

**CS FOR HOUSE BILL NO. 484 (JUDICIARY)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION**

**BY THE HOUSE JUDICIARY COMMITTEE**

**Offered: 4/6/92  
Referred: Finance**

**Sponsor(s): HOUSE JUDICIARY COMMITTEE BY REQUEST**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the Exxon Valdez Oil Spill Trust and the trustees of that trust, and  
2 to natural resource damage recoveries under the Memorandum of Agreement and Consent  
3 Decree entered into by the United States and the state in settlement of the parties' claims  
4 to money received for injury, loss, or destruction to the natural resources affected by the  
5 March 24, 1989, Exxon Valdez oil spill; relating to the approval of expenditures by the  
6 state officers acting as trustees of the trust established for natural resource damage  
7 recoveries under that Memorandum of Agreement and Consent Decree; placing the state  
8 trustees of the Exxon Valdez settlement and certain persons to whom trust duties are  
9 delegated in the Alaska Executive Branch Ethics Act; and providing for an effective date."

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

11 \* **Section 1.** AS 37.14 is amended by adding new sections to read:

12 **ARTICLE 5. EXXON VALDEZ OIL SPILL TRUST.**

1           **Sec. 37.14.400. TRUST RECOGNIZED.** The trust established under the Memorandum  
2 of Agreement and Consent Decree entered into by the United States and the state in settlement  
3 of claims to money received for injury, loss, or destruction of the natural resources affected by  
4 the March 24, 1989, Exxon Valdez oil spill, and approved by the United States District Court on  
5 August 28, 1991, is recognized and shall be known as the Exxon Valdez Oil Spill Trust. It shall  
6 be managed as provided in the Memorandum of Agreement and Consent Decree that established  
7 it.

8           **Sec. 37.14.405. APPROPRIATIONS REQUIRED.** (a) Notwithstanding any other  
9 provision of law, a state trustee may not authorize an expenditure of money of the trust unless  
10 the expenditure is in accordance with an appropriation by the state legislature.

11           (b) Appropriations made to satisfy the requirement of (a) of this section need not specify  
12 the agency, project, or amount. However, before a state agency spends money received from the  
13 trust under an appropriation that does not specify the agency, project, and amount, the  
14 expenditure shall be reviewed under the procedures of AS 37.07.080(h)(1) - (3).

15           (c) The provisions of (a) and (b) of this section do not apply to amounts paid as  
16 reimbursements to the United States or the state, as authorized by the Memorandum of  
17 Agreement and Consent Decree establishing the trust, for expenses that are

18                   (1) related to the Exxon Valdez oil spill; and

19                   (2) incurred by either government before September 30, 1991.

20           **Sec. 37.14.410. REIMBURSED EXPENDITURES.** Amounts received by the state as  
21 reimbursement for expenses related to the Exxon Valdez oil spill incurred by the state before  
22 September 30, 1991, shall be deposited in the general fund.

23           **Sec. 37.14.415. BUDGET AND REPORTS.** The state trustees shall

24                   (1) submit to the governor and the legislature by December 15 of each year a  
25 report that sets out, for each object or purpose of expenditure, the amounts approved for  
26 expenditure from the trust during the preceding fiscal year and the amounts actually expended  
27 during the preceding fiscal year; and

28                   (2) prepare and submit, under AS 37.07, a budget for the next fiscal year setting  
29 out the trustees' determination of the amount required for that fiscal year for appropriation for

30                           (A) the operating expenses of the trust; and

31                           (B) the probable objects or purposes of expenditure and the anticipated

1 amounts of expenditure of the trust as authorized by the Memorandum of Agreement and  
2 Consent Decree establishing the trust.

3 Sec. 37.14.420. PAYMENTS TO PERSONS OTHER THAN GOVERNMENTS. The  
4 state trustees may not approve the payment of an expenditure from the trust to a person or entity  
5 other than an agency of the state or federal government. This section does not prevent the  
6 agency receiving the money from expending the money in accordance with procurement or other  
7 law applicable to that agency.

8 Sec. 37.14.425. PUBLIC RECORDS. For purposes of AS 09.25.120, records of the trust  
9 in the custody of or subject to the control of state officers and agencies are public records.

10 Sec. 37.14.430. APPLICABILITY OF OPEN MEETINGS LAW. (a) The provisions  
11 of AS 44.62.310 and 44.62.312 apply to a meeting related to the trust in which

12 (1) one or more of the state trustees and one or more of the federal trustees  
13 participate, except to the extent that federal law authorizes an applicable exception to the  
14 provisions of AS 44.62.310 or 44.62.312; or

15 (2) two or more of the state trustees, but none of the federal trustees, participate.

16 (b) Notwithstanding (a) of this section, the provisions of AS 44.62.310 and 44.62.312 do  
17 not apply to an informal discussion between the trustees about matters related to the trust.

18 (c) The state trustees may discuss the establishment of an official common state position  
19 regarding the trust in executive session under AS 44.62.310(b) and (c)(1).

20 (d) For the purposes of this section,

21 (1) a person to whom a state trustee has delegated any of the trustee's authority  
22 related to the trust is considered a state trustee; and

23 (2) a person to whom a federal trustee has delegated any of the trustee's authority  
24 related to the trust is considered a federal trustee.

25 Sec. 37.14.450. DEFINITIONS. In AS 37.14.400 - 37.14.450,

26 (1) "federal trustee" means a person appointed by the President of the United  
27 States to serve as a co-trustee of the trust;

28 (2) "state trustee" means a state officer designated by the governor to serve as a  
29 co-trustee of the trust;

30 (3) "trust" means the trust established for natural resource damage recoveries  
31 under the Memorandum of Agreement and Consent Decree entered into by the United States and

1 the state in settlement of claims to money received by the state and federal governments for  
2 injury, loss, or destruction to the natural resources affected by the March 24, 1989, Exxon Valdez  
3 oil spill, and approved by the court on August 28, 1991.

4 \* Sec. 2. AS 24.20.206 is amended to read:

5 Sec. 24.20.206. DUTIES. The Legislative Budget and Audit Committee shall

6 (1) report to the legislature its recommendations relating to the confirmation of  
7 appointees to the Board of Trustees of the Alaska Permanent Fund Corporation;

8 (2) annually review the long-range operating plans of all agencies of the state  
9 which perform lending or investment functions;

10 (3) review periodic reports from all agencies of the state which perform lending  
11 or investment functions;

12 (4) present a complete report of investment programs, plans, performance, and  
13 policies of all agencies of the state which perform lending or investment functions to the  
14 legislature within 30 days after the convening of each regular session;

15 (5) present to the legislature within 30 days after the convening of each regular  
16 session a review of the report of the governor under AS 37.07.020(d) with recommendations for  
17 needed legislation;

18 (6) in conjunction with the finance committee of each house recommend annually  
19 to the legislature the investment policy for the general fund surplus and for the income from the  
20 permanent fund;

21 (7) provide for an annual post audit and annual operational and performance  
22 evaluation of the Alaska Permanent Fund Corporation investments and investment programs;

23 (8) provide for an annual operational and performance evaluation of the Alaska  
24 Housing Finance Corporation and the Alaska Industrial Development and Export Authority; the  
25 performance evaluation shall include, but is not limited to, a comparison of the effect on various  
26 sectors of the economy by public and private lending, the effect on resident and nonresident  
27 employment, the effect on real wages, and the effect on state and local operating and capital  
28 budgets of the programs of the Alaska Housing Finance Corporation and the Alaska Industrial  
29 Development and Export Authority;

30 (9) provide assistance to the trustees of the trust established in AS 37.14.400 -  
31 37.14.450 in carrying out their duties under AS 37.14.415.

1 \* **Sec. 3.** AS 37.05.146 is amended to read:

2           **Sec. 37.05.146. DEFINITION OF PROGRAM RECEIPTS.** In AS 37.05.142 - 37.05.146  
3 and AS 37.07.080, "program receipts" means fees, charges, income earned on assets, and other  
4 state money received by a state agency in connection with the performance of its functions; all  
5 program receipts except the following are general fund program receipts:

6           (1) federal receipts;

7           (2) University of Alaska receipts (AS 14.40.491);

8           (3) individual, foundation, or corporation gifts, grants, or bequests that by their  
9 terms are restricted to a specific purpose;

10          (4) receipts of the following funds:

11           (A) highway working capital fund (AS 44.68.210);

12           (B) correctional industries fund (AS 33.32.020);

13           (C) loan funds;

14           (D) international airports revenue fund (AS 37.15.430);

15           (E) funds managed by the Alaska Aerospace Development Corporation  
16 (AS 14.40.821), the Alaska State Housing Authority (AS 18.55.020), the Alaska Housing  
17 Finance Corporation (AS 18.56.020), the Alaska Railroad Corporation (AS 42.40.010),  
18 the Municipal Bond Bank Authority (AS 44.85.020), or the Alaska Industrial  
19 Development and Export Authority (AS 44.88.020);

20           (F) fish and game fund (AS 16.05.100);

21           (G) school fund (AS 43.50.140);

22           (H) training and building fund (AS 23.20.130);

23           (I) retirement funds (AS 14.25, AS 22.25, AS 26.05.222, AS 39.35, and  
24 former AS 39.37);

25           (J) permanent fund (art. IX, sec. 15, Alaska Constitution);

26           (K) public school trust fund (AS 37.14.110);

27           (L) second injury fund (AS 23.30.040);

28           (M) fishermen's fund (AS 23.35.060);

29           (N) FICA administration fund (AS 39.30.050);

30           (O) mental health trust fund (AS 37.14.031);

31           **(5) receipts of the trust established by AS 37.14.400 - 37.14.450.**

1 \* Sec. 4. AS 39.52.960(21) is amended to read:

2 (21) "public officer" or "officer" means

3 (A) a public employee; [AND]

4 (B) a member of a board or commission; and

5 (C) a state officer designated by the governor to act as trustee of the  
6 trust or a person to whom the trustee has delegated trust duties; in this paragraph,  
7 "trust" has the meaning given in AS 37.14.450;

8 \* Sec. 5. This Act takes effect immediately under AS 01.10.070(c).