

HOUSE BILL NO. 264
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Introduced: 4/10/91
Referred: Resources, Finance3

A BILL

FOR AN ACT ENTITLED

1 "An Act amending the purposes for which money in the oil and hazardous substance
2 release response fund may be expended; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 46.03.420(h) is amended to read:

5 (h) This section does not affect the liability under state or federal law of any person, or
6 other entity that receives assistance under this section, for the costs of risk management,
7 containment, corrective action, and cleanup resulting from a release of petroleum. However,
8 notwithstanding the provisions of AS 46.08.070(a)(1) [AS 46.08.070(a)], the department may not
9 seek reimbursement of a grant made under this section unless the department determines that the
10 grant was requested under false pretenses or that other circumstances render the grant inconsistent
11 with this section or with applicable regulations. This section does not affect the authority of the
12 department to seek recovery from the owner or operator of costs other than grants and loans
13 actually made to an owner or operator under this section.

14 * **Sec. 2.** AS 46.08.010(c) is amended to read:

1 (c) The fund shall be used
2 (1) for actual expenses incurred under AS 46.08.040; and
3 (2) [. THE FUND MAY NOT BE USED] for capital improvements authorized
4 by AS 46.08.040(a)(8).

5 * Sec. 3. AS 46.08.040(a) is amended to read:

- 6 (a) The commissioner may use money from the fund to
- 7 (1) investigate and evaluate the release or threatened release of oil or a hazardous
8 substance, and contain, clean up, and take other necessary action, such as monitoring and
9 assessing, to address a release or threatened release of oil or a hazardous substance that poses
10 an imminent and substantial threat to the public health or welfare, or to the environment;
- 11 (2) pay all costs incurred to
- 12 (A) establish and maintain the oil and hazardous substance response office;
- 13 (B) review oil discharge prevention and contingency plans submitted under
14 AS 46.04.030;
- 15 (C) conduct training, response exercises, inspections, and tests [,] in order
16 to verify equipment inventories and ability to prevent and respond to oil and hazardous
17 substance release emergencies, and to undertake other activities intended to verify or
18 establish the preparedness of the state, a municipality, or a party required by
19 AS 46.04.030 to have an approved contingency plan to act in accordance with that plan;
20 and
- 21 (D) verify or establish proof of financial responsibility required by
22 AS 46.04.040;
- 23 (3) pay the expenses incurred by the Alaska division of emergency services for
24 the oil and hazardous substance response corps and the oil and hazardous substance response
25 depots when presented with appropriate documentation by the division;
- 26 (4) provide matching funds for participation in federal oil discharge cleanup
27 activities and under 42 U.S.C. 9601 - 9657 (Comprehensive Environmental Response,
28 Compensation, and Liability Act of 1980);
- 29 (5) recover the cost to the state or to a municipality of a containment and cleanup
30 resulting from the release or the threatened release of oil or a hazardous substance;
- 31 (6) prepare, review, and revise

1 (A) the state's master oil and hazardous substance discharge prevention
2 and contingency plan required by AS 46.04.200; and

3 (B) a regional master oil and hazardous substance discharge prevention
4 and contingency plan required by AS 46.04.210; [AND]

5 (7) restore the environment by addressing the effects of an oil or hazardous
6 substance release; and

7 (8) pay the expenses of each of the following that are incurred with respect
8 to regulation and pollution prevention involving motor fuel, petroleum, and chemical
9 storage tanks:

10 (A) expenditures made by the Board of Storage Tank Assistance
11 incurred under AS 46.03.360 - 46.03.363;

12 (B) the department's program of abatement and pollution prevention
13 from underground petroleum storage tank systems under AS 46.03.365;

14 (C) the department's programs of

15 (i) educational assistance authorized by AS 46.03.370;

16 (ii) storage tank worker certification authorized by
17 AS 46.03.375;

18 (iii) registration of underground petroleum storage tanks and
19 tank systems required by AS 46.03.380 - 46.03.400;

20 (iv) tank tightness and site assessment under AS 46.03.415;

21 (v) tank cleanup under AS 46.03.420; and

22 (vi) tank upgrading and closure under AS 46.03.430.

23 * Sec. 4. AS 46.08.040(c) is amended to read:

24 (c) Notwithstanding other provisions of this section, money from the fund may not be
25 used for a purpose specified in (a)(2) - (8) [(a)(2) - (7)] of this section unless funds are available
26 from an appropriation made specifically for that purpose.

27 * Sec. 5. AS 46.08.070(a) is amended to read:

28 (a) The commissioner

29 (1) shall seek reimbursement promptly under this section, AS 46.03.760(e), or
30 federal law for the cost incurred in the cleanup or containment of oil or a hazardous substance
31 that has been released;

1 (2) is not required to seek reimbursement under this section, AS 46.03.760(e),
2 or federal law for costs incurred for which an expenditure is made from the oil and
3 hazardous release response fund for a purpose authorized by AS 46.08.040(a)(8).

4 * Sec. 6. USE OF MONEY IN THE OIL AND HAZARDOUS SUBSTANCE RELEASE RESPONSE
5 FUND. The commissioner of environmental conservation may use money in the oil and hazardous
6 substance release response fund (AS 46.08.010) to pay the expenses incurred under the underground
7 petroleum storage tank system reimbursement program authorized by sec. 7, ch. 96, SLA 1990.

8 * Sec. 7. Section 6 of this Act applies to reimbursement payments payable under sec. 7, ch. 96, SLA
9 1990, on and after September 5, 1990.

10 * Sec. 8. This Act takes effect immediately under AS 01.10.070(c).