

Honolulu, Hawaii

FEB 17 , 2026

RE: H.B. No. 1981
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Energy & Environmental Protection, to which
was referred H.B. No. 1981 entitled:

"A BILL FOR AN ACT RELATING TO A PROGRAM TO CHARACTERIZE
CARBON SEQUESTRATION POTENTIAL AND GEOTHERMAL AND UNDERGROUND
WATER RESOURCES STATEWIDE,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a Geothermal, Carbon Sequestration, and
Underground Water Resource Characterization Program via
slim hole bores and a related statewide environmental
assessment; and
- (2) Appropriate funds for the Program and positions to
support the Program.

Your Committee received testimony in support of this measure
from the Hawai'i Climate Change Mitigation and Adaptation
Commission; Hawaii State Energy Office; Climate Protectors Hawai'i;
and four individuals. Your Committee received testimony in
opposition to this measure from Malu 'Aina Center for Non-violent
Education & Action; Kia'i Iwi Alaka'i; Truth for the People Moku O
Keawe; and numerous individuals. Your Committee received comments
on this measure from Sustainable Energy Hawai'i.



Your Committee finds that a better understanding of the location and characteristics of geothermal, carbon sequestration, and underground water resources would have significant benefits for the State's agriculture, clean energy, and land use. This measure establishes a program and appropriates funds to ensure that these resources can be identified, with necessary precautions and opportunities for stakeholder input through environmental assessment and community engagement requirements.

Your Committee has amended this measure by:

- (1) Clarifying that the Hawaii State Energy Office must seek funds to conduct an environmental assessment or environmental impact statement in collaboration with appropriate state agencies, rather than with the Hawaii Groundwater and Geothermal Resources Center at the University of Hawaii;
- (2) Changing the reporting requirements to an indefinite, annual basis and amending the required contents of the reports;
- (3) Removing the appropriation for the permanent position and inserting a new general fund appropriation of an unspecified amount for the program;
- (4) Changing its effective date to July 1, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider:

- (1) An appropriation amount of \$6,000,000 out of the Energy Security Special Fund; and
- (2) An appropriation of general revenues for the Geothermal, Carbon Sequestration, and Underground Water Resource Characterization Program, if funds are available.



As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1981, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1981, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



NICOLE E. LOWEN, Chair



HSCR 312-26

Bill/Resolution No.: HB 1981		Committee Referral: EEP, FIN		Date: 2/3/26	
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: ☐ Pass, unamended (as is) ☒ Pass, with amendments (HD) ☐ Hold ☐ Pass short form bill with HD to recommit for future public hearing (recommit)					
EEP Members		Ayes	Ayes (WR)	Nays	Excused
1. LOWEN, Nicole E. (C)		✓			
2. PERRUSO, Amy A. (VC)		✓			
3. CHUN, Cory M.		✓			
4. KAHALOA, Kirstin		✓			
5. KUSCH, Matthias		✓			
6. QUINLAN, Sean		✓			
7. MATSUMOTO, Lauren			✓		
TOTAL (7)		6	1		
The recommendation is: ☒ Adopted ☐ Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature: <u><i>Amy Perruso</i></u>					
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