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

SENATOR GLENN WAKAI, CHAIR
SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, ENVIRONMENT AND
TECHNOLOGY

SENATOR MIKE GABBARD, CHAIR
SENATE COMMITTEE ON WATER, LAND AND AGRICULTURE

Hearing Date: March 18, 2016
Time: 1:45pm

Room Number: 414

1 **Fiscal Implications:** None

2 **Department Testimony:** The Department of Health supports H.B. 2626, H.D.1. This measure
3 prohibits the permitting of new underground storage tanks (USTs) within one hundred yards of
4 the shoreline. For those USTs that are currently in use, the measure has been amended to allow
5 the continued use of USTs within one hundred yards of the shoreline.

6 Thank you for the opportunity to testify on this measure.

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BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843



March 18, 2016

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

ELLEN E. KITAMURA, P.E.
Deputy Manager and Chief Engineer

The Honorable Glenn Wakai, Chair
and Members
Committee on Economic Development, Environment,
and Technology

and

The Honorable Mike Gabbard, Chair
and Members
Committee on Water, Land, and Agriculture
State Senate
Hawaii State Capitol, Room 414
414 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Wakai, Chair Gabbard, and Members:

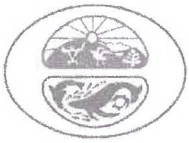
Subject: House Bill 2626, HD1 Relating to Underground Storage Tanks

We support House Bill 2626, HD1, which prohibits the issuance of permits for new underground storage tanks (USTs) within one hundred yards of the shoreline and authorizes permit holders of existing USTs located within one hundred yards of the shoreline to renew their permits. This measure will help protect our marine environment and underground aquifers by reducing risks posed by the inundation of USTs caused by climate change and rising sea levels.

Thank you for your consideration of our testimony on House Bill 2626, HD1.

Very truly yours,

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



Conservation Council
for Hawai'i

Hawai'i's voice for wildlife

Kō Hawai'i / leo no nā holoholona lōhiu

Testimony Submitted to the
Senate Committee on Economic Development, Environment, and Technology
And Senate Committee on Water, Land, and Agriculture

Hearing: Friday, March 18, 2016 1:45 pm
Conference Room 414

In Support of the Intent of HB 2626 HD 1 Relating to Underground Storage Tanks

Chair Wakai, Chair Gabbard, Vice Chair Slom, Vice Chair Nishihara, and Members of the Committee.

Aloha. Conservation Council for Hawai'i supports the intent of HB 2626 HD 1, which prohibits the permitting of new underground storage tanks within 100 yards of the shoreline. Allows permit holders for existing underground storage tanks located within 100 yards of the shoreline to renew their permits.

However, we question whether 100 yards from the shoreline is far enough to protect our neashore marine environment. We also support deadlines by which holders of permits for existing underground storage tanks within 100 yards of the shoreline can renew their permits. We also support prohibiting the operation of any underground storage tank within 100 yards of the shoreline as of a specified date. The bill is meaningless and unenforceable with no deadlines or prohibition dates.

Mahalo nui loa for the opportunity to testify.

Sincerely,

Marjorie Ziegler

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P.O. Box 2923 | Honolulu, HI 96802 | Office: 250 Ward Ave., Suite 220 | Honolulu, HI 96814

President: Julie Leialoha | Vice President: Koalani Kaulukukui | Secretary: Wayne Tanaka
Treasurer: Ryan Belcher | Directors: Rick Barboza | Anne Huggins Walton
Executive Director: Marjorie Ziegler | Administrator: Jonnetta Peters





March 18, 2016

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

Senate Committee on Economic Development, Environment & Technology
The Honorable Glenn Wakai, Chair
The Honorable Sam Slom, Vice Chair

Senate Committee on Water, Land & Agriculture
The Honorable Mike Gabbard, Chair
The Honorable Clarence Nishihara, Vice Chair

Friday, March 18, 2016 – 1:45 p.m.
State Capitol, Conference Room 414

Chairs Wakai and Gabbard and members of both Committees,

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

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

HB 2626, HD 1 prohibits the permitting of new underground storage tanks within one hundred yards of the shoreline, and allows permit holders for existing underground storage tanks located within one hundred yards of the shoreline to renew their permits.

We believe HB 2626, HD 1 strikes a balance in banning new underground storage tanks within one hundred yards of the shoreline while allowing permit holders of existing tanks to renew their permits, thereby allowing for repair and maintenance work to continue. In the interest of clarifying that permit renewal for existing underground storage tanks shall include obtaining new permits for replacing existing tanks, as necessary, we ask the Committees to insert language similar to the following:

SECTION 3. Chapter 342L, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

House Bill 2626, House Draft 1, Relating to Underground Storage Tanks
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"§342L- Permits near shoreline prohibited, exception.

(a) The department shall not issue a permit for a new underground storage tank within one hundred yards of the shoreline[+] except to the holder of a permit for an existing underground storage tank in order to repair or replace an existing underground storage tank, as necessary.

(b) The holder of a permit for an existing underground storage tank within one hundred yards of the shoreline may renew the permit."

Thank you for allowing Par Hawaii the opportunity to offer testimony on House Bill 2626, HD 1, Relating to Underground Storage Tanks.



Lance N. Tanaka
Director, Government & Public Affairs
Par Hawaii



TO: SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, ENVIRONMENT,
AND TECHNOLOGY
Senator Glenn Wakai, Chair
Senator Sam Slom, Vice Chair

SENATE COMMITTEE ON WATER, LAND, AND AGRICULTURE
Senator Mike Gabbard, Chair
Senator Clarence K. Nishihara, Vice Chair

FROM: Richard Parry
President of the Hawai'i Petroleum Marketers Association

HEARING

DATE: Friday, March 18, 2016
TIME: 1:45 p.m.
PLACE: State Capitol, Conference Room 414

RE: Testimony on H.B. No. 2626 HD1 Relating to Underground Storage Tanks

Chair Wakai, Vice Chair Slom, and Members of the Senate Committee on Economic Development, Environment, and Technology, Chair Gabbard, Vice Chair Nishihara, and Members of the Senate Committee on Water, Land, and Agriculture, I am Richard Parry, President of Hawai'i Petroleum Marketers Association ("HPMA"). HPMA is a non-profit trade association comprised of members directly marketing petroleum products across the Hawai'ian Islands. Our membership includes individuals or companies who operate as either independent marketers, jobbers or distributors of petroleum products and who buy petroleum products at the wholesale level and sell or distribute such products to all classes of trades. HPMA's primary purpose is to protect and advance its members' legislative and regulatory interests in the Hawaiian Islands and Washington, D.C.

H.B. No. 2626 HD1 bans new underground storage tanks within one hundred yards of the shoreline, and allows holders of permits for existing underground storage tanks within 100 yards of the shoreline to only renew their permits.

HPMA would like to comment on H.B. No. 2626 HD1. As currently drafted, H.B. 2626 HD1 does not allow holders of permits for existing underground storage tanks within 100 yards of the shoreline to obtain a new permit to replace existing tanks with new tanks. This is an unconstitutional regulatory taking which impairs the value of property without payment of just compensation to the property's owner. Without an amendment to allow holders of permits for existing underground storage tanks within 100 yards of the shoreline to obtain a new permit to replace existing tanks with new tanks, H.B. No. 2626 HD1, over time, will effectively wipe out almost all existing gasoline stations along the coastline of all

H.B. No. 2626 HD1 Relating to Underground Storage Tanks
Hearing Date: Friday, March 18, 2016 at 1:45 p.m.

the major islands; the Waianae coast and Hilo Harbor would be particularly hard hit. By not being able to replace existing tanks, this bill also has the adverse unintended consequence of encouraging the continued operation of aging underground storage tanks beyond their time.

HPMA, however, believes H.B. 2626 HD1 is unnecessary, extremely premature, and does not correlate with existing hard scientific evidence. The bill justifies the UST ban within 100 yards of the shoreline based on claims that the sea level will rise, however, most scientists forecast that the sea level will rise by no more than a few feet by the year 2100. Again, this bill puts the State at risk for the taking of property without just compensation.

HPMA also believes H.B. 2626 HD1 is unnecessary because there are already adequate safeguards in place. The United States Congress enacted the Clean Water Act in 1972 which made it unlawful to discharge any pollutant into the ocean. In addition, this Legislature enacted the Shoreline Protection Act in 1975 to preserve, protect and, where possible, to restore the natural resources of the coastal zone of Hawai'i. All future tank owners near the shoreline are required to obtain a Special Management Area (SMA) permit (as were almost all owners of existing underground storage tanks near the shoreline) and to comply with all the protections and oversight by state and county agencies afforded by the Shoreline Protection Act and the Coastal Zone Management law.

Underground storage tanks have been effectively and safely regulated for decades by the U.S. Environmental Protection Agency ("EPA") and the State Department of Health. Since 1984, the EPA has developed and established operating requirements and technical standards for double-wall tank design and installation, leak detection monitoring, spill and overfill control, corrective action, and tank closure, including annual inspections. The EPA and DOH recently further strengthened regulations of these fuel systems. The modern technology for underground storage tanks is very safe, and the EPA has also established rigorous operator training, inspections, delivery prohibition, secondary containment, and financial responsibility requirements for all owners and operators of underground storage tanks.

For USTs located in a flood zone or near the shoreline, we strictly follow industry installation standards such as Recommended Practice 100 from the Petroleum Equipment Institute (PEI) and Recommended Practice 1615 from the American Petroleum Institute (API) by (1) burying USTs deeper and/or increasing the amount of backfill/pavement to anchor the system, including anchoring USTs using deadman anchors and hold-down straps or a concrete collar to add extra weight, and (2) equipping fuel lines with automatic shutoff valves and adding vent pipe extensions.

Thank you for the opportunity to comment on H.B. No. 2626 HD1.

wakai1 - Lilinoe

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 15, 2016 7:17 AM
To: EET Testimony
Cc: dylanarm@hawaii.edu
Subject: Submitted testimony for HB2626 on Mar 18, 2016 13:45PM

HB2626

Submitted on: 3/15/2016

Testimony for EET/WLA on Mar 18, 2016 13:45PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan Armstrong	Individual	Support	No

Comments: Sensible, overdue and of great importance given expected future planning and climate impacts.

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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