



LAND USE RESEARCH
FOUNDATION OF HAWAII

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Senator Mike Gabbard, Chair and Senator J. Kalani English, Vice Chair
Committee on Energy & Environment

**Testimony of the Land Use Research Foundation of Hawaii in Support with
Comments to SB 699 Relating to the Office of Environmental Control (Creates a
special fund for OEQC and establishes filing fees.)**

Thursday, February 3, 2011 at 3:30 p.m. in CR 225

My name is David Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable and rational land use planning, legislation and regulation.

We appreciate the opportunity to provide our testimony regarding **SB 699**, which proposes to create an Environmental Review Special Fund (ERSF) for the Office of Environmental Quality Control (OEQC) and also proposes to establish filing fees, exemptions from filing fees and uses relating to the ERSF. LURF's position is as follows:

- **LURF believes that this bill is well-intended and supports the concept and purposes of the ERSF,**
- **However, LURF opposes SB 699 based on what appears to be the arbitrary fee schedule for review of environmental documents and the list for waiver of fees.**
- **We respectfully recommend that the issue of fees, waivers and the use of funding be addressed by a Resolution which establishes a Working Group of stakeholders in the environmental review process to make recommendations regarding the ERSF.**
- **LURF is willing to cooperate with the introducers of SB 699 to work toward a reasonable fee schedule, exemption or reduced fee list, priorities for use of ERSP funds that will assist OEQC in its mission.**

SB 699. This bill is proposing to create a special fund to assist the activities of OEQC, with part of the revenue from the implementation of filing fees. The fund will be called the environment review special fund which shall be deposited: all filing fees and other administrative fees collected by the office; (2) Moneys collected pursuant to section 341-B; (3) All accrued interest from the special fund; and (4) Moneys appropriated to the special fund

by the legislature. The proposed interim fee schedule, for state and county agencies are as follows: (1) \$1,500 for a draft environmental assessment; (2) \$1,000 for a final environmental assessment; (3) \$500 for an environmental impact statement publication notice; (4) \$4,000 for a draft environmental impact statement; (5) \$3,000 for a final environmental impact statement; (6) \$500 for any supplemental environmental assessment; and (7) \$1,000 for any supplemental environmental impact statement. The bill also provides for a waiver criteria.

IMPORTANT QUESTIONS. Individual and groups who always claim to be acting in the public interest, always demand public involvement in public decision-making. Thus, the following are some questions which we believe should be answered before the ERSF is established.

- Who determined the fees, exemptions and uses of the funds?
- What specific facts and empirical data were considered in determining the setting of the fees, exemptions and uses for the funds
- What were the assumptions and analysis that went into the setting of the fees, exemptions and use of funds?
- Was there public consultation with stakeholders in the environmental review process, such as landowners, developers and others who will be required to pay the fees; professional firms and trade organizations which prepare environmental review documents?
- Can be ERSF be “raided” by the State Administration to balance its budget? If the funds are raided, does that mean that the proposed “uses” of the ERSF will not be fulfilled?

CONCLUSION. Based on the foregoing reasons, LURF is in **opposition of SB 699**, and we respectfully request that this **Committee hold this bill until a Working Group can be formed to provide recommendations relating to the ERSF.** We greatly appreciate the opportunity to present our testimony regarding this matter.