



REPRESENTATIVE CATHY MUÑOZ

## MEMORANDUM

To: Honorable Eric Feige, Co-chair  
Honorable Dan Saddler, Co-chair  
House Resources Committee

From: Christopher Clark, Aide  
Rep. Cathy Muñoz

Date: March 11, 2014

Re: Sectional analysis of HB 325, spill response fund

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Kindly note that a sectional analysis of a bill or resolution should not be considered an authoritative interpretation of the measure itself. The legislation is the best statement of its contents.

**Section 1.** The state oil and hazardous substance release prevention and response fund, Alaska Statute (AS) 43.55.200-.310, has two accounts: the response account and the prevention account. The response account pays for emergency responses to spills of oil or hazardous substances. It is funded by a one-cent surcharge on each barrel of oil. Under current law, the surcharge is suspended when the response account exceeds \$50 million. This section would amend AS 43.55.221(d) by increasing the response account's one-cent surcharge suspension limit from \$50,000,000 to \$75,000,000.

**Section 2.** Amends AS 43.55.221(e) to increase the response account's one-cent surcharge suspension limit from \$50,000,000 to \$75,000,000.

**Section 3.** The prevention account pays for operational costs, spill response drills, and other readiness activities within the Division of Spill Prevention and Response. It is funded by a four-cent surcharge on each barrel of oil. This section would amend AS 43.55.300(a) to increase the surcharge to seven-cents-a-barrel.

**Section 4.** Provides for an immediate effective date.