

**Testimony of Vipe Desai
Founding Member
Business Alliance for Protecting the Pacific Coast**

**Committee on Natural Resources Subcommittee on Oversight and Investigations and the
Subcommittee on Energy and Mineral Resources
United States House of Representatives**

**Joint Oversight Hearing: “Southern California Oil Leak: Investigating the Immediate
Effects on Communities, Businesses, and the Environment.”**

**Orange County, California
October 18, 2021**

Good Morning Chair Porter, Chair Lowenthal, and Representative Levin. My name is Vipe Desai, and I am a founding member of the Business Alliance for Protecting the Pacific Coast (BAPPC). The Business Alliance for Protecting the Pacific Coast is joined by business alliances on the East Coast and Gulf Coast that collectively represents the economic interests of more than 55,000 businesses.

Together, we hope that Congress will understand that up and down America’s coasts, our businesses rely on healthy oceans and clean beaches to keep our doors open.

I greatly appreciate the opportunity to testify today representing some of the businesses who are feeling the economic consequences of the recent oil spill disaster in Southern California.

The recent oil spill confirms what we unfortunately know far too well – offshore drilling is dirty and dangerous, and when they drill, they spill.

In fact, between 2007 and 2018, there were over 7,000 oil spills in federal waters, an average of about two every day. These spills are extremely disruptive to our businesses, our lives, and our health.

The impacts ripple across the economy and across sectors.

I want to share the stories of some of the businesses that have been impacted. After 18 long months of facing the challenges from the pandemic, an oil spill was the last thing our vibrant economic region needed to face.

The first impact came from the much-anticipated Pacific Airshow. As oil began to wash ashore, beaches were deemed unsafe for activity. On Saturday October 2nd, 1.5 million visitors saw the show from Huntington Beach, but the show’s triumphant conclusion on Sunday was cancelled with little fanfare.

Cancellations hit hotels and resorts almost immediately and their surrounding retail and restaurants suffered.

Wing Lam, Co-founder of Wahoo's Fish Tacos informed me that the Saturday before the oil spill felt like a busy summer day but the following day, once word got out about the spill, it was a ghost town. In addition, as the spill moved south, their locations in Laguna Beach and San Clemente started to feel the impacts.

Bobby Abdel, owner of Jack's Surfboards, had a similarly bleak weekend. He told me that once the oil spill was announced, customer traffic plummeted. Their stores are facing a stockpile of unsold inventory from the US Open of Surfing and the Pacific Airshow. All 9 of Jack's Surfboards locations were impacted in some form or another because of the spill.

Later in the week, I received a call from a colleague - Wendy Marshall - a full-time hard-working mother of two who shared with me that her upcoming AirBnB reservations, a form of income to help her offset college tuition costs for her children, had mostly been cancelled.

From Dana Point, the Dolphin and Whale Capital of the World and the first Whale Heritage Site in the America's, Gisele Anderson from local business Captain Dave's Dolphin and Whale Watching Safari shared losses from trips and bookings into November could be down as much as 74% because of the oil spill.

Another story came from members of our fishing community where a fishing company's boat was diverted to San Diego and the crews were Ubering from Newport to San Diego. Other tour operators were grounded and couldn't leave Newport Harbor. The gas docks saw large drops in fuel sales with no one heading to Catalina or out to cruise or fish.

Grant Bixby, a local realtor, saw his clients vacation rentals drop all the way into November. Their rental income is what they use to pay their mortgages and bills—critical to their overall financial picture.

I could go on and on with stories but the message is clear. Where they drill, they spill, and when they spill, working-class people are stuck with the consequences.

Businesses along the West Coast know that a clean and healthy ocean is what drives our vibrant coastal communities.

Accordingly, Congress must ensure that the Build Back Better Act retains provisions to permanently protect the Pacific and Atlantic coasts, as well as the Eastern Gulf of Mexico, from any new federal oil and gas leasing.

Permanently protecting our coasts from new offshore drilling will prevent a repeat of mistakes from our past, support our transition to clean energy and ultimately help safeguard our businesses, our jobs, and our economies from the next drilling disaster and ensure cleaner

coasts and a healthier ocean for generations to come. This is a once-in-a-generation opportunity to support President Biden's Build Back Better plan for our environment, our economy, and our future

In closing, I want to take a moment to thank local, state and federal leaders, agencies and countless volunteers for their swift response to help with clean up efforts. Early indications were that the oil spill could damage the local economy for weeks if not months were it not for the quick actions that were taken.

Once again, I greatly appreciate the opportunity to testify today representing stories from our coastal community.