 6 SECTION 4. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 5. This Act shall take effect on January 1, 2050.

### Report Title:

Geothermal Resources Exploration; Drilling; County Authority

#### Description:

Clarifies that the regulation of geothermal resources development and geothermal resources exploration is reserved to the State unless delegated to the counties by statute. Requires the lessee of a mining lease to comply with all water and air pollution control laws, relating to building, grading, and flood control codes. Requires the rules of the board of land and natural resources regarding mining operations, geothermal resource development, and geothermal resource exploration, including drilling conditions and restrictions, to be uniform throughout the State. Effective 1/1/2050. (SD2)

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