

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
WILLIAM J. AILA, JR.
Chairperson

Before the House Committee on
FINANCE

Friday, February 22, 2013
11:00 AM
State Capitol, Conference Room 308

In consideration of
HOUSE BILL 988, HOUSE DRAFT 1
RELATING TO NATIVE WILDLIFE

House Bill 988, House Draft 1 proposes to create a wildlife recovery and rehabilitation special fund within the Department of Land and Natural Resources (Department) and would deposit into this fund the first \$275,000 of annual revenues from the Environmental Response, Energy, and Food Security Tax on petroleum products. **The Department appreciates the intent of this bill but is concerned that this bill may be in conflict with the Administration measures, House Bill 857/Senate Bill 1088, that seek to reallocate the Environmental Response, Energy, and Food Security Tax toward sustained support for Hawaii's food, energy security, and environmental response agenda.** The Department defers to the beneficiary agencies to determine the impact House Bill 988, House Draft 1 will have on the Administration measures.

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ESTHER KIA'AINA
FIRST DEPUTY

WILLIAM M. TAM
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 BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 988, H.D. 1

February 22, 2013

RELATING TO NATIVE WILDLIFE

House Bill No. 988, H.D. 1, establishes the Wildlife Recovery and Rehabilitation Fund into which are deposited a portion of the State environmental response, energy, and food security tax; appropriations by the Legislature; all interest attributable to investment of money deposited in the fund and monies allotted to the fund from other sources. The special fund shall be used to support the operations of an environmental disaster standby and response facility in the State for the recovery and rehabilitation of native wildlife that are sickened, injured, or contaminated as a result of an oil or fuel-related disaster in the State.

The Department of Budget and Finance (B&F) appreciates the intent of the bill to assist native wildlife affected by oil and fuel-related disasters, and defers to the Department of Land and Natural Resources regarding the technical issues and merits of the bill. However, as a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3 of the HRS. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to House Bill

No. 988, H.D. 1, it is difficult to determine whether there is a clear nexus between the benefits sought and the source of funding, and whether the fund will be self-sustaining.

We encourage the Legislature to scrutinize the fiscal and operational plan for this program to ensure that it does conform to the requirements of Section 37-52.3, HRS.

NEIL ABERCROMBIE
GOVERNOR

SHAN TSUTSUI
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

FREDERICK D. PABLO
DIRECTOR OF TAXATION

JOSHUA WISCH
DEPUTY DIRECTOR

To: The Honorable Sylvia Luke, Chair
and Members of the House Committee on Finance

Date: Friday, February 22, 2013
Time: 11:00 A.M.
Place: Conference Room 308, State Capitol

From: Frederick D. Pablo, Director
Department of Taxation

Re: H.B. 988 H.D. 1, Relating to Native Wildlife

The Department of Taxation (Department) appreciates the intent of H.B. 988 H.D. 1 and provides the following information and comments for your consideration.

H.B. 988 H.D. 1 increases the environmental response, energy, and food security tax; creates a wildlife recovery and rehabilitation (WRR) special fund; and deposits the first \$275,000 of the tax into the new WRR special fund.

The Department recommends that the language allocating \$275,000 to the WRR special fund be modified such that the allocation language is similar to the other allocation provisions, but not to exceed \$275, 000.

The Department also notes that a change in the tax rate will require changes to the current computer system. At this time, it will be difficult for the Department to implement the change by the bill's effective date (July 1, 2013). Instead, the Department requests that the effective date stated in Section 3 of the bill be changed to January 1, 2014.

The Department estimates that the annual revenue loss for FY 2014 and FY 2015 is \$275,000. For FY 2016 and after, the annual revenue gain would be \$251,000.

Thank you for the opportunity to provide comments.



HB988 HD1
RELATING TO NATIVE WILDLIFE
House Committee on Finance

February 22 2013

11:00 a.m.

Room 308

The Office of Hawaiian Affairs (OHA) **SUPPORTS** HB988 HD1, which would foster a greater level of state readiness to respond to impacts from oil or fuel-related disasters on our culturally and ecologically invaluable native wildlife, including our endangered and threatened native seabirds.

This bill is an insurance policy against environmental catastrophe and the permanent loss of natural and cultural resources. Hawai'i's nearly exclusive reliance on imported oil and petroleum for our energy needs necessarily requires the continuous transfer and storage of oil and other fuel products in our waters and coastal areas. Not surprisingly, the potential for spills of these hazardous substances has already been realized on multiple occasions over the last few decades.ⁱ While Hawai'i has been relatively fortunate with respect to the potential impacts from such incidents, it may be only a matter of time when Hawai'i must face the full economic and environmental consequences of our dependence on imported oil and fuel. The potential costs of such consequences, including the loss of culturally significant, endangered or threatened native birds and their habitat, counsel much greater investment in our capacity to respond to and mitigate the full range of impacts from oil- and fuel- related disasters.

By providing for a nominal, distributor-level tax on imported petroleum products, and earmarking these additional tax revenues for addressing impacts to native wildlife from oil and petroleum spills, this bill will ensure that the state is better prepared to recover and rehabilitate coastal wildlife that may be so impacted -- including what may be the last remaining colonies and habitats of our native, endangered and culturally cherished seabirds.ⁱⁱ

Therefore, OHA urges the Committee to **PASS** HB988 HD1. Mahalo for the opportunity to testify on this measure.

ⁱ On February 23, 1977, a crack in the hull of the Hawaiian Patriot resulted in the release of approximately 50,000 tonnes of crude oil in waters 300 miles west of Hawai'i, which fortunately was carried away from the islands by prevailing currents at the time. On March 2, 1989, the Exxon Houston spilled approximately 2,200 barrels of oil after breaking off from its mooring during offloading operations 0.7 miles off of Barber's Point. On May 14, 1996, a Chevron Product Company pipeline ruptured, releasing bunker fuel oil that moved throughout the East Loch of Pearl Harbor, fouling shorelines and closing harbors and vessel traffic throughout Pearl Harbor. On August 24,

1998, a hose failure during oil transfer operations to Tesoro's Oversea New York resulted in a spill of what was eventually estimated to be nearly 5,000 gallons of oil one-half mile off of Barber's Point, eventually coming ashore in the form of tarballs and oiled birds at Barking Sands, Polihale, Nukoli, Fiji, and Kīpukai beaches on the island of Kaua'i. Most recently, on May 19, 2006, Tesoro's Front Sunda released approximately 1,000 to 2,000 gallons of light crude oil 1.5 miles off of Barber's Point. See, e.g., International Tanker Owners Pollution Federation Limited, Case Histories: Hawaiian Patriot, <http://www.itopf.com/information-services/data-and-statistics/case-histories/hlist.html> (last accessed Jan. 29, 2013); NOAA National Ocean Service, Incident News: Exxon Houston, <http://www.incidentnews.gov/incident/6674> (last accessed Jan. 29, 2013); NOAA Damage Assessment, Restoration, and Remediation Program, Southwest Region, <http://www.darrp.noaa.gov/southwest/chevron/index.html> (last accessed Jan. 29, 2013); Helen Altonn, Oil Spill Recovery Halted, HONOLULU STAR-BULLETIN, May 21, 2006, available at <http://archives.starbulletin.com/2006/05/21/news/story04.html>.

ⁱⁱ The cultural importance of seabirds included their role in navigation, meteorology, craftwork, and in their spiritual and symbolic significance. See, e.g., Daniel Harrington, Seabirds of the Hawaiian Islands, in HAWAIIAN ENCYCLOPEDIA: A COMPREHENSIVE GUIDE TO THE HAWAIIAN ISLANDS HISTORY, CULTURE, NATIVE SPECIES, SCIENCE, <http://www.hawaiianencyclopedia.com/seabirds-of-the-hawaiian-island.asp> (last accessed February 6, 2013); see also CRAIG HARRISON, SEABIRDS OF HAWAII: NATURAL HISTORY AND CONSERVATION (1990).

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 21, 2013 4:34 PM
To: FINTestimony
Cc: mz@conservehi.org
Subject: Submitted testimony for HB988 on Feb 22, 2013 11:00AM

HB988

Submitted on: 2/21/2013

Testimony for FIN on Feb 22, 2013 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Marjorie Ziegler	Conservation Council for Hawai'i	Support	No

Comments: Conservation Council for Hawai'i supports establishing the wildlife recovery and rehabilitation special fund to support the operations of the Hawaii Wildlife Center to respond to oil and fuel-related disasters affecting native wildlife. We must be prepared to care for Hawaii's 15 million seabirds, shorebirds, and water birds in the advent of an oil spill or other wildlife related disaster. HB 988 HD 1 will have an immediate effect, ensuring that a permitted, professionally staffed, state-of-the-art facility is fully prepared to respond to any spill event and help to satisfy the statutory responsibility of the state and federal government.<<

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: FUEL, Environmental response, energy and food security tax; disposition to wildlife recovery and rehabilitation special fund

BILL NUMBER: HB 988, HD-1

INTRODUCED BY: Committees on Water & Land and Energy & Environmental Protection

BRIEF SUMMARY: Amends HRS section 243-3.5 to increase the environmental response, energy and food security tax from \$1.05 to \$___ and provides that of the tax collected, the first \$275,000 shall be deposited into the wildlife recovery and rehabilitation special fund.

On July 1, 2015, amends HRS section 243-3.5 to increase the state environmental response tax from 5 cents per barrel to 7 cents per barrel and provides that of the tax collected, the first \$275,000 shall be deposited into the wildlife recovery and rehabilitation special fund.

Adds a new section to HRS chapter 195D to establish the wildlife recovery and rehabilitation special fund which shall be expended by the department of land and natural resources to support the operations of an environmental disaster standby and response facility in the state that shall be responsible for the recovery and rehabilitation of native wildlife that are sickened, injured, or contaminated as a result of an oil or fuel-related disaster.

EFFECTIVE DATE: July 1, 2013

STAFF COMMENTS: The legislature by Act 300, SLH 1993, enacted an environmental response tax of 5 cents per barrel on petroleum products sold by a distributor to any retail dealer or end user. The intent of the original nickel per barrel was to build up an emergency fund so that the state would have the financial resources to address an oil spill that threatened to damage the Islands' shorelines. Over the years, the activities for which the funds could be used expanded such that the fund was prevented from ever reaching the \$7 million cap that had been imposed by the original legislation.

The legislature by Act 73, SLH 2010, increased the amount of the tax to \$1.05 per barrel and provided that 5 cents of the tax shall be deposited into the environmental response revolving fund; 15 cents shall be deposited into the energy security special fund; 10 cents shall be deposited into the energy systems development special fund; 15 cents shall be deposited into the agricultural development and food security special fund; and the residual of 60 cents shall be deposited into the general fund between July 1, 2010 and June 30, 2015.

This measure increases the amount of the tax from \$1.05 to \$___ and proposes that first \$275,000 shall be deposited into the wildlife recovery and rehabilitation special fund. This increase is unacceptable when one remembers that the increase to \$1.05 was predicated on devoting the entire amount to energy self-sufficiency and food security. Taxpayers should feel insulted that the tax is being increased even more this year because the barrel tax is being used to bail out the state general fund,

letting lawmakers off the hook from making the cuts to state spending that are so critical if the ship of state is to be righted on its keel. Avoiding making those cuts in spending by raising hidden taxes, like the barrel tax, is less than honest as the tax is imposed on a transaction that is not seen by the average taxpayer. To merely up the tax to do what the original barrel tax proposal should have done is disingenuous and insincere.

It should be remembered that the environmental response tax was initially adopted for the purpose of setting up a reserve should an oil spill occur on the ocean waters that would affect Hawaii's shoreline. The nexus was between the oil importers and the possibility that a spill might occur as the oil product was being imported into the state. Now that the fund has become a cash cow, lawmakers have placed other responsibilities on the fund, including environmental protection and natural resource protection programs, such as energy conservation and alternative energy development, to address concerns related to air quality, global warming, clean water, polluted runoff, solid and hazardous waste, drinking water, and underground storage tanks, including support for the underground storage tank program of the department of health.

It should be noted that the enactment of the barrel tax for the environmental response revolving fund is the classic effort of getting one's foot in the door as it was initially enacted with a palatable and acceptable tax rate of 5 cents and subsequently increasing the tax rate once it was enacted which is what it has morphed into as evidenced by the \$1.05 tax rate. Because the tax is imposed at the front end of the product chain, the final consumer does not know that the higher cost of the product is due to the tax. Thus, there is little, if any, accountability between the lawmakers who enacted the tax and the vast majority of the public that ends up paying the tax albeit indirectly. Proponents ought to be ashamed that they are promoting a less than transparent tax increase in the burden on families all in the name of environmental protection and food security.

It should be remembered that the State Auditor has singled out the environmental response revolving fund as not meeting the criteria established and recommended that it be repealed. The Auditor criticized the use of such funds as they hide various sums of money from policymakers as they are not available for any other use and tend to be tacitly acknowledged in the budget process. More importantly, it should be recognized that it is not only the users of petroleum products who benefit from a cleaner environment, but it is the public who benefits. If this point can be accepted, then the public, as a whole, should be asked to pay for the clean up and preservation of the environment.

With the "toe in the door" this measure proposes to increase the tax rate for the environmental response portion of the tax from 5 cents to 7 cents and then earmark the first \$275,000 for wildlife recovery. So, one must ask, where is this going to stop? Add a program this year and next year will there be another effort to earmark more of the fee for another program?

Funds deposited into a special fund are not subject to close scrutiny as an assumption is made that such funds are self-sustaining. It should be remembered that earmarking of funds for a specific program represents poor public finance policy as it is difficult to determine the adequacy of the revenue source for the purposes of the program. To the extent that earmarking carves out revenues before policymakers can evaluate the appropriateness of the amount earmarked and spent, it removes the accountability for those funds. There is no reason why such programs should not compete for general funds like all other programs which benefit the community as a whole.

It should be noted that the measure to increase the environmental response, energy, and food security tax was vetoed by the governor and subsequently overridden by the legislature. The governor's message stated that the measure was vetoed "because it raises taxes on Hawaii residents and businesses by an estimated \$22 million per year at a time when the community cannot afford these taxes, and deceptively implies these funds will be used to address the state's dependence on imported fuel and food. This tax will impact virtually everything we do or use in Hawaii including electricity, gasoline, trucking, shipping, retail goods, food, and even the propane for our backyard barbeques. The impacts will ripple through our entire economic system. I am particularly concerned that the tax increase occurs at a precarious moment when the State economy is beginning to stabilize and progress out of the slump created by the global recession."

Rather than perpetuating the problems of the barrel tax, it should be repealed and all programs that are funded out of the environmental response fund should be funded through the general fund. At least program managers would then have to justify their need for these funds. By continuing to special fund these programs, it makes a statement that such programs are not a high priority for state government. This sort of proliferation of public programs needs to be checked as it appears to be growing out of hand and at the expense of the taxpayer.

For those lawmakers who promoted the dollar increase for energy self-sufficiency and food security, taxpayers should recognize that they deliberately misled the public and should be held accountable for their lack of integrity as the dollar increase went largely for shoring up the state general fund.

Digested 2/20/13

**TESTIMONY OF JASON UMEMOTO
IN SUPPORT OF H.B. 988 HD1
RELATING TO NATIVE WILDLIFE**

February 21, 2013

Re: HB 988 HD1 Hearing
Friday, February 22, 2013
11:00 a.m.
Conference Room 308
State Capitol
415 South Beretania Street

Chairperson Re. Sylvia Luke and Vice Chairpersons Rep. Scott Y. Nishimoto and Rep. Aaron Ling Johanson and members of the Committee on Finance:

I am in support of H.B. 988 HD1 relating to Native Wildlife.

I write as the Chairperson of the Board of Directors at the Hawaii Wildlife Center and as a concerned citizen, professionally involved with a private business in the landscape and environmental industry. I wish to express my professional and personal support for enacting the proposed bill to help establish a wildlife recovery and rehabilitation special fund to support the operations of a facility to respond to oil and fuel related disasters affecting native wildlife in the State..

Hawaiian wildlife species are among the most critically threatened species on the planet. Most of their habitats have been altered or destroyed by conversion for economic use and the introduction of non-native and invasive plants and animals. Our native wildlife species include those that can be found nowhere else (endemic) and those species that are found naturally in Hawaii and elsewhere (indigenous). Protection of these species is important and critical to their survival. However, equally important is how to address threats to native wildlife such oil spills, related contamination, disease and injury.

Although Hawaii has no offshore oil platforms, it receives more than 40 million barrels of petroleum oil and products each year, in nearly 700 tanker or tanker barge trips. Much of this oil is moved throughout the main islands in an extensive network of tanks and pipelines on Oahu and between the islands on many smaller vessels. Nearly 18,000 sea vessels travel within the islands, including longline fishing boats, commercial fishing vessels, Navy ships and submarines, cargo vessels, tugboats, and cruise liners. In excess of 12,000 pleasure and recreational craft also share these waters. In addition, oil can also impact native wildlife from other sources, such as bilge discharges at sea, transfer operations and onshore storage and refining.

In the recent past, we have seen the Exxon Houston grounded of Oahu in 1989 with 490,000 barrels of fuel on board and the Star Connecticut followed in 1990 with 250,000 barrels on board. Between 1900 and 1996, the Coast Guard's National Response Center recorded as average of 102 reported oil releases in Hawaii. There is clearly an ever present threat to our environment and native wildlife, every day from these activities that our economy and lifestyle depend upon.

Astonishingly, to date, no funds from the ERRF have been allocated to support wildlife

rehabilitation facilities, operations or staffing to rehabilitate wildlife affected by oil releases. It would be appropriate and prudent to direct a portion of the barrel tax revenues to support the spill-related activities of the HWC, consistent with HRS 128D

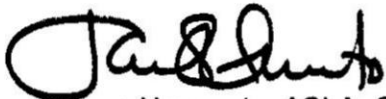
Therefore, I support establishing the wildlife recovery and rehabilitation special fund to support the operations of a facility in Hawaii to respond to oil and fuel-related disasters affecting native wildlife. We must ensure that there is an operational capacity to care for Hawaii's 15 million seabirds, shorebirds, and water birds in the event of an oil spill or other wildlife related disaster.

Listed below are reasons why it is important to support a wildlife rehabilitation center for the care and treatment of native Hawaiian wildlife affected by contamination, disease, and injury; and to provide for their subsequent release into the wild:

- \$275,000 is an extremely small amount when compared to the total sum collected from barrel taxes, but is much-needed and will have an immediate effect.
- \$275,000 is only half of operation costs of HWC. The other half will be raised through private fundraising.
- Nearly 700 oil tankers and over 18,000 other sea going vessels enter Hawaiian waters each year.
- There have been more than 100 documented vessel groundings and sinkings, including some that had released more oil than the Exxon Valdez.
- State and Federal governments have a statutory responsibility for the conservation of migratory birds and endangered species.
- We need to ensure that Hawaii will always have the necessary facilities, equipment, logistic support and trained staff ready to mount an effective spill response available at a moment's notice.
- Hawaii Wildlife Center possess a MOA with the Fish and Wildlife Service and State DLNR relating to oil spill response and serves as a designated spill responder facility in the Area Contingency Plan
- Revenues derived from the barrel tax are allocated to DOH, DBEDT, DOA and the general Fund. To date, none of these funds have been allocated to mitigate oil spill impacts to wildlife.

I urge you to support H.B. 988 HD1. Thank you for your time and consideration.

Very truly yours,



Jason Umamoto, ASLA, CLARB
President, Umamoto Cassandro Design
Chair, Board of Directors, Hawaii Wildlife Center



Hawai'i Wildlife Center
P.O. Box 551752 • Kapa'au, HI 96755



**TESTIMONY OF LINDA ELLIOTT,
PRESIDENT AND CENTER DIRECTOR
HAWAII WILDLIFE CENTER**

**PRESENTED TO THE
COMMITTEE ON FINANCE**

DATE: Friday, February 22, 2013

TIME: 11:00 a.m.

**PLACE: Conference Room 308
State Capitol, 415 South Beretania Street**

TESTIMONY IN SUPPORT OF HB 988 HD1, Relating to Native Wildlife

To the Honorable Sylvia Luke, Chair, Vice Chairs Scott Y. Nishimoto and Aaron Ling Johanson, and members of the Committee:

I am submitting testimony in support of HB988 HD1. Thank you for this opportunity to provide comment.

Hawaiian wildlife species are among the most critically threatened species on the planet. Most of their habitat has been altered or destroyed by conversion for economic use and by the introduction of non-native plants and animals. Mosquitoes transmitting avian malaria and pox have dramatically reduced the distribution of native forest birds. In addition, more than 15 million seabirds spend all or part of each year in the Hawaiian archipelago. Most are found on densely populated colonies where they are highly vulnerable to vessel groundings, pollutant spills and introduced species.

Hawaii receives more than 40 million barrels of petroleum products each year, in nearly 700 tanker trips. Much of this oil is moved throughout the main islands in an extensive network of tanks and pipelines on Oahu and between islands on many smaller vessels. Nearly 18,000 sea-going vessels travel within the islands, including commercial fishing vessels, Navy ships and submarines, cargo vessels, tugboats and cruise liners. Other sources of oil that impact wildlife include bilge discharges at sea, transfer operations and onshore storage and refining.

There have been more than 100 vessel groundings reported in the Hawaiian archipelago. We dodged the bullet in 1989 when *the Exxon Houston* grounded off Oahu with 490,000 barrels of

fuel on board and, in 1990, when the *Star Connecticut* grounded with 250,000 barrels on board, but sometimes we're not so lucky. When the *Hawaiian Patriot* sank west of Kauai in 1967 more than 715,000 barrels of fuel, nearly three times the Exxon Valdez spill, were released. A decade later, when the *Irene's Challenge* broke apart near Midway, nearly 240,000 barrels of crude oil were released. Closer to home, the barge *Hana* released 42,000 gallons of fuel off Oahu in 1987 and, in the same year, more than 127,000 gallons of jet fuel were released from a pipeline into Pearl Harbor.

State and Federal governments share statutory responsibility for the conservation of migratory birds and endangered species. This includes the requirement to respond to spills, or potential spills, of petroleum products and other contaminants. The agencies with lead roles in spill response include the Coast Guard, the US Fish and Wildlife Service and the State Department of Health and the State Department of Land and Natural Resources, all acting together through an Area Contingency Plan.

So, what does this have to do with the Hawaii Wildlife Center (HWC)?

Put simply, Hawai'i has been woefully unprepared to deal with the wildlife-related impacts of oil spill events and HWC has been designed and constructed to meet these challenges head on. HWC is the only facility in the State that meets all minimum requirements for this type of emergency response and native wildlife rehabilitation, and provides professional, state-of-the-art treatment for native Hawaiian wildlife affected by contamination, disease and injury.

HWC staff has the experience and capability to manage wildlife-related response, including assessment, training, mobilization, supervision, facilities management, wildlife capture, handling, stabilization and transportation. At the Center, staff will perform triage, assessment, stabilization, rehabilitation, husbandry, quarantine, hydration, feeding, cleaning, monitoring, recovery and release into the wild. The Center will also provide emergency response training for agency staff, interns, students and volunteers. The training will include wildlife identification, biology, capture, handling, stabilization, treatment, injury and illness recognition and translocation.

HWC has a Memorandum of Agreement between the Center, the Fish and Wildlife Service and the State Department of Land and Natural Resources. However, while this MOA will provide a framework for effective collaboration, it will not ensure that resources are available to keep the Center open and "ready for business."

We have been open for animal care since September 2012, and have already received 23 birds representing 9 different native species. In order to keep our critical services available to Hawai'i, we will need a predictable and consistent source of operational funding.

**Linda Elliott, President & Center Director – Linda@HawaiiWildlifeCenter.org
Hawai'i Wildlife Center, P.O. Box 551752, Kapa'au, HI 96755 – 808.884.5000 HawaiiWildlifeCenter.org**

Currently, revenues from the barrel tax (\$1.05/barrel) are split between DOH, DBEDT, DOA and the General Fund. The DOH share (\$.05) is directed into the Environmental Response Revolving Fund. Chapter 128D directs that barrel tax revenues be allocated for “oil spill planning, prevention, preparedness, education, research, training, removal and remediation.” To date, these revenues have been allocated to prepare for and support a physical spill response, but only minimal funds have been made available to prepare for and mitigate oil spill impacts to wildlife with no funds provided for the necessary oiled wildlife response facility.

We believe that a portion of the barrel tax revenue should be allocated to fund the HWC’s oiled wildlife response center operations relating to oil spill response and remediation.

\$275,000 is small amount when compared to the total revenue collected from the barrel tax, but is desperately needed to protect Hawai’i’s vulnerable wildlife. \$275,00 accounts for only half of our operational costs, but we are committed to raising the other half through private fundraising. In addition, should HB 857 be heard and considered favorably by the FIN committee we hope that HB988 HD1 be incorporated as it is critical to Hawai’i’s response capabilities.

HB988 HD1 will have an immediate effect, ensuring that a permitted, professionally staffed, state-of-the-art facility is fully prepared to respond to any spill event and help to satisfy the statutory responsibility of the State and Federal government. There is solid precedent for the use of state tax on barrels of oil to provide for oiled wildlife response staff, training programs, equipment, and even to operate wildlife response centers in states such as California, Alaska, Maine, and Washington.

Thank you for the opportunity to testify on this important matter.

**Testimony in support of H.B. 988 HD1
Presented to the Committee on Finance**

Aloha Chair Sylvia Luke, Vice Chairs Scott Y. Nishimoto and Aaron Ling Johanson,
and Committee members,

I am writing in support of H.B. 988 HD1.

I am the Development Coordinator at the Hawai'i Wildlife Center, but I am writing today to express my personal viewpoints about Hawai'i's native wildlife.

Hawai'i's native animals are special and I believe it is our *kuleana*, our responsibility, to protect them. I was born and raised in Hawai'i and it was the passion I developed for our native species that kept me tied to the islands. My desire to see our native species recover and flourish, in addition to the opportunity to work at the Hawai'i Wildlife Center, was what ultimately brought me back home to Hawai'i after receiving my undergraduate and graduate degrees on the mainland.

It is terrifying to think what would happen to our vulnerable native species should a disaster, natural or manmade, hit and we are not prepared. Many of our native species are found nowhere else in the world and once they die out, there is no getting them back. H.B. 988 HD1 provides a measure of protection for our native species by setting aside a small portion of funding for a wildlife recovery and rehabilitation special fund, without lessening the appropriated amounts to any of the other already-established funds. Hawai'i's native wildlife wins, no one loses.

Please support H.B. 988 HD1. As a biologist, I ask you to protect species that are a key part of our native ecosystems and biodiversity. As *kama'āina*, I ask you to protect the wonderfully unique and special wildlife that are close to the hearts of many here in Hawai'i.

Mahalo for the opportunity to testify.

Aloha,



Rae Okawa
Kapa'au, HI

Testimony of Cara Goodrich
Hospitality Advisor Volunteer
Hawaii Wildlife Center

TESTIMONY IN SUPPORT OF HB 988

I am the Hospitality Advisor Volunteer for the Hawaii Wildlife Center and in my regular work as you can guess is in Tourism Industry and I am employed by a large hotel and condominium management company that has its roots in Hawaii. I am here today representing my individual and personal testimony in support of HB988.

Hawaii's indigenous Birds have had a place in Hawaii history since the beginning of time, Hawaiian patterns, songs, hula have all told stories of Hawaii's birds and their place in the Hawaiian culture. Hawaii's indigenous Birds contributed their feathers to make cloaks, hats and other artwork, were kept as pets, and perhaps even eaten. Hawaii took much from our Hawaiian wildlife on our own accord and the Hawaii Wildlife Center is an organization that giving back...Tourism needs Hawaiian Wildlife to keep Hawaii special, significant and not just another pretty face as far as a destination is concerned.

The Hawaii Wildlife Center is the connector of science, history, culture. They understand the importance of our Hawaii's wildlife to our Ecosystem and embraces our very special Hawaiian history and culture. As Linda Elliott mentioned, they collaborate with the Fish & Wildlife Service, the State Department of Land and Natural Resources, but like any other business need financial resources to keep the Center open and be prepared to handle emergencies. This is how we can continue to give back to what we originally took from nature and help Hawaii's wildlife not go into extinction.

This Center is founded by a professional who has the experience in responding to any type of disaster as she has about 20 years of experience in wildlife response projects, working 18 oiled wildlife responses worldwide. She was the Rehabilitation Director for the world's largest and most successful oiled penguin response in South Africa, she was instrumental in releasing 93% of 20,000

treated penguins. More recently, she was with Focus Wildlife International rescuing nearly 3,000 oiled birds, mammals and freshwater turtles at the Marshall Michigan oil pipeline leak on the Kalamazoo River, 2010. These experiences gives her the field expertise that will be needed as well as many valuable contacts with other experts around the world.

I would like to urge you to create a Wildlife Recovery and rehabilitation special fund knowing that the Hawaii Wildlife Center has the experience and capability to respond to any oil and fuel related disaster affecting native wildlife in the State.

The Hawaii Wildlife Center wants to perpetuate the survival of all of Hawaii's Indigenous Birds and wildlife so that we will have something to share to our keiki and visitors for generations to come.

Mahalo nui loa for your allowing me to comment on my support of HB988

HB988

Increases the environmental response, energy, and food security tax by an unspecified amount until 06/30/15 and then by 2 cents per barrel on 07/01/15, and deposits the increases into the wildlife recovery and rehabilitation special fund. Establishes the wildlife recovery and rehabilitation special fund to support the operations of a facility to respond to oil and fuel-related disasters affecting native wildlife in the State. Effective 07/01/13

Testimony in support of H.B. 988 HD1

Committee on Water & Land and the Committee on Energy & Environmental Protection

Aloha Committee on Finance;
the Honorable Sylvia Luke, Chair,
Vice Chairs Scott Y. Nishimoto and Aaron Ling Johanson,
and members of the Committee

As an advisory board member for the Hawaii Wildlife Center, I am writing to ask your support of HB988 which could go a considerable way in helping Hawaii's many (many) endangered native wildlife species.

As committee members, surely you are aware of the precarious situation that Hawaii's wildlife faces and therefore, surely you are also aware of the importance of supporting this measure. As a state, we remain ill-prepared for natural or manmade disasters; particularly those that will impact native wildlife.

The small amount requested in this funding could reap large rewards in helping Hawaii become well prepared for what will, in fact, occur one day.

Please consider support of H.B. 988 HD1. It is within your power to help protect Hawaii's native wildlife.

Mahalo,

Vicky Kometani

HB988

Submitted on: 2/21/2013

Testimony for FIN on Feb 22, 2013 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Aaron Spielman	Rhoady Lee Architecture & Design	Support	No

Comments:

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HB 988 Talking Points – Relating to Native Wildlife

We believe that Hawai'i needs to establish a wildlife recovery and rehabilitation special fund to support the operations of a facility to respond to oil and fuel-related disasters affecting native wildlife in the State.

We support allocating the first \$275,000 collected from barrel taxes to this wildlife recovery and rehabilitation special fund.

- \$275,000 is an extremely small amount when compared to the total sum collected from barrel taxes, but is much-needed and will have an immediate effect
- \$275,000 is only half of operation costs for HWC. The other half will be raised through private fundraising.
- Nearly 700 oil tankers and over 18,000 other seagoing vessels enter Hawaiian waters each year.

- There have been more than 100 documented vessel groundings and sinkings, including some that had released more oil than the Exxon Valdez
- State and Federal governments have a statutory responsibility for the conservation of migratory birds and endangered species
- We need to ensure that Hawai'i will always have the necessary facilities, equipment, logistic support and trained staff ready to mount an effective spill response available at a moment's notice.
- Hawai'i Wildlife Center possesses a MOA with the Fish and Wildlife Service and State DLNR relating to oil spill response and serves as a designated spill responder facility in the Area Contingency Plan.
- Revenues derived from the barrel tax are allocated to DOH, DBEDT, DOA and the General Fund. To date none of these funds have been allocated to mitigate oil spill impacts to wildlife.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 21, 2013 4:17 PM
To: FINTestimony
Cc: barb@messengercorp.com
Subject: *Submitted testimony for HB988 on Feb 22, 2013 11:00AM*

HB988

Submitted on: 2/21/2013

Testimony for FIN on Feb 22, 2013 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
barbara davis	Individual	Support	No

Comments:

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Sent: Thursday, February 21, 2013 4:57 PM
To: FINTestimony
Cc: rrl@rlad.net
Subject: Submitted testimony for HB988 on Feb 22, 2013 11:00AM

HB988

Submitted on: 2/21/2013

Testimony for FIN on Feb 22, 2013 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Rhoady Lee	Individual	Support	No

Comments: Testimony submitted for HB988HD1, at 11am, 22 February 2013, at State Capitol Conference Room 308 It is essential that Hawai'i establish a wildlife recovery and rehabilitation Special Fund to support the operations of a facility to respond to oil and fuel-related disasters affecting native wildlife in the State. Using the first \$275,000 collected from barrel taxes for this wildlife recovery and rehabilitation special fund is most appropriate. \$275,000 is an extremely small amount when compared with the total sum collected from barrel taxes, but is much-needed and will have an immediate effect. \$275,000 is half of operation costs for hawaii wildlife center. Remainder is raised through private fundraising. Nearly 700 oil tankers and over 18,000 other seagoing vessels enter Hawaiian waters each year. Over 100 vessel groundings and sinkings have been documented, including some that released more oil than the Exxon Valdez. State and Federal governments have a statutory responsibility for the conservation of migratory birds and endangered species. It is essential to ensure that Hawai'i will always have the necessary facilities, equipment, logistic support and trained staff ready to mount an effective spill response available at a moment's notice. The Hawai'i Wildlife Center posses a MOA with the Fish and Wildlife Service and State DLNR relating to oil spill response and serves as a designated spill responder facility in the Area Contingency Plan. Revenues derived from the barrel tax are allocated to DOH, DBEDT, DOA and the General Fund. To date none of these funds have been allocated to mitigate oil spill impacts to wildlife.

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 21, 2013 6:12 PM
To: FINTestimony
Cc: jellal@juno.com
Subject: Submitted testimony for HB988 on Feb 22, 2013 11:00AM

HB988

Submitted on: 2/21/2013

Testimony for FIN on Feb 22, 2013 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Judi Ellal	Individual	Support	No

Comments: I support the establishment of a special fund for wildlife recovery and rehabilitation of native wildlife at the Hawaii Wildlife Center. There is an urgent need to prepare for the care of birds in the event of an oil and fuel-related disaster that will potentially affect millions of seabirds, shorebirds and waterfowl in and around the Hawaiian Islands. HB988 HD1 will ensure that Hawaii Wildlife Center, a federal and state permitted, professionally staffed, state-of-the-art facility is prepared to respond to any spill event.

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 21, 2013 5:49 PM
To: FINTestimony
Cc: dr.yoshicedo@gmail.com
Subject: Submitted testimony for HB988 on Feb 22, 2013 11:00AM

HB988

Submitted on: 2/21/2013

Testimony for FIN on Feb 22, 2013 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Jill Yoshicedo, DVM	Individual	Support	No

Comments: Dear Committee, I am writing in support of HB988 HD1 to allocate a certain amount of barrel tax funds to a wildlife recovery and rehabilitation special fund. This support of the Hawaii Wildlife Center or like facility dedicated specifically to providing native wildlife emergency response and rehabilitation is an appropriate and responsible way for the state to prepare for protection of its native wildlife in the event of an oil spill or other disaster. Please support HB988 HD1 and its conservation efforts on behalf of Hawaii's endangered and endemic animals. Sincerely, Jill Yoshicedo, DVM

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Testimony in support of HB 988 HD1

Aloha Honorable Sylvia Luke, Chair, Vice Chairs Scott Y. Nishimoto and Aaron Ling Johanson and members of the committee;

I am so pleased that you are reading my testimony, thank you. This is the first testimony I have written and I am very grateful for the opportunity to write in support of the Hawai'i Wildlife Center and what it stands for. The native Hawaiian birds have few people/organizations that focus specifically on their protection and growth, thereby making the Hawai'i Wildlife Center vital for the wellbeing of the remaining native Hawaiian species of birds.

Having grown up in Hawaii and in the English countryside I have developed a great respect for nature in their different environments, and how delicate their life in the wild can be. When living on an Island as isolated as the chain of Hawaiian Islands, life can be even more hazardous, thus requiring additional measures of protection. I have recently learned that Hawaii is the endangered species capital of the world. This is a huge statement in itself and although Hawaii is one of the most recognized places around the world, this fact is far from common knowledge.

I am asking for your support of HB 988 HD1. With the passing of this bill, the Hawai'i Wildlife Center will have the needed resources to be fully functional and will be able to provide care and protection in the event of an oil spill or other event/s that may hinder the well-being of Native Hawaiian wildlife.

Thank you for taking the time to read my testimony. I appreciate your help and support with this matter.

Mahalo,

A handwritten signature in blue ink, appearing to read 'Jojo' followed by a decorative flourish.

Jojo Genovia
Kapa'au, Hawai'i

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 20, 2013 9:09 PM
To: FINTestimony
Cc: tabraham08@gmail.com
Subject: Submitted testimony for HB988 on Feb 22, 2013 11:00AM

HB988

Submitted on: 2/20/2013

Testimony for FIN on Feb 22, 2013 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Troy Abraham	Individual	Support	No

Comments: i support the passage of this bill

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Sent: Thursday, February 21, 2013 4:23 PM
To: FINTestimony
Cc: lmiyano7@gmail.com
Subject: Submitted testimony for HB988 on Feb 22, 2013 11:00AM

HB988

Submitted on: 2/21/2013

Testimony for FIN on Feb 22, 2013 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Leland Miyano	Individual	Support	No

Comments: I support HB988 HD1 Leland Miyano

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