

CS FOR SENATE BILL NO. 384 (FINANCE)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 5/11/92
Referred: Rules

Sponsor(s): SENATOR MENARD

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the financial assistance program for underground storage tanks and
2 storage tank systems; and authorizing use of not more than \$5,000,000 of the oil and
3 hazardous substance release response fund to support certain activities related to the
4 underground petroleum storage tank program during FY 1993; and providing for an
5 effective date."

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

7 * Section 1. AS 46.03.410 is amended by adding a new subsection to read:

8 (d) In the award of grants and loans authorized by (b)(2) and (3) of this section, subject
9 only to the requirement under AS 46.03.420(a) that tank systems presenting the greatest threat
10 or potential threat to human health shall be given first priority, the commissioner shall give a
11 preference to

12 (1) applicants who can demonstrate financial need, a lack of available alternative
13 financial assistance, and an inability to qualify for self-insured status under applicable federal and
14 state regulations; and

1 (2) owners of one facility with fewer than 12 underground storage tanks.

2 (e) The provisions of (d) of this section do not apply to municipalities and school
3 districts that own or operate tank systems and apply for a grant or loan under this section.

4 * **Sec. 2. USE OF OIL AND HAZARDOUS SUBSTANCE RELEASE RESPONSE FUND FOR**
5 **UNDERGROUND PETROLEUM STORAGE TANK CLEANUP PROGRAM DURING FISCAL YEAR**
6 **1993.** (a) In addition to the objects of expenditure for which the commissioner of environmental
7 conservation may use money in the oil and hazardous substance release response fund established in
8 AS 46.08.010, the commissioner may, after June 30, 1992, and before July 1, 1993, use not more than
9 \$5,000,000 of the money from the fund to pay for the grants and loans described in AS 46.03.410(b)(2)
10 and (3).

11 (b) Notwithstanding AS 46.08.070(a), the commissioner of environmental conservation is not
12 required to seek reimbursement under AS 46.03.760(c), AS 46.08.070, or federal law of money spent
13 under (a) of this section if the commissioner finds that

14 (1) the owner or operator of an underground petroleum storage tank system has been in
15 compliance with all state and federal laws applicable to underground petroleum storage tank systems and
16 releases from them, including notification and registration laws, but excluding financial responsibility
17 requirements; and

18 (2) the grant or loan made under AS 46.03.410(b)(2) or (3) was not made to correct an
19 underground storage tank release attributable to the owner's or operator's gross negligence, recklessness,
20 or intentional conduct.

21 (c) The prohibition of AS 46.08.010(c) against use of money in the oil and hazardous substance
22 release response fund for capital improvements does not apply to the grants authorized by (a) of this
23 section.

24 * **Sec. 3.** Section 2 of this Act is repealed July 1, 1993.

25 * **Sec. 4.** Section 1 of this Act takes effect immediately under AS 01.10.070(c).

26 * **Sec. 5.** Sections 2 and 3 of this Act take effect July 1, 1992.