

Honolulu, Hawaii

MAR 03 2023

RE: S.B. No. 458  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 458, 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 promote the discovery and development of geothermal resources in the State.

More specifically, this measure:

- (1) Establishes additional sources of funding for, and authorized uses of moneys deposited into, the university innovation and commercialization initiative special fund;
- (2) Requires the Board of Land and Natural Resources, certain counties, and the Hawaii Groundwater and Geothermal Resources Center to submit annual reports to the Legislature on the use of geothermal royalties; and
- (3) Provides for the distribution of geothermal royalties to certain entities.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Hawaii Center for Advanced Transportation Technologies of the Hawaii



Technology Development Corporation; Office of Hawaiian Affairs; University of Hawaii; DaRubbahSlippahGroup.com; Hawaiian Electric; Servco Pacific, Inc.; Ulupono Initiative; and numerous individuals.

Your Committee received written comments in opposition to this measure from the Hawaii County Council and one individual.

Your Committee received written comments on this measure from the Hawaii State Energy Office.

Your Committee finds that using geothermal royalties as a source of funding for projects that promote and advance renewable energy resources development will help the State to achieve its clean renewable energy goals.

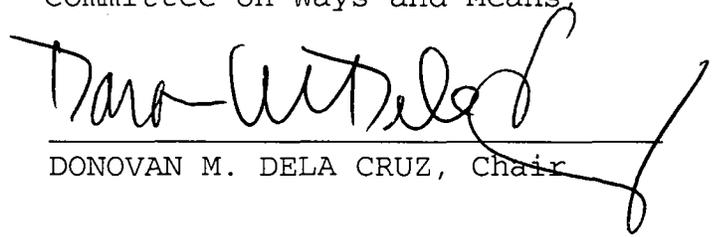
Your Committee has amended this measure by:

- (1) Deleting the provision establishing new funding sources for, and authorized uses of moneys in, the university innovation and commercialization initiative special fund; and
- (2) Deleting the provision requiring the Board of Land and Natural Resources, certain counties, and the Hawaii Groundwater and Geothermal Resources Center to submit annual reports to the Legislature;
- (3) Establishing a renewable energy resources development special fund and the funding sources for, and authorized uses of moneys in, the special fund;
- (4) Requiring the Department of Business, Economic Development, and Tourism to submit an annual report to the Legislature on the revenue and expenditures of the renewable energy resources development special fund;
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (6) 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. 458, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 458, S.D. 2.

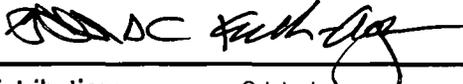
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
Thirty-Second Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>SB 458 SD1</b>	Committee Referral: <b>EET/PSM/HRE, WAM</b>	Date: <b>3/3/23</b>		
<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			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt				X
<b>TOTAL</b>	<b>12</b>			<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original                                    Yellow                                    Pink                                    Goldenrod File with Committee Report            Clerk's Office                            Drafting Agency                        Committee File Copy				

\*Only one measure per Record of Votes