



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of
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before the
SENATE COMMITTEE ON JUDICIARY
Thursday, February 27, 2020
10:30 AM
State Capitol, Conference Room 016

In SUPPORT of
SB 2780
RELATING TO OFFSHORE DRILLING.

Chair Rhoads, Vice Chair Keohokalole, and Members of the Committee, the Hawaii State Energy Office (HSEO) supports SB 2780, which prohibits offshore drilling for oil or natural gas in state marine waters and prohibits issuance of permits for or in connection with the development or operation of any facility or infrastructure associated with offshore drilling for oil or natural gas in state waters.

The HSEO is unaware of existing or potential offshore oil or natural gas resources in state waters. The HSEO is also unaware of efforts to research or “prove” the presence of offshore oil or natural gas resources. However, the HSEO supports the Legislature proactively foreclosing the possibility of offshore fossil fuel drilling prior to the establishment of such a resource or a company expending funds to research the possibility, especially in light of the federal government’s effort to rollback important environmental protections to promote offshore drilling. Fossil fuel extraction from Hawaiian waters would be damaging to our ecosystems and inconsistent with the Legislature’s direction to achieve the 100% Renewable Portfolio Standard and the Zero Emissions Clean Economy Target.

The HSEO defers to the state agencies also affected by this bill on other potential effects or regulations.

Thank you for the opportunity to testify on this bill.

Testimony of the National Caucus of Environmental Legislators Regarding Offshore Drilling Legislation Across the Country

Created by and for state legislators, the National Caucus of Environmental Legislators is a nonprofit that organizes over 1,000 environmentally-committed state legislators from all 50 states and both parties. NCEL provides venues and opportunities for lawmakers to share ideas and collaborate on environmental issues. NCEL does not lobby or take formal positions on legislation, but rather shares insight to act as a clearinghouse on environmental policies. We submit this testimony to provide a context of similar legislative actions across the country.

To Members of the Judiciary Committee:

Hawai'i is not alone in the effort to limit offshore drilling within its state waters. This year, six other states representing significant portions of the U.S. coastline introduced bipartisan legislation that would either ban or restrict offshore drilling near their coastlines. These states include Florida, Massachusetts, New Jersey, South Carolina, Virginia, and Washington.

This momentum of state action has remained strong since the Department of Interior (DOI) released its draft plan in January 2018. That same year, over 225 state legislators, representing 17 coastal states, signed a letter opposing the proposed leasing program and urging DOI to grant all coastal states the opportunity to opt out¹. New Jersey became the first state to ban offshore drilling within state waters in 2018, followed shortly by legislation in Delaware, Maryland, California, and Florida. In 2019, Maine, New Hampshire, New York, and Oregon all passed similar state bans. To date, more than 300 municipalities and over 2,000 elected local, state, and federal officials have formally opposed offshore drilling. This includes nearly every governor along the East and West Coasts - both Democrat and Republican².

States lawmakers know well that offshore drilling threatens their beaches and thus their economies. Coastal tourism, fisheries, shipping, and defense are the underpinning of all U.S. coastal states' economies. The Atlantic, Pacific and Gulf coast of Florida alone support over 2.6 million American jobs and roughly \$180 billion in GDP³. By contrast, the economic gains from

¹ <https://www.ncel.net/wp-content/uploads/2018/03/OCS-Oil-and-Gas-Leasing-Program-Sign-On-Letter.pdf>

² <https://usa.oceana.org/climate-and-energy/grassroots-opposition-offshore-drilling-and-exploration-atlantic-ocean-and>

³ <https://usa.oceana.org/sites/default/files/national.pdf>

oil and gas drilling are finite and short-term and come with external costs to the natural environment. States view allowing the expansion of offshore drilling as a financial risk, one that they cannot afford to take.

Expanded offshore drilling would also lead to more greenhouse gas emissions, exacerbating the effects of climate change on coastal and inland communities. States are seeing this as a time to expand clean renewable energy sources rather than continuing to invest in fuels of the past. There is an ever growing interest from legislators and public momentum behind transitioning to 100% renewable energy. As wind and solar continue to be the fastest-growing source of electricity generation for the next two years, there is an opportunity for states to become leaders of the clean energy economy⁴.

Legislators understand that an oil spill anywhere is an oil spill everywhere, impacting not just their constituents but everyone who depends on their coasts for income and recreation. A common state response has been adopting resolutions memorializing their constituencies opposition to offshore drilling and the expanded leasing program. These resolutions have either asked for state exclusion from the drilling policy or for an indefinite extension of the offshore drilling moratorium from the Obama Administration.

Some states have taken to pushing for restrictions on oil and gas drilling, exploration, and transportation activities within state waters such as New Jersey (A 839)⁵ and Delaware (SB 200)⁶, while others have established stricter enforcement of liability and penalties on entities that cause spills, or other damages, from offshore drilling activities like Maryland (HB 1456)⁷. States' ability to regulate state waters, which extend three miles out from shore, as well as land within their state's boundaries, offer a blanket of protection to our nation's coastline

Though state bans do not lawfully prohibit drilling in federal waters or federally leased land, they do make it cost prohibitive to continue offshore drilling and exploration. By restricting drilling activities and infrastructure development, such as pipelines and port facilities, in state waters, it makes drilling more difficult and increases the cost of transporting the oil to shore. Each state that is pursuing, or that has passed, legislation is ensuring that no Administration can threaten offshore drilling within their state waters. While some states may be excluded from the leasing program during this Administration, future Administrations could reverse course, increasing the urgency for states to act now.

⁴ <https://www.cnn.com/2019/01/21/business/solar-wind-coal-power-renewable-energy/index.html>

⁵ https://www.njleg.state.nj.us/2018/Bills/AL18/7_.PDF

⁶ <https://legis.delaware.gov/json/BillDetail/GenerateHtmlDocument?legislationId=26637&legislationTypeId=1&docTypeId=2&legislationName=SB200>

⁷ <http://mgaleg.maryland.gov/2018RS/bills/hb/hb1456E.pdf>

SB-2780

Submitted on: 2/24/2020 9:52:28 AM

Testimony for JDC on 2/27/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jun Shin	Testifying for Young Progressives Demanding Action	Support	No

Comments:

SB-2780

Submitted on: 2/24/2020 2:31:53 PM

Testimony for JDC on 2/27/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Climate Protector	Testifying for Climate Protectors Coalition	Support	No

Comments:

LATE

SB-2780

Submitted on: 2/26/2020 10:34:24 AM

Testimony for JDC on 2/27/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rayne	Individual	Support	No

Comments:

LATE

SB-2780

Submitted on: 2/26/2020 3:16:25 PM

Testimony for JDC on 2/27/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Trinette Furtado	Individual	Support	No

Comments:

Aloha mai and mahalo for the opportunity to present testimony on this very important measure.

I write in **STRONG SUPPORT** of **SB2780**, which would prohibit offshore drilling in Hawaiian waters.

There are so many reasons why offshore drilling should NOT be conducted in Hawaiian waters that are in addition to historical Hawaiian cultural and traditional practices, that would be severely impacted by this type of industry.

Hawai`i is a special place for its history, its people and its `aina and kai. Please dont sacrifice all that we are for climate-damaging businesses.

Please **vote YES** and **support** the passage of **SB2780** for the future of Hawai`i Nei.