HB 380 HD2 would increase the environmental response fee assessed on barrels of oil and broaden the allowable uses of the emergency response revolving fund.

Our statement on this bill does not constitute an institutional position of the University of Hawaii.

Resource allocation to environmental management programs and environmental education is a critical need if we are to ensure future environmental and economic health. Our concerns about this measure in no way reflect a minimization of this need. However, we have serious reservations concerning the appropriateness of the proposed uses of the emergency response fund.

The Emergency Response Revolving Fund was established by the Legislature to provide an immediate source of money with which to address emergency situations such as oil or hazardous material spills. Depleting the fund for other purposes will compromise both the intent and the effectiveness of the emergency response fund.

It is important to distinguish between pollution management and environmental planning. In the former arena, our clear preference is that the polluter should pay, and to the degree that fines, penalties and permit fees support pollution management costs, they are the appropriate vehicle for this level of management. A rational nexus similarly exists between a tax imposed on imported barrels of oil and oil spill management support, although to the degree that the tax is passed on to the general public by the distributors, that nexus is diluted. However, the catastrophic nature of oil or hazardous material spill emergencies would seem to justify a broader societal participation in the early response support. The additional uses proposed for the fund on page 3, lines 5-8 seem more generally to fall under the realm of environmental planning, and we suggest that these activities should also receive broad societal support. However, that support should be explicit, rather than quietly drawn from unspecified increases at the gas pump.