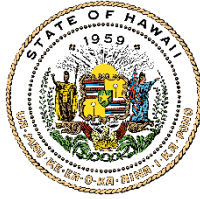


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
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DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
RYAN K.P. KANAKA'OLE
FIRST DEPUTY
DEAN D. UYENO
ACTING DEPUTY DIRECTOR - WATER
AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
DAWN N. S. CHANG
Chairperson

Before the House Committees on
~~WATER AND LAND~~

And

~~ENERGY AND ENVIRONMENTAL PROTECTION FINANCE~~

~~Tuesday~~ Monday, February 26, 2024

9:05 AM 3:30 PM

State Capitol, Conference Room 325-308 & Videoconference

In consideration of
HOUSE BILL 2690, HOUSE DRAFT 1
RELATING TO WATER

House Bill 2690, House Draft 1 proposes to establish a ~~WAI~~ (Water Alliance Initiative (WAI) policy coordinator and other positions within the Department of Land and Natural Resources (Department) for implementation of the Red Hill WAI Working Group's Report of November 2023, and creates the Red Hill Remediation Special Fund. **The Department of Land and Natural Resources (Department) strongly supports this measure.**

As stewards of Honolulu's sole source groundwater aquifer and Hawai'i's ecosystems, the Department recognizes the WAI's important role in ensuring that post-defueling remediation efforts restore the mauka to makai health of the aquifer. Our precious aquifer not only provides drinking water to hundreds of thousands of Honolulu's residents, but is also critical for the environment under the stewardship of the Department.

~~While the Department appreciates the intent of this bill to create the Red Hill a R~~emediation Special Fund, ~~the Department recommends an amendment to this bill clarifying that the cost of the actual remediation of the aquifer (i.e. pumping and treating water) should be borne by the U.S. Navy.~~ The Department supports the use of the Red Hill Special Remediation Fund ~~fund~~ for monitoring, applied research, public outreach and education, and evaluation.

The Department further supports the creation of the three full-time positions within the [Office of the Chairperson for the WAI policy coordination](#).

Thank you for the opportunity to testify in strong support of this measure.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Finance
Monday, February 26, 2024 at 3:30 p.m.

By

Vassilis L. Syrmos, Vice President for Research and Innovation
University of Hawai'i System

HB 2690 HD1 – RELATING TO WATER

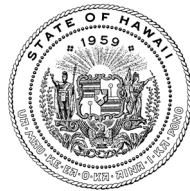
Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The University of Hawai'i (UH) is in support of HB 2690 HD1.

While the imminent threat of future leaks has been minimized through the defueling of the Red Hill Bulk Fuel Storage Facility, years of clean up, monitoring, research and policy making will be needed for remediation of the aquifer and the surrounding ecosystem. This will require proper coordination between DLNR, the Department of Health, Honolulu Board of Water Supply, U.S. Navy, Environmental Protection Agency, UH, community organizations, and other state, federal and county agencies.

This measure seeks to establish a Red Hill Water Alliance Initiative (Red Hill WAI) policy coordinator in the Department of Land and Natural Resources (DLNR) and creates a Red Hill remediation special fund. The Red Hill WAI coordinator and related positions are critical to this effort and the remediation special fund will enable this group to facilitate the necessary efforts in monitoring, research, remediation, public outreach and education, and evaluation.

Thank you for the opportunity to testify in support of this measure.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 2690, H.D. 1

February 26, 2024
3:30 p.m.
Room 308 and Videoconference

RELATING TO WATER

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 2690, H.D. 1: 1) establishes the Red Hill Water Alliance Initiative (WAI) policy coordinator and two other exempt positions within the Department of Land and Natural Resources to coordinate Red Hill WAI initiatives; 2) creates the Red Hill Remediation Special Fund (RHRSF) that would generate revenues through legislative appropriations, gifts, donations, grants, and interest for remediation efforts; and 3) appropriates an unspecified sum of general funds for FY 25 for the positions and monitoring of the Red Hill Bulk Storage Facility area. No special funds are appropriated in the bill.

As a matter of general policy, the department does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought

and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining.

Regarding H.B. No. 2690, H.D. 1, it is difficult to determine whether the proposed RHRSF would be self-sustaining.

Thank you for your consideration of our comments.

BOARD OF WATER SUPPLY
KA 'OIHANA WAI
CITY AND COUNTY OF HONOLULU

630 SOUTH BERETANIA STREET • HONOLULU, HAWAII 96843
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RICK BLANGIARDI
MAYOR
MEIA

ERNEST Y. W. LAU, P.E.
MANAGER AND CHIEF ENGINEER
MANAKIA A ME KAHU WILIKI

ERWIN KAWATA
DEPUTY MANAGER
HOPE MANAKIA



NĀ'ĀLEHU ANTHONY, Chair
KAPUA SPROAT, Vice Chair
BRYAN P. ANDAYA
JONATHAN KANESHIRO
EDWIN H. SNIFFEN, Ex-Officio
GENE C. ALBANO, P.E., Ex-Officio

February 26, 2024

The Honorable Kyle T. Yamashita, Chair
and Members
House Committee on Finance
Hawaii State Capitol, Room 308
Honolulu, Hawaii 96813

Dear Chair Yamashita and Members:

Subject: House Bill 2690, HD1: Relating to Water

The Honolulu Board of Water Supply (BWS) is in strong support of House Bill (HB) 2690, House Draft (HD) 1. The purpose of the bill is to add a new chapter in Hawaii Revised Statutes (HRS) to establish within the Department of Land and Natural Resources (DLNR) a policy lead and coordinator for the Red Hill Water Alliance Initiative (WAI) outlined in the November 2023 report.

It is important that we look at establishing government structures that can help to oversee the remediation needs after the defueling of the tanks and removal of residual fuel and contaminants from the Red Hill Bulk Fuel Storage Facility (Red Hill Facility) in the long term, as this effort can extend well into the future. This bill also establishes a special fund to be administered by the WAI coordinator and be able to receive federal funds.

As written, the bill proposes to have the WAI coordinator submit to the Legislature by December 1, 2024, a report regarding the potential organizational structure, responsibilities, duties, and powers of a proposed Red Hill Remediation Authority, based on the provisions of HB 2691, introduced during the Regular Session of 2024, as a starting point. The WAI policy coordinator may also be required to interface with federal entities on the WAI initiatives outlined in the November 2023 report, to seek federal and outside funding for the remediation of the contamination resulting from the Red Hill Fuel Facility. The duties of the coordinator will serve to

The Honorable Kyle T. Yamashita, Chair
and Members
February 26, 2024
Page 2

develop and maintain a public-facing test results dashboard describing the significance of results from the State and City and County of Honolulu, as part of a broader public education program.

Thank you for the opportunity to testify in strong support HB 2690, HD 1.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Ernest Y. W. Lau".

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

A small, stylized handwritten mark or signature element.



TESTIMONY FROM THE DEMOCRATIC PARTY OF HAWAII

HOUSE COMMITTEE ON FINANCE

FEBRUARY 26, 2024

HB 2690, HD1, RELATING TO WATER

POSITION: SUPPORT

The Democratic Party of Hawai'i **supports** HB 2690, HD1, relating to water. In 2022, delegates to the Democratic Party of Hawai'i's State Convention adopted resolution 2022-11, demanding that the Red Hill fuel tanks and piping infrastructure be expeditiously decommissioned and that new monitoring and exploratory wells be immediately developed.

Ola i ka wai. Water is life.

The United States Navy's Red Hill Bulk Fuel Storage Facility consists of 20 steel-lined underground storage tanks that were built from 1940 to 1943, each of which can store 12.5 million gallons of fuel. In total, the Red Hill Bulk Fuel Storage Facility can store up to 250 million gallons of fuel. The tanks are located only about 100 feet above the United States Environmental Protection Agency's designated sole-source groundwater aquifer that provides drinking water to approximately 4,000 residents of the island of O'ahu.

Over the past eighty years, numerous spills have occurred at Red Hill. Most dramatically, on November 20, 2021, about 93,000 individuals served by the Navy's potable water system for Joint Base Pearl Harbor-Hickam were directly affected when the Navy's Red Hill shaft was contaminated by the release of up to 19,000 gallons of fuel, including JP-5 jet fuel, older fuels stored at the Red Hill Bulk

Fuel Storage Facility, and any additives used. Over 6,000 individuals sought medical attention, and 1,000 were forced to leave their homes due to the contamination. Much of the fuel released from the Red Hill Bulk Fuel Storage Facility remains in the environment, trapped within the complex geological formations that surround the tanks. Notably, this leak also caused the restriction and diversion of Honolulu's water sources to cover losses from contaminated fuel, temporarily endangering the ability of the state and the county to perform vital public services, such as increasing the supply of affordable housing.

Subsequently, On May 9, 2023, officials from the state and City and County of Honolulu signed a unified statement on Red Hill, recognizing the stewardship responsibility to ensure that there is clean water on Oahu for future generations. The Red Hill Water Alliance Initiative (WAI), a working group, met regularly in 2023 after the signing of the unified statement, posing questions, conducting research, listening to subject-matter experts, and formulating policy recommendations to address the Red Hill contamination and prevent future leaks. The working group strived to preserve and protect public trust resources, including water resources that are essential for life to flourish in our island home.

Members of the Red Hill WAI working group focused on the remediation needs after the defueling of the tanks and removal of residual fuel and contaminants from the Red Hill Bulk Fuel Storage Facility. The working group expressed ongoing concerns about fuel contaminants already in the ground, as well as the residual supply of fuel plume in local aquifers because of the spill that occurred on November 20, 2021. The group found that there may be as many as 1,940,000 gallons of fuel constituents in the ground that have leaked or spilled over eight decades. Accordingly, the group believes that remediation is necessary for the future well-being of the aquifer to contain the risk to current and future water sources, including the Halawa Shaft, Halawa wells, and Aiea wells; the water distribution system; and local ecosystems. For the sake of the public trust and future generations of Hawai'i's people, we must adopt the recommendations of the Red Hill WAI working group and empower their important work to continue.

Mahalo nui loa,

Kris Coffield

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Abby Simmons

Co-Chair, Legislative Committee
(808) 352-6818
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SIERRA CLUB OF HAWAI'I

HOUSE COMMITTEE ON FINANCE

February 26, 2024

3:30 PM

Conference Room 308

In **SUPPORT WITH AMENDMENTS** of **HB2690 HD1**: RELATING TO WATER

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

On behalf of our over 20,000 members and supporters, the Sierra Club of Hawai'i **SUPPORTS WITH AMENDMENTS** HB2690 HD1. The Sierra Club appreciates and supports the intent to institutionalize the Red Hill Water Alliance Initiative's (WAI's) commitment to fully remediate our 'āina and wai; however, **the lessons of the last decade demand much greater safeguards against the potential for political interference by the U.S. military and its benefactors over the ensuing decades, that will otherwise frustrate this measure's goals.**

The Sierra Club commends the Red Hill WAI for its members' explicit commitment to ensuring the full remediation of our 'āina and wai from the release of up to 2 million gallons of fuel and other toxic substances from the Navy's Red Hill Bulk Fuel Underground Storage Facility. The Sierra Club also appreciates that the establishment of a governmental entity, as proposed by this measure, may be necessary to track and hold the Navy accountable for cleaning up its contamination of our island, particularly in light of the reality that it will take decades for full remediation to be achieved.

However, because of this lengthy remediation timeline – which will extend well beyond the tenure and even potential lifetimes of the Red Hill WAI's members – substantial amendments to this measure will be necessary to avoid the same political pitfalls that have led to the contamination of our aquifer and the poisoning of thousands of O'ahu residents. **The Sierra Club urges the members of the Committee to reflect upon the multiple missed opportunities that arose over the last ten years, that could have prevented our current water crisis – and to recognize that the U.S. military's political influence and willingness to deceive local and national elected officials as well as the general public contributed to our government's failure to protect our island and our people, until this crisis began.**¹ Unless precautions are taken to ensure

¹ For example, the responses of multiple administrations illustrate the unwillingness or inability of local political leaders to hold the Navy accountable, almost certainly due to the military's influence. After the reported release of 27,000 gallons of fuel from the Red Hill facility in 2014, Governor Abercrombie's administration negotiated a largely toothless "Administrative Order on Consent" (AOC) that surrendered ultimate decisionmaking authority over the Navy's response to the federal government in Washington D.C. Over the next six years, Governor Ige's administration did little to hold the Navy accountable to the AOC, which still remains largely unfulfilled – frustrating our current efforts to track and contain the contamination plume in our aquifer. Governor Ige's administration further failed to uphold state law and require the U.S.

the political insulation of any government entity tasked with implementing the Red Hill WAI's goals over the ensuing decades, such an entity will be unable to achieve these objectives, and will fail to hold the U.S. Navy accountable to its responsibility to fully clean up its mess.

Accordingly, the Sierra Club of Hawai'i strongly urges the Committee to include the following amendments to these measures:

First, any government staff tasked with implementing the Red Hill WAI's goals, such as the WAI Policy Coordinator proposed under HB2690 HD1, should be placed under a multi-member board, such as the Remediation Authority described in HB2691. Placing a WAI Policy Coordinator or other staff under the Chair of the Department of Land and Natural Resources, as proposed in HB2690 HD1, will only subject them to the influence of a politically-invested Office of the Governor, which the last decade has demonstrated is highly deferential to the U.S. military's desires. **It is absolutely critical to have any such staff answer to a multi-member board, rather than a political appointee of the Governor.**

Second, any such board should not be dominated by appointees of the Governor. **A majority of voting board members should be selected by independent organizations that represent the Hawai'i community, which has been and will continue to be a driving force for true accountability to our island, our people, and our future.** Such organizations could include organizations such as: the Honolulu Board of Water Supply, the Office of Hawaiian Affairs, the Association of Hawaiian Civic Clubs, the University of Hawai'i Water Resources Research Center, and the Sierra Club of Hawai'i.

Third, staff tasked with carrying out the Red Hill WAI's goals should have the skills and expertise relevant to achieving these goals, to enable them to objectively analyze and respond to potentially biased actions and responses by the U.S. Navy. This could include experts in environmental remediation, public relations, federal funding pathways, and community organizing.

Finally, any Red Hill remediation special fund should include provisions to support non-governmental education and organizing efforts as an essential ingredient in achieving true accountability.

Navy to apply for an underground storage tank permit, until the Sierra Club of Hawai'i sued the Department of Health twice, in 2017 and 2019. Governor Ige also failed to call for the shutdown of the Red Hill Facility even after the catastrophic 2021 release, citing his belief that the military "is a vibrant part in our economy." Current Governor Green has also repeatedly made false claims regarding the status of the Facility's defueling, praising the efforts of the U.S. Navy even as O'ahu continues to struggle with the loss of our major drinking water shaft and while hundreds of individuals, including children, continue to report ongoing medical issues and financial instability.

A draft proposed HB2690 HD2 implementing the above recommendations is included below for the Committee's reference and convenience.

Accordingly, the Sierra Club of Hawai'i respectfully but strongly urges the Committee to **PASS WITH AMENDMENTS** HB2690 HD1. Mahalo nui for the opportunity to testify.

1 Oahu. Over the past eighty years, numerous spills have occurred
2 at Red Hill.

3 This history of spills includes a release of twenty-seven
4 thousand gallons that took place between December 2013 and
5 January 2014, eventually leading to a 2015 administrative order
6 on consent between the U.S. Navy, the U.S. Environmental
7 Protection Agency, and the Hawai'i department of health. As of
8 January 2024, numerous commitments under the administrative
9 order on consent remained unfulfilled: notably, the U.S. Navy
10 has neither completed a working groundwater flow model nor
11 contaminant fate and transport model; a full risk assessment was
12 never completed; and a tank upgrade alternatives analysis has
13 never been accepted by regulators.

14 Despite Navy admissions that eight out of fourteen of the
15 underground storage tanks containing fuel as of February 2021
16 had not been inspected in over twenty years, with three of these
17 tanks not having been inspected in over thirty eight years;
18 destructive testing revealing that the Navy's tank inspection
19 process inaccurately assessed the integrity of a tank's steel
20 liner in four out of ten instances; and an incomplete risk
21 assessment that concluded there to be an "expected," chronic
22 release rate of fifty thousand gallons of fuel per decade, and
23 an eighty per cent chance of up to thirty thousand gallons of
24 fuel being released in any five year period; the U.S. Navy

1 continued to assert that its Red Hill facility was safe, and, as
2 of February 8, 2021, that its "Red Hill Bulk Fuel Facility is
3 not only well maintained and operated, but also uses the best
4 available technology to inspect and maintain the fuel tanks.
5 These safety factors meet and exceed industry and regulatory
6 standards."

7 These assurances, as confirmed in a 2022 report by Simpson,
8 Gumpertz & Heger, Inc., commissioned by the U.S. Navy, were
9 patently false. The report found, as described by the Hawai'i
10 department of health, that "major structural repairs are needed
11 for the piping and distribution system to enable safe defueling"
12 and that "[t]he necessary repairs will be extensive, involving
13 the entire distribution system from Red Hill to the Pearl Harbor
14 waters."

15 More recently, on November 20, 2021, about ninety-three
16 thousand individuals served by the Navy's potable water system
17 for Joint Base Pearl Harbor-Hickam were directly affected when
18 the Navy's Red Hill shaft was contaminated by the release of up
19 to nineteen thousand gallons of fuel, including JP-5 jet fuel,
20 older fuels stored at the Red Hill Bulk Fuel Storage Facility,
21 and any additives used. Over six thousand individuals sought
22 medical attention, and one thousand were forced to leave their
23 homes due to the contamination. One year later, on November 29,
24 2022, approximately one thousand three hundred gallons of

1 aqueous fire-fighting foam concentrate containing per- and poly-
2 fluoroalkyl substances, or "forever chemicals," were
3 accidentally released from the facility; little is known
4 regarding the success of the Navy's ad-hoc clean up efforts,
5 although storm conditions suggest that these "forever chemicals"
6 may have spread across the landscape and into the ground. Much
7 of the fuel and other toxic chemicals released from the Red Hill
8 Bulk Fuel Storage Facility remains in the environment, trapped
9 within the complex geological formations beneath and near the
10 tanks.

11 The legislature finds that the 2021 fuel release, which has
12 plunged O'ahu into a crisis that may take years to recover from,
13 is in many ways the result of the political influence and active
14 deception by the U.S. Navy and its representatives over the past
15 ten years. Multiple administrations, persuaded by the Navy's
16 false assurances, failed to take actions that may have avoided
17 our current water crisis. The legislature therefore acknowledges
18 that strong protective mechanisms are necessary to minimize the
19 potential for political influence and deception that could
20 frustrate efforts to hold the Navy and federal government
21 accountable for the full remediation of our aquifer and
22 environment over the ensuing decades.

23 The legislature further finds that on May 9, 2023,
24 officials from the State and city and county of Honolulu signed

1 a unified statement on Red Hill, recognizing the stewardship
2 responsibility to ensure that there is clean water on O'ahu for
3 future generations. The Red Hill Water Alliance Initiative
4 (WAI), a governmental working group, met regularly in 2023 since
5 the signing of the unified statement. The Red Hill WAI posed
6 questions, conducted research, listened to subject-matter
7 experts, and formulated recommended policies.

8 The legislature also finds that the Red Hill WAI's approach
9 of total stewardship responsibility required a stance of
10 extending beyond statutory roles, specific responsibilities,
11 tenure in those roles, and even personal lifetimes. Its inquiry
12 included the pursuit of critical questions for which there may
13 currently be no answers. Thus, the pursuit of those answers is
14 part of the ongoing work.

15 The legislature notes that besides its regulatory functions
16 under federal and state environmental laws, the State also has
17 unique public trust responsibilities set forth in the Hawai'i
18 State Constitution, which establishes an affirmative duty of the
19 State to preserve and protect public trust resources, including
20 water resources.

21 The legislature additionally finds that the focus of the
22 Red Hill WAI's inquiry is the remediation needs after the
23 defueling of the tanks and removal of residual fuel and
24 contaminants from the Red Hill Bulk Fuel Storage Facility. In

1 particular, the Red Hill WAI is concerned with the unknowns
2 posed by fuel and other contaminants, including per- and poly-
3 fluoroalkyl substances already in the ground, as well as the
4 residuals of the fuel plume in the aquifer as a result of the
5 spill that occurred on November 20, 2021. In fact, there may be
6 as many as 1,940,000 gallons of fuel constituents in the ground
7 that have leaked or spilled over eight decades. Pursuant to a
8 proactive approach, the Red Hill WAI seeks to describe the
9 remediation it believes necessary for the future well-being of
10 the aquifer in which there is a negligible risk to current and
11 future water sources, including the Hālawā Shaft, Hālawā wells,
12 and 'Aiea wells; the water distribution system; and the
13 ecosystem, including springs, streams, and nearshore waters.

14 After much diligent work, the Red Hill WAI issued a public
15 report in November 2023 that set forth its findings and
16 recommendations. Some of the recommendations can only be
17 addressed by the federal government, while other recommendations
18 can be undertaken by the State and city and county of
19 Honolulu. Moreover, the legislature finds that there must be no
20 delay in adopting the recommendations of the Red Hill WAI,
21 especially those that can be implemented at the state and county
22 levels.

23 Therefore, the purpose of this chapter is to:

- 1 (1) Establish the Red Hill remediation authority, to
2 include representatives selected by independent
3 governmental and non-governmental entities;
- 4 (2) Provide the authority with staff with relevant skills
5 and expertise to pursue the full remediation of our
6 environment; and
- 7 (3) Create the Red Hill remediation special fund.

8 § -2 **Definitions.** As used in this chapter, unless a
9 different meaning is plainly required by the context:

10 "Authority" means the Red Hill remediation authority.

11 "Board of directors" means the board of directors of the
12 Red Hill remediation authority.

13 "Red Hill Water Alliance Initiative" means the group of
14 individuals composed of the governor, speaker of the house of
15 representatives, president of the senate, chairperson of the
16 board of land and natural resources and commission on water
17 resource management, president of the University of Hawaii,
18 mayor of the city and county of Honolulu, chairperson of the
19 Honolulu city council, and manager and chief engineer of the
20 Honolulu board of water supply that issued a public report in
21 November 2023 concerning the remediation of Red Hill following
22 the defueling of the Red Hill Bulk Fuel Storage Facility.

23 "Special fund" means the Red Hill remediation special fund.

1 § -3 **Red Hill remediation authority.** (a) There is
2 established the Red Hill remediation authority, which shall be a
3 body corporate and public instrumentality of the State for the
4 purpose of implementing this chapter; provided that section 26-
5 35 shall not apply to the authority. The authority shall:

6 (1) Facilitate and oversee the remediation of
7 contamination resulting from the Red Hill Bulk Fuel
8 Storage Facility and on other WAI initiatives outlined
9 in the WAI's November 2023 report;

10 (2) Interface with federal entities;

11 (3) Periodically and regularly review:

12 (A) The health status of the ecosystem; and

13 (B) The state of science and opportunities for
14 remediation and rehabilitation;

15 (4) Develop and maintain a public-facing test results
16 dashboard describing the significance of results from
17 the State and city and county of Honolulu, as part of
18 a broader public education program; and

19 (5) Coordinate the implementation of a public information,
20 education, and engagement program to describe, inform,
21 and educate the general public and institutions on the
22 post-defueling remediation phases for Red Hill to
23 restore public trust, secure public support, foster

1 community-based advocacy around remediation efforts,
2 and address health and environmental concerns; and

3 (6) Engage in direct implementation, as appropriate.

4 (b) The authority shall be administratively attached to
5 the department of land and natural resources and governed by a
6 board of directors. All initial members of the authority who
7 are to be appointed shall be appointed no later than January 1,
8 2025.

9 (c) The board of directors shall consist of nine voting
10 members, who shall serve staggered four-year terms. The board of
11 directors shall select among its members a chairperson of the
12 board, to facilitate the convening of meetings and the
13 implementation of the board of director's responsibilities and
14 powers.

15 (d) Five voting members of the board of directors shall be
16 appointed by the following organizations:

17 (1) The Honolulu board of water supply;

18 (2) The Office of Hawaiian Affairs;

19 (3) The Association of Hawaiian Civic Clubs;

20 (4) The director of the Water Resources Research Center at
21 the University of Hawai'i; and

22 (5) The Sierra Club of Hawai'i.

23 (e) Four voting members of the board of directors shall
24 represent the following government entities:

- 1 (1) The chairperson of the board of land and natural
2 resources, or the chairperson's designee;
- 3 (2) The chairperson of the Honolulu city council, or the
4 chairperson's designee;
- 5 (3) The mayor of the city and county of Honolulu, or the
6 mayor's designee; and
- 7 (4) The manager and chief engineer of the Honolulu board
8 of water supply, or the manager and chief engineer's
9 designee.

10 (f) The members of the board of directors shall serve
11 without compensation but shall be reimbursed for expenses,
12 including travel expenses:

13 (1) For authority-related business, as approved by the
14 authority; and

15 (2) Necessary for the performance of their duties.

16 (g) The five community members identified in subsection
17 (d) and the four ex officio members identified in subsection (e)
18 shall appoint an executive director, who shall serve at the
19 pleasure of the board of directors.

20 The executive director shall:

21 (1) Administer and implement, under the direction of the
22 board of directors, all rules and directives adopted
23 by the authority;

- 1 (2) Hire staff or contract with professional service
2 providers with relevant skills and expertise; and
3 (3) Be exempt from chapter 76.

4 The salary of the executive director shall be subject to
5 section 26-53.

6 (h) The board of directors shall invite the following to
7 serve as ex officio, nonvoting members of the board of
8 directors:

9 (1) A representative of the United States Department of
10 Defense designated by the Department of Defense; and

11 (2) A representative of military families.

12 (i) In addition to the members listed in subsections (d),
13 (e), and (h), the board of directors may request the nonvoting
14 participation or input of members of the public; subject-matter
15 experts; county, state, or federal officials; and other
16 individuals, as necessary.

17 § -4 **Powers and duties.** Except as otherwise limited by
18 this chapter, the authority may:

19 (1) Make and execute contracts, leases, and all other
20 instruments necessary or convenient for the exercise
21 of its powers and functions under this chapter;

22 (2) Make and alter bylaws for its organization and
23 internal management;

- 1 (3) Adopt rules pursuant to chapter 91 for the purposes of
2 this chapter;
- 3 (4) Conduct meetings in accordance with chapter 92 for the
4 purposes of this chapter;
- 5 (5) Appoint officers, agents, and employees who may be
6 exempt from chapter 76, prescribe their duties and
7 qualifications, and fix their salaries;
- 8 (6) Engage the services of consultants on a contractual
9 basis for rendering professional and technical
10 assistance and advice;
- 11 (7) Procure insurance against any loss in connection with
12 its property and other assets and operations in
13 amounts and from insurers as it deems desirable;
- 14 (8) Contract for, accept, hold, or expend gifts or grants
15 in any form from any public agency or from any other
16 source;
- 17 (9) Adopt rules governing the procurement and purchase of
18 goods, services, and construction, not subject to the
19 requirements of chapter 103D;
- 20 (10) Enter into cooperative agreements, easements,
21 subleases, or other contracts, as necessary, with any
22 state agency, county agency, or private landowner;
- 23 (11) Contract for executive and administrative employee
24 services;

- 1 (12) Call upon the attorney general for legal services or
2 employ its own counsel in conformity with section 28-
3 8.3;
- 4 (13) Accept donations, grants, bequests, and devises of
5 money, property, services, or other things of value
6 that may be received from the United States or any
7 agency thereof, any governmental agency, or any public
8 or private institution, person, firm, or corporation,
9 to be held, used, or applied for any or all of the
10 purposes specified in this chapter;
- 11 (14) Establish and maintain a website that includes a
12 mission statement and access to related actions,
13 plans, reports, studies, policies, and results; and
- 14 (15) Do any and all things necessary to carry out its
15 purposes and exercise the powers granted in this
16 chapter.

17 § -5 **Red Hill remediation special fund.** (a) There is
18 established in the state treasury the Red Hill remediation
19 special fund into which shall be deposited the following moneys:

20 (1) Appropriations by the legislature to the special fund;

21 (2) Gifts, donations, and grants from public agencies,
22 including the United States government, and private
23 persons; and

1 (3) All interest earned on or accrued to moneys deposited
2 in the special fund.

3 (b) The special fund shall be administered by the
4 authority.

5 (c) The moneys in the special fund shall be used solely
6 for the remediation of contamination resulting from the Red Hill
7 Bulk Fuel Storage Facility, including monitoring, applied
8 research, remediation, public outreach and education and
9 engagement, and evaluation.

10 § -6 **Cooperation by state and county agencies.** All
11 state and county agencies shall provide all information and data
12 requested by the authority within thirty calendar days; provided
13 that the authority may, in its discretion, set a longer
14 deadline.

15 § -7 **Report.** The authority shall submit a report of its
16 activities and expenditures to the legislature, governor, and
17 mayor and city council of the city and county of Honolulu no
18 later than December 1 of each year, beginning in 2026."

19 PART II

20 SECTION 2. The following positions, which shall be exempt
21 from chapter 76, Hawaii Revised Statutes, are established under
22 the authority for the purposes of Red Hill WAI policy
23 coordination and implementation:

24 (1) One full-time equivalent (1.0 FTE) executive director;

- 1 (2) One full-time equivalent (1.0 FTE) community and
2 government outreach coordinator;
- 3 (3) One full-time equivalent (1.0 FTE) administrative
4 assistant;
- 5 (4) One full-time equivalent (1.0 FTE) environmental
6 remediation specialist;
- 7 (5) One full-time equivalent (1.0 FTE) community
8 organizer; and
- 9 (6) One half-time equivalent (0.5 FTE) grantwriter.

10 SECTION 3. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$ or so
12 much thereof as may be necessary for fiscal year 2024-2025 for
13 the positions identified in section 3 of this Act.

14 The sum appropriated shall be expended by the authority for
15 the purposes of this Act.

16 SECTION 4. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$ or so
18 much thereof as may be necessary for fiscal year 2024-2025 for
19 ecosystem monitoring of the area surrounding the Red Hill Bulk
20 Fuel Storage Facility by the authority.

21 The sum appropriated shall be expended by the authority for
22 the purposes of this Act.

1 SECTION 5. In accordance with section 9 of article VII of
2 the Hawaii State Constitution and sections 37-91 and 37-93,
3 Hawaii Revised Statutes, the legislature has determined that the
4 appropriations contained in H.B. No. , will cause the state
5 general fund expenditure ceiling for fiscal year 2024-2025 to be
6 exceeded by \$ or per cent. In addition, the
7 appropriations contained in this Act will cause the general fund
8 expenditure ceiling for fiscal year 2024-2025 to be further
9 exceeded by \$ or per cent. The combined total
10 amount of general fund appropriations contained in only these
11 two Acts will cause the state general fund expenditure ceiling
12 for fiscal year 2024-2025 to be exceeded by
13 \$ or per cent. The reasons for exceeding the
14 general fund expenditure ceiling are that:

- 15 (1) The appropriations made in this Act are necessary to
16 serve the public interest; and
17 (2) The appropriations made in this Act meet the needs
18 addressed by this Act.

19 SECTION 6. This Act shall take effect upon its approval.

HB-2690-HD-1

Submitted on: 2/25/2024 3:35:18 PM

Testimony for FIN on 2/26/2024 3:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Sherry Pollack	Individual	Comments	Written Testimony Only

Comments:

It is critical we ensure that steps are taken for the full remediation of our lands and waters contaminated by the Navy's Red Hill Bulk Fuel Storage Facility.

I strongly urge you to amend this measure with the following recommendations:

--Ensure that the entity working on this is adequately insulated from the military's political influence over Hawai'i's executive and legislative branches, which led to the governmental inaction that contributed to the poisoning of our 'āina and wai. As it will take decades to fully remediate the contamination from the Red Hill facility, failing to do so will inevitably allow the Navy to exert its influence to excuse its inactions and ultimately evade the accountability these measures seek.

--Any remediation entity should be governed by a board where the majority of its members are appointed by appropriately independent organizations with a vested interest in the integrity of our 'āina and wai. For example, the Honolulu Board of Water Supply, the Association of Hawaiian Civic Clubs, the Office of Hawaiian Affairs, the University of Hawai'i Water Resources Research Center, and the Sierra Club of Hawai'i, and/or other appropriate entities, could and should be allowed to designate members of this board.

Mahalo for the opportunity to testify.