

---

---

A BILL FOR AN ACT

RELATING TO A PROGRAM TO CHARACTERIZE CARBON SEQUESTRATION  
POTENTIAL AND UNDERGROUND WATER RESOURCES STATEWIDE.

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

1           SECTION 1. The legislature finds that a better  
2 understanding of the carbon sequestration potential and the  
3 location and temperature of underground water resources across  
4 the State can have multiple benefits to agriculture, clean  
5 energy, and land use.

6           The legislature also finds that resource characterization  
7 via slim-hole bores, which have a diameter of seven inches or  
8 less for over ninety per cent of the depth of the bore, can  
9 identify water and carbon sequestration resources across the  
10 state.

11           The legislature further finds that a statewide  
12 environmental assessment of a slim-hole exploration program  
13 should be conducted, along with robust and continued community  
14 engagement, to identify the most appropriate locations for this  
15 scientific activity.

16           The purpose of this Act is to require the Hawaii state  
17 energy office to implement a slim-hole resource characterization

H.B. NO. 1020

1 program that identifies the location and characteristics of  
2 underground water and carbon sequestration resources across the  
3 State under the direction of the Hawaii groundwater and  
4 geothermal resources center at the university of Hawaii.

5 SECTION 2. Chapter 196, Hawaii Revised Statutes, is  
6 amended by adding to part I a new section to be appropriately  
7 designated and to read as follows:

8 "§196- Carbon sequestration and underground water  
9 resource characterization program. (a) There is established  
10 the carbon sequestration and underground water resource  
11 characterization program within the Hawaii state energy office  
12 to identify the location and characteristics of underground  
13 water and carbon sequestration resources across the State using  
14 the slim-hole boring exploration method. The Hawaii state  
15 energy office shall implement the program, which shall include  
16 conducting a statewide environmental assessment of the program's  
17 actions pursuant to chapter 343, in collaboration with the  
18 Hawaii groundwater and geothermal resources center at the  
19 university of Hawaii or similar institution.

20 (b) In advance of and during the statewide environmental  
21 assessment for the carbon sequestration and underground water  
22 resource characterization program activities, the Hawaii state

H.B. NO. 1020

1 energy office and collaborators shall meet with the counties and  
2 nearby communities, including individuals and civic  
3 organizations, in order to explain the purpose of the program  
4 and identify community needs, priorities, concerns, and  
5 appropriate locations to conduct the slim-hole boring for the  
6 characterization program.

7 (c) The Hawaii state energy office shall submit a progress  
8 report on the carbon sequestration and underground water  
9 resource characterization program, including its findings,  
10 recommendations, and any proposed legislation to the legislature  
11 no later than twenty days prior to the convening of the regular  
12 session of 2028. The report shall be made available to the  
13 public in readily accessible formats, including commonly used  
14 mapping software. "

15 SECTION 3. There is appropriated out of the energy  
16 security special fund established in section 201-12.8, Hawaii  
17 Revised Statutes, the sum of \$16,500,000 or so much thereof as  
18 may be necessary for fiscal year 2025-2026, and the same sum or  
19 so much thereof as may be necessary for fiscal year 2026-2027 to  
20 carry out the purposes of this Act.

21 The sums appropriated shall be expended by the Hawaii state  
22 energy office.

H.B. NO. 1020

1 SECTION 4. There is appropriated out of the general  
2 revenues of the State of Hawaii the sum of \$135,000 or so much  
3 thereof as may be necessary for fiscal year 2025-2026, and the  
4 same sum or so much thereof as may be necessary for fiscal year  
5 2026-2027, for one full-time equivalent (1.0 FTE) permanent  
6 position to support the activities described by this Act.

7 The sums appropriated shall be expended by the Hawaii state  
8 energy office.

9 SECTION 5. New statutory material is underscored.

10 SECTION 6. This Act, upon its approval, shall take effect  
11 on July 1, 2025.

12

13

INTRODUCED BY: *Nadine K. Puelma*

14

BY REQUEST

JAN 21 2025

# H.B. NO. 1020

**Report Title:**

Hawaii State Energy Office; Carbon Sequestration; Water Resources; Geothermal Exploration; Appropriations

**Description:**

Establishes a statewide underground water and carbon sequestration resource characterization program via slim hole bores and a related statewide environmental assessment.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO A PROGRAM TO CHARACTERIZE CARBON SEQUESTRATION POTENTIAL AND UNDERGROUND WATER RESOURCES STATEWIDE.

PURPOSE: To establish and appropriate funds for a program to identify and characterize underground water resources and the carbon sequestration potential across the State, including a statewide environmental assessment for the slim-hole drilling program.

MEANS: Add a new section to part I of chapter 196, Hawaii Revised Statutes.

JUSTIFICATION: The new program will identify carbon sequestration potential and the location and temperature of underground water resources across the State in collaboration with the Hawaii groundwater and geothermal resources center at the university of Hawaii or similar institution. In doing so, the new program will promote responsible resource characterization, scientific exploration, environmental assessment, community engagement, and transparency regarding underground water resources and carbon sequestration potential in Hawaii. These efforts align with the State's goals for sustainability, economic development, and environmental protection.

Impact on the public: The public would benefit from learning the location and characteristics of water and carbon sequestration resources available to support local food security and energy decarbonization goals.

Impact on the department and other agencies: The Hawaii State Energy Office would be able to support the State's local food and energy security goals.

GENERAL FUND: \$135,000 in fiscal year 2025-2026.  
\$135,000 in fiscal year 2026-2027.

OTHER FUNDS: \$16,500,000 from the Energy Security Special  
Fund for fiscal year 2025-2026.  
\$16,500,000 from the Energy Security Special  
Fund for fiscal year 2026-2027.

PPBS PROGRAM  
DESIGNATION: BED-120.

OTHER AFFECTED  
AGENCIES: Department of Land and Natural Resources,  
Department of Health, and University of  
Hawaii.

EFFECTIVE DATE: July 1, 2025.