HB2626 HD1 SD1

Measure Title: RELATING TO UNDERGROUND STORAGE TANKS.

Report Title: Underground Storage Tanks; Shoreline

Description: Prohibits the DOH from issuing a permit for a new underground storage tank within 100 yards of the shoreline. Allows DOH to issue a new permit to repair or replace existing underground storage tanks. Allows permit holders for existing underground storage tanks located within 100 yards of the shoreline to renew their permits. Prohibits operation of and renewal of a permit for an underground storage tank within one hundred yards of the shoreline, beginning 1/1/2045. Takes effect on 7/1/2050. (SD1)

Companion:

Package: None

Current Referral: EET/WLA, CPH

Introducer(s): JOHANSON, BELATTI, LOWEN, NISHIMOTO

DAVID Y. IGE GOVERNOR OF HAWAI



VIRGINIA PRESSLER, M.D. DIRECTOR OF HEALTH

STATE OF HAWAII DEPARTMENT OF HEALTH P. O. Box 3378 Honolulu, HI 96801-3378 doh.testimony@doh.hawaii.gov

WRITTEN TESTIMONY ONLY

Testimony in SUPPORT of H.B. 2626, H.D. 1, S.D. 1 RELATING TO UNDERGROUND STORAGE TANKS

SENATOR ROSALYN H. BAKER, CHAIR SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

Hearing Date: March 30, 2016 Time: 10:00am Room Number: 229

1 Fiscal Implications: None

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Department Testimony: The Department of Health supports H.B. 2626, H.D.1, S.D. 1. This
measure prohibits the permitting of new underground storage tanks (USTs) within one hundred
yards of the shoreline. For those USTs that are currently in use, the measure would allow for the
renewal of permits and the replacement of USTs within one hundred yards of the shoreline.
Beginning January 1, 2045, the operation and renewal of USTs within one hundred yards of the
shoreline is prohibited.
Thank you for the opportunity to testify on this measure.



In Support HB2626 HD1 SD1 Relating to Underground Storage Tanks

Aloha Chairwoman Sen. Baker and members of the CPH Committee,

On behalf of our 12,000 members and supporters, the Sierra Club of Hawai'i strongly supports the current version of HB2626 to protect freshwater and nearshore ocean resources from underground fuel storage tanks that may be exposed to saltwater as our sea levels rise.

What HB2626 does

This bill limits the risks posed by saltwater intrusion to underground storage tanks by directing that no new tanks be built within 100 yards of the shoreline. In addition, the bill sets a goal of 2045 for retiring all underground storage tanks within 100 feet of the shoreline. This is a prudent, long-term approach to reducing the harm of erosion on underground storage tanks that can be caused by saltwater intrusion.

Saltwater Intrusion is a Risk

California policymakers have already identified saltwater intrusion from sea level rise as an actionable concern. In its 4th Climate Change Assessment, the California Natural Resources Agency identified saltwater intrusion as a risk to coastal resources, fresh water, transportation, and energy. Their "Safeguarding California Plan" directs policymakers to use planning, siting, and other similar tools to reduce saltwater erosion risks to underground storage tanks in coastal areas.

Hawai'i faces many of the same risks from climate change as California. It is prudent for our policymakers to use a long planning horizon to make similar choices to safeguard our own resources.

Federal law does not address saltwater erosion

It is true that underground storage tanks are highly regulated by the federal Environmental Protection Agency. These regulations, however, do not directly address the issue of saltwater intrusion. These regulations also do not prevent the states from taking more protective actions to minimize foreseeable risks from localized conditions.

This is an important step towards improving Hawai'i's readiness in the face of climate change. Thank you for the opportunity to express our support for this measure.

M. J.d.

Martha Townsend Director



March 30, 2016

TESTIMONY OFFERING COMMENTS ON HOUSE BILL 2626, HOUSE DRAFT 1, SENATE DRAFT 1, RELATING TO UNDERGROUND STORAGE TANKS

Senate Committee on Commerce, Consumer Protection & Health The Honorable Rosalyn Baker, Chair The Honorable Michelle Kidani, Vice Chair

> Wednesday, March 30, 2016 – 10:00 a.m. State Capitol, Conference Room 229

Chair Baker, Vice Chair Kidani and members of the Committee,

Thank you for this opportunity to provide written testimony on House Bill 2626, House Draft 1, Senate Draft 1, Relating to Underground Storage Tanks. My name is Lance Tanaka, director of government and public affairs for Par Hawaii. Par Hawaii, Inc., formerly Mid Pac Petroleum, and Par Hawaii Refining, LLC, formerly Hawaii Independent Energy, are subsidiaries of Texas-based Par Pacific Holdings, Inc., formerly known as Par Petroleum Corporation.

Par Hawaii would like to offer comments on HB 2626, HD 1, SD 1.

HB 2626, HD 1, SD 1 prohibits the permitting of new underground storage tanks within 100 yards of the shoreline, unless the new permit is for purposes of repairing or replacing an existing underground storage tank. The bill would also ban all underground storage tanks located within 100 yards of the shoreline beginning January 1, 2045.

We appreciate the fact that this measure is a work in progress in balancing the needs of the environment, consumers and businesses, and we thank the Legislature for considering and incorporating viewpoints on both sides of the issue. However, the sunset date of 2045 – whereby, beginning on January 1, 2045, no person shall operate an underground storage tank within 100 yards of the shoreline, and no permit shall be renewed – may ultimately force the closure of the affected store sites. Par Hawaii is concerned that this may be an unconstitutional regulatory taking of property without just compensation being paid to the property's owner.

We therefore respectfully request that the Committee reconsider imposing the sunset date of 2045. Thank you for allowing Par Hawaii the opportunity to offer comments on HB 2626, HD 1, SD 1, Relating to Underground Storage Tanks.