

HRES committee questions on HB 104

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Thu 3/11/2021 4:58 PM

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Chair Hopkins –

At the hearing for HB 104 Motor Fuel Tax; Vehicle Reg. Fee on March 4, the following questions were asked by committee members.

Has there been an increase in the demands on the Spill Prevention and Response (SPAR) account, more spills, more kinds of things we are using that account for? Or is the issue solely that revenues are declining? What is the SPAR account used for?

There are two accounts within SPAR's Prevention and Response Fund, the Response Account and the Prevention Account. The Response Account is used for responding to imminent and substantial spills. Primarily, this is the cost of DEC oversight of a responsible party's spill response, but can fund response efforts when a responsible party is not readily available to take on the work. The Response Account balance would not be affected by the increase to the Refined Fuel Surcharge proposed in HB 104.

The Refined Fuel Surcharge goes into the Prevention Account, which is used to fund SPAR's day-to-day operations. This includes prevention efforts, such as reviewing spill response contingency plans, and oversight of contaminated sites. It also includes oversight of spills that are not considered to pose an imminent or substantial threat to the environment.

The cause of the decline in the Prevention Account is not an increase in the kind of things that the account is being used for. It is primarily an issue of lower revenues from declining production than is needed to sustain the current operating level of the Division.

Best regards,

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