

Offered: 4/28/89
Referred: Rules

6-1272E

Original sponsors: Sturgulewski and
Kerttula

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 CS FOR SENATE BILL NO. 299 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - FIRST SESSION
5 A BILL
6 For an Act entitled: "An Act omitting from the calculation of the gross
7 value of oil, for purposes of administration of the
8 oil and gas properties production tax, certain costs,
9 losses, damages, and expenses relating to catas-
10 trophic oil discharges from vessels; and providing
11 for an effective date."
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
13 * Section 1. AS 43.55.150 is amended by adding a new subsection to
14 read:
15 (c) In determining the gross value of oil under (a) of this
16 section, the department may not allow as reasonable costs of transpor-
17 tation
18 (1) the amount of loss of or damage to, or of expense
19 incurred due to the loss of or damage to, a vessel used to transport
20 oil if the loss, damage, or expense is incurred in connection with a
21 catastrophic oil discharge from the vessel into the marine or inland
22 waters of the state;
23 (2) the incremental costs of transportation of the oil that
24 are attributable to temporary use of or chartered or substituted
25 service provided by another vessel due to the loss of or damage to a
26 vessel regularly used to transport oil and that are incurred in con-
27 nection with a catastrophic oil discharge into the marine or inland
28 waters of the state; and
29 (3) the costs incurred to charter, contract, or hire

1 vessels and equipment used to contain or clean up a catastrophic oil
2 discharge.

3 * Sec. 2. AS 43.55.140 is amended by adding a new paragraph to read:

4 (15) "catastrophic oil discharge" has the meaning given in
5 AS 46.04.120.

6 * Sec. 3. This Act is retroactive to the first day of the month in
7 which it takes effect, and applies to oil and gas produced on or after that
8 date.

9 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).