

## SENATE BILL NO. 263

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATORS HOFFMAN, Adams

Introduced: 4/22/91

Referred: Resources, Judiciary

## A BILL

## FOR AN ACT ENTITLED

1 "An Act relating to oil discharge prevention and contingency plans and financial  
2 responsibility requirements for noncrude oil operations; and providing for an effective date."

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

4 \* Section 1. Section 30(b), ch. 191, SLA 1990, is amended to read:

5 (b) By January 31, 1992, the Department of Environmental Conservation shall report to  
6 the legislature the results of the survey required under (a) of this section and its written  
7 recommendations concerning discharge prevention and contingency requirements or design review  
8 requirements that should be enacted for noncrude oil terminal facilities with storage capacities  
9 of less than 10,000 barrels. The report must include an analysis of the probable economic  
10 costs and other economic effects that the recommended requirements would impose on the  
11 facilities and on persons served by the facilities.

12 \* Sec. 2. Section 31, ch. 191, SLA 1990, is amended to read:

13 Sec. 31. STUDY RELATING TO NONCRUDE OIL TANKERS AND BARGES. By  
14 January 31, 1992 [JULY 1, 1991], the Department of Environmental Conservation shall conduct

1 a study and report to the legislature its recommendations concerning the following issues related  
2 to oil discharge prevention and contingency planning for tank vessels and oil barges carrying  
3 noncrude oil in bulk as cargo:

4 (1) appropriate locations for regional response depots, based on an assessment of  
5 historical evidence of where noncrude oil discharges are most likely to occur and the needs of  
6 remote areas of the state such as western and northern Alaska and the Aleutians;

7 (2) appropriate discharge response times;

8 (3) requirements for personnel and equipment that should be imposed on  
9 contingency plan holders;

10 (4) appropriate roles for industry and state and local governments in the purchase,  
11 ownership, and positioning of discharge response efforts.

12 \* **Sec. 3.** Section 31, ch. 191, SLA 1990, is amended by adding a new subsection to read:

13 (b) The report required under (a) of this section must also include an analysis of the probable  
14 economic costs and other economic effects imposed on the vessel and barge owners and operators, and  
15 the persons they serve, by this Act's new requirements for contingency planning and proof of financial  
16 responsibility for tank vessels and oil barges that carry noncrude oil in bulk as cargo.

17 \* **Sec. 4.** Section 32, ch. 191, SLA 1990, is amended to read:

18 Sec. 32. TRANSITIONAL PROVISIONS. (a) AS 46.04.030(k) - (m), enacted by sec.  
19 10 of this Act, do not apply to oil discharge prevention and contingency plans for crude oil  
20 operations until June 1, 1991. On and after June 1, 1991, a contingency plan for a crude oil  
21 operation must comply with AS 46.04.030(k) - (m), enacted by sec. 10 of this Act, regardless  
22 of whether the contingency plan is due for renewal under AS 46.04.030(d), as amended by sec.  
23 9 of this Act.

24 (b) The amendments to AS 46.04.040, made by secs. 11 - 18 of this Act, do not apply  
25 to persons required to show proof of financial responsibility for crude oil operations until  
26 June 1, 1991. On and after June 1, 1991, proof of financial responsibility for a crude oil  
27 operation must comply with AS 46.04.040, as amended by secs. 11 - 18 of this Act, regardless  
28 of whether acceptance of proof of financial responsibility has expired under AS 46.04.040(f), as  
29 amended by sec. 16 of this Act.

30 \* **Sec. 5.** Section 32, ch. 191, SLA 1990, is amended by adding new subsections to read:

31 (c) AS 46.04.030(k) - (m), enacted by sec. 10 of this Act, do not apply to oil discharge

1 prevention and contingency plans for noncrude oil operations until June 1, 1992. On and after June 1,  
2 1992, a contingency plan for a noncrude oil operation must comply with AS 46.04.030(k) - (m), enacted  
3 by sec. 10 of this Act, regardless of whether the contingency plan is due for renewal under  
4 AS 46.04.030(d), as amended by sec. 9 of this Act.

5 (d) The amendments to AS 46.04.040, made by secs. 11 - 18 of this Act, do not apply to persons  
6 required to show proof of financial responsibility for noncrude oil operations until June 1, 1992. On and  
7 after June 1, 1992, proof of financial responsibility for a noncrude oil operation must comply with  
8 AS 46.04.040, as amended by secs. 11 - 18 of this Act, regardless of whether acceptance of proof of  
9 financial responsibility has expired under AS 46.04.040(f), as amended by sec. 16 of this Act.

10 \* Sec. 6. This Act takes effect immediately under AS 01.10.070(c).