

STAND. COM. REP. NO. 3108

Honolulu, Hawaii

MAR 04 2022

RE: S.B. No. 3229
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 3229, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GEOTHERMAL ROYALTIES,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the distribution scheme for geothermal royalties received by the State.

Specifically, this measure:

- (1) Caps the amount of royalties from geothermal resources that can be paid to the State or a county in which the geothermal resources are located;
- (2) Establishes the University of Hawaii geothermal exploration special fund to further the discovery and development of geothermal resources;
- (3) Provides for the deposit of excess royalties into the University of Hawaii geothermal exploration special fund; and
- (4) Requires annual reports to the Legislature.

Your Committee received written comments in support of this measure from the University of Hawaii and one individual.



Your Committee received written comments on this measure from the Department of Land and Natural Resources, Hawaii State Energy Office, and Department of Budget and Finance.

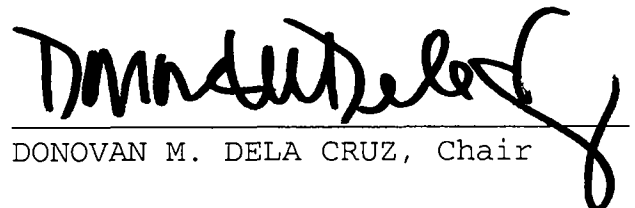
Your Committee finds that the development of geothermal resources will be important for achieving the State's goal of transitioning to one hundred percent renewable energy generation statewide.

Your Committee has amended this measure by:

- (1) Clarifying that, after other required distributions are made, any excess royalties received by the State annually from geothermal resources on lands not under the jurisdiction of the Department of Hawaiian Home Lands, up to a maximum of \$1,000,000, shall be deposited into the University of Hawaii geothermal exploration special fund;
- (2) Appropriating an unspecified sum out of the University of Hawaii geothermal exploration special fund; and
- (3) Making technical nonsubstantive amendments 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. 3229, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3229, S.D. 2.

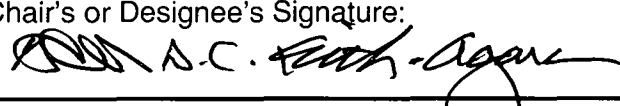
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 3229, SD1	Committee Referral: EET/GVO, WAM	Date: 2/23/22		
<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
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MISALUCHA, Bennette E.	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	11			
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